FY ‘08 Drug Budget

CARNEVALE ASSOCIATES LLC

Policy Brief

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FY 2008 Federal Drug Budget: Prevention Funding Continues to Decline

Overview

The Office of National Drug Control Policy (ONDCP) has proposed a federal fiscal year (FY) 2008 drug budget which raises new questions about the direction of national drug control policy. The request for FY 2008, which begins on October 1, 2007, reflects a sharp decline in prevention resources as well as continued increases in overseas and interdiction programming, a puzzling strategy when major drugs of abuse—prescription drugs and marijuana—are mostly domestically produced. For the first time since the mid-1980s, when the federal government started systematically tracking federal drug control spending, the federal request for drug control actually *declines* with the FY 2008 request of $12,961.4 million representing a $166.7 million cut over the FY 2007 level.

Perhaps most puzzling, however, the FY 2008 budget trend goes against well-established principles of effective drug control policy, including the need for a comprehensive balanced approach between interdiction, law enforcement, overseas programs, and prevention and treatment programming. Specifically, the FY 2008 budget request continues the Bush administration’s long-term trend of shifting resources away from demand reduction (treatment and prevention programs that seek to discourage individuals from trying illicit substances or to help existing drug users stop) toward supply reduction (programs that attempt to stop the flow of drugs from entering the country or disrupt domestic drug markets). Are ONDCP’s increased requests for monies that support supply reduction programming beyond our borders a reflection of the administration’s perception that the drug war is best fought outside our borders rather than within them?

Supply Reduction Increasing

Since FY 2002, ONDCP has placed its greatest emphasis on preventing drugs from entering the United States even though domestic drug consumption is fueled mostly by drugs produced or cultivated domestically. Resources for interdiction programs that stop drugs from entering the nation grew the most—by 72 percent—from $1,913.7 million in FY 2002 to $3,292.1 million in FY 2008. International programs targeting illicit drugs in source countries, like heroin and cocaine, grew by 29 percent, increasing by $314.8 million. Domestic law enforcement resources to disrupt domestic drug sales and production grew by 27 percent, an increase of $785.0 million over the same period.

Supply reduction resources increased by $2,478.2 million, or 42 percent, over the FY 2002 to FY 2008 period. The largest initiative for supply reduction in this year’s request is for $91 million to hire, train, and equip 3,000 new border patrol agents (450 of whom will work to stop drugs from entering the nation along its borders). The Drug Enforcement Administration gets $166 million more, mostly to combat trafficking along the southwest border and for methamphetamine enforcement operations. Modest increases are also requested for alternative crop development, especially in Afghanistan.

Supply reduction’s share of total resources has increased since FY 2002, from 55 percent of the total drug budget to 64 percent by FY 2008. This shift is even more dramatic when one factors in the change in the methodology used by the drug czar’s office to estimate total drug control spending. In 2003, the drug czar’s office modified the methodology in a way that counted fewer resources previously scored as supply reduction programs. In other

Quick Facts

- After two decades of increases, the FY 2008 request of $12,961.4 million cuts the drug budget by $166.7 million compared with FY 2007; it is less than the FY 2006 level by almost $38 million.
- Supply reduction programs, especially those that attempt to stop illicit drugs from entering the nation, continue to be emphasized—64.4 percent of the FY 2008 request is for supply reduction.
- The FY 2008 budget request reduces total prevention resources from $1,859.0 million in FY 2007 to $1,575.1 million in FY 2008; a $283.9 million reduction; since FY 2002, resources for drug prevention have declined by 21 percent, or by $421.3 million.
- Since FY 2002, total resources for demand reduction have declined by $163.2 million; over the same period, resources designed to stop drugs from entering the nation and to disrupt local drug markets increased by $2,478.2 million.
- Since 2002, interdiction increased the most by $1,378.4 million; it now comprises 25 percent of the total drug budget request for FY 2008.

Prevention De-Emphasized

words, the new methodology undercounts supply reduction's share of the total budget. In its reauthorization of the drug czar's office last year, Congress required ONDCP to return to a more comprehensive accounting of drug control resources. Such a change will then reflect a much larger share of resources counted as supply reduction.

Demand Reduction Cut

Funding for demand reduction is cut over the FY 2002 to FY 2008 period. Total resources decline by $163.2 million, or 3 percent, from $4,781.0 million in FY 2002 to $4,617.8 million in FY 2008. The decline in demand reduction is driven entirely by a reduction for substance abuse prevention. Over the FY 2002 to FY 2008 period, resources for prevention decline by $421.3 million, or 21 percent. The Safe and Drug Free Schools and Communities (SDFSC) State Grants program would be funded at $100 million in FY 2008, representing a cut of $251.6 million compared to last year. The Substance Abuse and Mental Health Services Administration's (SAMHSA) Center for Substance Abuse Prevention discretionary program is cut by $36 million.

Treatment resources increase modestly by $258.1 million—9 percent—over the FY 2002 to FY 2008 period. These resources are important for reducing the rate of addiction, which remains unchanged since FY 2002. Funding is maintained for the Substance Abuse Prevention and Treatment Block Grant, but discretionary resources provided by the Center for Substance Abuse Treatment are cut by $47 million. The request does propose to continue SAMHSA's Access to Recovery (ATR) program at last year's $98 million level and includes an increase of almost $12 million for the Screening, Brief Intervention, Referral and Treatment (SBIRT) program.

Intent versus Reality

At the outset, the Bush Administration did intend for a more balanced strategy that included a much stronger emphasis on demand reduction. According to "Turning the Tide of Drugs," which was released in 2001 by then-presidential candidate George Bush, the new administration intended to implement a much more balanced approach that included the following for treatment and prevention.

- **Promise: Increase funding to help close the treatment gap by providing an additional $1 billion in new resources over five years.** Resources for treatment increase by only $258.1 million, $742 million less than was promised.
- **Promise: Promote teen treatment programs by providing $250 million over five years to organizations that administer residential substance abuse treatment programs.** To date, no resources have been requested for this campaign promise.
- **Promise: Increase funding by $50 million for Drug Courts.** The FY 2002 enacted level for drug courts was $50 million. The estimated enacted level for FY 2007 is only about $9 million. This year's budget proposal eliminates the program entirely by shifting its resources into the newly proposed Byrne Public Safety and Protection Grants program.
- **Promise: Increase funding by $100 million to make schools drug-free.** Instead of increasing resources, the drug czar's office guts the program. It is recommending funding state grants at $100 million compared with the $351.6 million funded last year.
- **Promise: Increase funding for the Drug-Free Communities program to $350 million.** The FY 2008 request for the Drug-Free Communities program is $90 million, $260 million less than promised.
- **Promise: Promote drug-free workplaces by providing an additional $25 million in grants over five years to states and nonprofit organizations working with small businesses.** To date, no additional resources have been requested for this campaign promise.
- **Promise: Increase funding for the National Institute on Drug Abuse (NIDA) to $1.07 billion by FY 2003.** As of FY 2008, five years later, the request for NIDA is $1,000.4 million, almost $70 million less than what was promised for FY 2003.

Had ONDCP followed through on these promises for treatment, education, drug-free communities, and drug courts, the share of the budget devoted to demand reduction would have been approximately 42 percent in FY 2008, rather than the 36 percent currently budgeted.

Conclusion

National Drug Control Strategies have been produced annually since 1989, with each one defining demand reduction as a priority. In addition the Strategies increasingly recognized the importance of preventing drug use by youth. Why would the current drug czar continue to create a budget that strongly emphasizes interdiction and international programs as the chief means to address the nation's drug problem---an approach that abandons the principles he fought hard to establish in previous National Drug Control Strategies?

Initial promises made by then-candidate George Bush—as yet unfulfilled—bring the nation to an ineffective net result, one that is similar to what prevailed two decades ago during the Reagan administration when the key approach was to limit the drug supply. No matter how one interprets the FY 2008 drug budget, no federal drug budget, by any political party, can afford to ignore the overwhelming body of research that shows that a balanced approach between supply reduction and demand reduction programs is key to addressing the nation's drug threat—both from within and without the United States.

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