



## Episode 630: The Legalization Cure for the Heroin Epidemic

Guest: Mark Thornton

**WOODS:** What a provocative article you have, but of course it seems like I say that to you every time you're on. It's been quite a while. This is Episode 630, and we're going to link to your article on legalizing heroin and that being the cure to the heroin epidemic that we're seeing, and TomWoods.com/630 will be the show notes page, and you can read that article. And you know, there is something to this idea of the significance of heroin these days, because we're hearing about it not just – as you say in the article, not just in places where you might expect to find it, you know, in the seedy corners of society, but you're finding it really all over the country. In fact, Donald Trump said that when he was in New Hampshire, the parents were all coming up to him and telling him about a heroin epidemic there, so it's just all over the place. How do you account for that? I mean, that phenomenon seems to be beyond dispute. How do you account for that? Why is that happening?

**THORNTON:** That's right, Tom. It's spread out from the inner cities into the suburbs, and now it's all around the country in places you'd never expect it. 50,000 deaths from overdose on drugs, both legal and illegal drugs, and we're finding it now in places like fishing villages in Maine, coal mining villages in Pennsylvania and West Virginia. And the reason is that doctors are prescribing opiate drugs, which is very much like heroin, to people who get injured, people who have broken bones, people who get in accidents. And they're given these opiate drugs, like OxyContin and Vicodin, and they get addicted basically to drugs, legal drugs, and then eventually they're cut off once their limbs are healed, their scars are mended and so forth.

And then what do they do then, if they can't get anymore of the OxyContin and Vicodin? Well, they turn to the streets. They look for illegal OxyContin and Vicodin, and then they find that that's too expensive, \$10 to \$25 a pill, and so then the next best alternative is heroin. And heroin of course is a very, you know, it's produced in the black market, and so people don't know what the potency is or what's in the product, and so that's where the deaths start to occur. And we lose 50,000 people overall, which is more than the Americans lost in the entire Vietnam War every year and more than 10,000 deaths due to heroin overdoses, so it's just a seedy, awful, shameful aspect of what the war on drugs is all about.

**WOODS:** Yet it seems to be counterintuitive to think that trying to prohibit dangerous substances could have effects that are not benign? I mean, how do you address

somebody who just comes to this with a naive view that if we simply pass a law against dangerous things, that will keep people safer? Because there does seem to be something plausible about that.

**THORNTON:** Yes, I mean, the go-to response is that if something's dangerous, simply prohibit it. But that doesn't really solve the problem. Once you abolish the free market, where things tend to be safer, produced in uniform capacities, and where producers and sellers have liability for the products they produce, all that vanishes, all those protections vanish, and it's replaced by the black market, where producers don't have that liability and where anything goes, basically, and where the tendency is to try to avoid law enforcement, and hence what producers end up producing is things that are much more concentrated, much more potent, and where there's no liability for the contents or the safety of the product. And as a result, the heroin that actually reaches the marketplace through the black market is highly potent, very dangerous.

And we can see this perhaps a little more clearly when we look at something tamer like marijuana, where before the war on drugs, the potency of marijuana was less than one half of 1%, and now the potency is about 10%. So it's an enormous increase in potency, because producers, sellers, distributors, they want that marijuana to be as potent and as small as possible. And so the war on drugs creates this tangible incentive to create very potent, highly concentrated, and therefore dangerous products. And we see the end game of this in things like cocaine and heroin, where the black market incentives have produced a marketplace filled with highly potent and very dangerous drugs.

**WOODS:** I think a common argument people are increasingly making these days, now that it's become almost mainstream – maybe it is mainstream – to support to legalization of marijuana, is to say, well, I favor the legalization of marijuana but not these more dangerous drugs. So is the kind of argument you've just been making here the response that you'd make to that type of argument?

**THORNTON:** Well, I think it's very important to legalize marijuana for medical purposes and recreational purposes, but I think the same thing applies to harder drugs like heroin. It can be conducted within the context of addiction treatment, but doctors no longer have that alternative. Before the Harrison Narcotic Act of 1914, there was a lot of addiction, it was a problem, and doctors were allowed to have maintenance programs for addicts and withdrawal programs for addicts. And so you really need to think in terms of the context of legalizing all drugs, especially marijuana, because marijuana is thought to be one of the best ways of getting people off of heroin. And heroin is certainly a viable medical product for treating pain and all sorts of other things, but it is addictive, and so we have to have ways of getting people who are through medical treatment or for whatever reason have become addicted to heroin, we have to have ways to get people off of those addictions.

And marijuana is one of the best ways, because it treats all of the symptoms of opiate withdrawal and also pain, and so you really have to think in the context of the overall picture, and the overall picture is that in places where marijuana for recreational and

medical uses is legal, the number of deaths due to heroin overdoses is far less. I've seen a study, for example, that says that heroin overdoses are 25% less in states that have legal marijuana. So you need to think big picture. Government war on drugs has not worked. It's created an enormous problem, and legalization is the key answer.

**WOODS:** Toward the end of your article, you say that there's at least numerous reasons that we ought to expect there to be fewer heroin overdoses in a regime of legalization, and again, that's going to seem counterintuitive to people. Why would there be fewer overdoses?

**THORNTON:** Well, primarily because heroin produced in the free market rather than the black market would be consistent; it would be measured; it would be weighed; the potency would be advertised; addicts would know what they're taking, what they're getting. Consumers basically would know, and the primary problem of heroin overdoses is the result of consumers not knowing the products they're consuming, how potent they are, what they contain. In the black market, for example, heroin can be boosted by adding other legal drugs to it. Heroin addicts aren't told that they shouldn't be drinking while taking heroin, that they shouldn't be mixing the drugs together. Heroin producers would be required to provide certain information about their products, and they would be liable for a lot of injuries that they caused as a result of negligence on their part. So the free market provides lots of safeguards that are nonexistent in the black market, and prior to the war on drugs, prior to the Harrison Narcotic Act of 1914, pharmaceutical companies sold heroin, and it did cause addiction, but the number of overdoses was very, very rare.

**WOODS:** All right, I want to ask you, Mark, how you'd respond in this scenario. Somebody approaches you and says, you know, you libertarian academics, you're living in some utopian la la land, because I had a brother who was addicted to heroin and his life was in the toilet and everything was going badly for him and he was totally out of control. And prison was the best thing for him. It cleaned him up, it got him off it, and now he's leading a productive life, whereas in your situation he'd still have a terrible life. He'd be addicted, he'd be a junkie, but thanks to the war on drugs, this forced him out of his behavior, and now look, he's an upstanding member of society.

**THORNTON:** Hey, when a heroin addict goes into prison, it's a horrific experience, because the prisons of course don't provide the types of treatment that would be available in a free market situation. So that's a horrific choice – or non-choice, I should say – and really doesn't address the real problem. There are lots of people in the United States who can afford pharmaceutical-grade heroin who are heroin addicts that do just fine. It's not a horrific life. The horrific life is due to the type of product that people are consuming, the situations that they're in, the fact that they can't afford their escalating habits. That's what causes the degenerative aspects of heroin addiction. In a free market, where the product is pharmaceutical-grade and where people can afford it, their addiction doesn't degenerate into those kinds of scenarios.

The big problem really that we're facing now and with these 50,000 people dying every year is the fact that the government has changed medical practice so as to get people

hooked on opiates in the first place, opiates like OxyContin and Vicodin. That's the real problem, is that through government influence doctors are now encouraged to create these new addicts. That's where we need to stop the problem primarily, is to first of all stop addicting people in the first place, and then allow for a free market environment so that people can get themselves unaddicted to these dangerous addictive drugs.

**WOODS:** You know, sometimes there are aspects of the libertarian message that are tough for people to take, like legalizing certain behaviors and practices and services and so on, and they just imagine that these behaviors and services will be offered, you know, outside every elementary school and so on. But of course, no private society would arrange itself that way. If you want these sorts of things, you have to go to a particular part of town, and that's just the way people are going to arrange their lives, so likewise, when we think about what would life be like if the war on drugs came to an end – and let's imagine a society, by the way, like a pure libertarian society. There's no government at all, no public spaces at all, everything's privately owned. What does that look like? Does it mean – I think people have trouble imagining what that world looks like. Does it mean that I can go down the street and there'll be a vending machine sitting there where I can put some money in and get some heroin? What would it look like?

**THORNTON:** Well, in a free market, in a true free market, it's very likely that the heroin producers would want to have some sort of quality control, so that they only sold their product through, for example, where you needed to have a consultation with a pharmacist or a doctor or a drug addiction specialist before you were able to actually access heroin of certain forms. Now, it may also be the case where producers would be willing to sell you, for example, a pill of heroin of a certain potency, so that you could just go into a pharmacy and pick it up and buy it. And of course there are many legitimate reasons for such a thing. Or maybe a heroin syrup for cough suppressions.

And so it's very likely due to legal restrictions, in terms of negligence and liability, that the producer side would only be willing to produce on a large scale under the constraints that they imposed on the retailers and the suppliers, the pharmacists, the doctors, and so forth, and that they wouldn't be willing to just sell, you know, enormous amounts of heroin and other dangerous drugs in a vending machine or any other open access type of sales. And so the access would not be completely open, because Wal-Mart would not be willing to sell highly potent forms of heroin to an 11-year-old girl. It's just not plausible or feasible that that would be the outcome in a free market because of the legal restrictions, the liability, the negligence laws would be controlling or regulating on those kinds of situations.

**WOODS:** Mark, listeners are hearing you and me on a very important day that happens every year in the Mises Institute. It's the opening day of the Austrian Economics Research Conference, formerly the Austrian Scholars Conference, and I wonder if you could take a minute to tell us a little bit about that. We're going to link – we'll tell you the link now, but I'm going to also put it at [TomWoods.com/630](http://TomWoods.com/630). People can see

the named lectures, not all the individual sessions, but the named lectures live at [Mises.org/live](https://mises.org/live). So tell us about what the conference is all about and who's speaking this year.

**THORNTON:** Tom, it's very exciting. It gets better every year, really. Young scholars coming to produce new research and presenting it very often for the very first time and making inroads in economics, philosophy, history, and other disciplines. And this year's conference is really something to see. If you can't make it here Thursday, today, Friday, and Saturday, you can watch it on the Internet at [Mises.org/live](https://mises.org/live), and I know, Tom, you're very familiar with Jeff Herbener, Guido Hülsmann, Paul Gottfried. I mean, those are some amazing minds that I'm sure many of your listeners are very familiar with.

**WOODS:** Oh, they've all been guests, and my heart is breaking that I'm not there with you guys.

**THORNTON:** I know, Paul Gottfried, just amazing. Guido Hülsmann —

**WOODS:** Oh, hold on a minute. Actually that reminds me, Mark. You need to do me a favor some time today. Actually, Guido has not been on the show. You've got to bug him about that. Can you promise me that you'll do that?

**THORNTON:** I promise you, Tom. Guido is —

**WOODS:** (laughing) Okay, carry on then.

**THORNTON:** Guido is an amazing intellect that I had the privilege of being next door to him in my office at the Mises Institute, and his biography of Ludwig von Mises. Jeff Herbener, there's probably no mind that is sharper than Jeff Herbener's, and I know he's been on your show and part of your Classroom, and just an amazing teacher and intellect. And they're all giving the live lectures that your guests can see. But the two that they probably aren't aware of, one is Bruce Yandle. And Bruce is not an Austrian economist, but he's certainly a free market through-and-through economist, sort of a Virginia school, public choice. He's the guy who invented the whole Bootleggers —

**WOODS:** Bootleggers and Baptists. Yeah, I knew I'd heard that name before. Okay.

**THORNTON:** Yes, he's an amazing economist, and his insight in terms of economics and politics is something that you really can't see anywhere else. He is just above it all, and I can't wait to see what he has to tell us. And the final guest lecturer is David Cowan, somebody who I'm really not familiar with that I haven't heard of, but he has a doctorate in theology and international relations at Oxford University, and so that's very intriguing. And he's written books, he's worked for large corporations, and he is the author of the forthcoming biography of Frank Knight, *Prophet of Freedom*, so this is very intriguing for me, and it's something that is I think going to be very special at the Austrian Economics Research Conference. And so I would encourage you, if you can get to Auburn by this afternoon to come on down, because it's going to be a lot of fun,

and it's always very, very interesting and surprising, and I wish you could be here this year, Tom.

**WOODS:** It's really exciting. I hope people will check out the live feed at [Mises.org/live](https://mises.org/live). I'll have it at [TomWoods.com/630](https://TomWoods.com/630). But I wonder if before you go, can you just explain to people what the Bootleggers and Baptists thesis is, because we threw that phrase around, and I bet it's probably new to a lot of people.

**THORNTON:** Yeah, Bruce came up with this, Bruce Yandle, and it's basically the idea, the very simple, common sense idea that both Baptists ministers and Baptists themselves who are opposed to alcohol and bootleggers who are providing illegal alcohol both have the incentive to create prohibition against alcohol and to enforce prohibition against alcohol, because the Baptists don't want people drinking alcohol, and the bootleggers want prohibition in order to drive up the price of alcohol. So they both have this unseemly common interest in prohibiting alcohol – or whatever else it is. It could be oil production in Alaska, for example, where the oil companies and the environmentalists both want to prohibit drilling for oil in Alaska and other places. It's very interesting and important.

**WOODS:** Well, I'm really glad he's going to be there. That's another reason I'm sorry not to be in attendance, but one of these years I'll be able to make it work and join you guys once again. Well, again, I want people to check out your article at [TomWoods.com/630](https://TomWoods.com/630), because it's a shocking thesis, and yet when you read it it's hard to think of what the flaw is. And that's true about a lot of libertarian ideas, that you hear them and you say, what in the world. But then you start really peeling them back, and you say, well, maybe there is something to this whole thing. All right, Mark, we've got to make sure that next time we don't have quite as much time go in between appearances on the show. I'm always glad to talk to you, and enjoy the conference.

**THORNTON:** Thank you very much, Tom.