

Supply and demand: lessons from Poland

Poland's recent history can help disentangle the forces that lead to increased drug use

The recent history of opiate use in Poland provides a 'natural experiment' which can help disentangle the relative contributions made by supply and demand forces to levels of drug use. In Poland demand first developed in the absence of supply and then led to a non profit-oriented supply system that did not cause escalating demand and use. As Poland opens up to international market forces the situation may change.

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POLAND'S EXPERIENCE of drug problems has differed in a number of fundamental ways from that of Britain. At first sight its unusual 'home-grown' opiate scene seems unlikely to be relevant to the sorts of issues which policy-makers and others are concerned with in Britain today.

But recent work on the operation of the Polish drugs market¹ has led me to believe that, far from simply providing an exotic case study, drug use in Poland has developed under conditions which amount to a 'natural experiment'. Poland's isolation has provided an opportunity to gain comparative evidence which is otherwise hard to come by.

For example, under normal circumstances it is very hard to independently change demand versus supply-related factors in order to understand the relative effects of each. Poland can contribute here, because it offers a case where levels of use seem to have been almost exclusively demand-driven.

Home-grown opiates

Recreational drug use took hold in Poland as a result of the spread of specific Western cultural values – but also under economic conditions which sealed the country off from the international drugs market more effectively than any supply control policy could possibly do. This says something about the power of the demand for illicit drugs to generate supply against all the odds.

In contrast to some areas of the Soviet Union, traditional forms of drug use have not been part of Polish culture. First signs of an interest in – the beginnings of a demand for – recreational drugs became visible in the late 1960s. But matching supply with demand was not easy. The non-convertibility of Polish currency acted as a barrier to imports of all kinds, including illegal drugs, so for would-be drug users a long search began for what essentially were regarded as substitutes for 'proper drugs'.

A breakthrough was eventually achieved in 1976 when a pharmacology student in Gdansk developed a technique for easily deriving an injectable opiate preparation from poppy straw, a waste product of the opium poppy when grown for seed.

In the spirit in which it was conceived, the substance was dubbed 'Polish heroin', though in fact in the early stages it probably contained no heroin at all, but rather a mixture of codeine and morphine. Despite the technical hitches, demand had at long last generated a peculiarly Polish form of supply.

The technique was subsequently exported to other countries in the Eastern Bloc, but in Poland its discovery did not give rise to an immediate increase in levels of opiate use. Unchanged conditions of supply prevailed for another four years without levels of use markedly increasing. Demand had created supply, but the new supply possibilities did not lead to an immediate escalation of demand.

Not until 1980-81, traumatic years when people were joining Solidarity in their millions, did demand significantly increase and

Cooking up poppy straw in a Warsaw flat



opiate use really gain popularity. The whole Solidarity movement was brought about by the actions of manual workers 'taking on' the government: it was also primarily among this class that drug use increased.²

Non-profit market

If the nature of the drug product in Poland differs from that in the West, so too does the economics of its supply. The peculiarities of the opiate supply mechanism in Poland go a long way towards explaining why supply has failed to create escalating demand.

This mechanism has meant that the amount of ready-made opiates available for the market at any given time is closely tied to the current number of users – a result of the fact that almost all drug users are also drug producers, and the proportion they sell on the market is subject to a number of constraints.

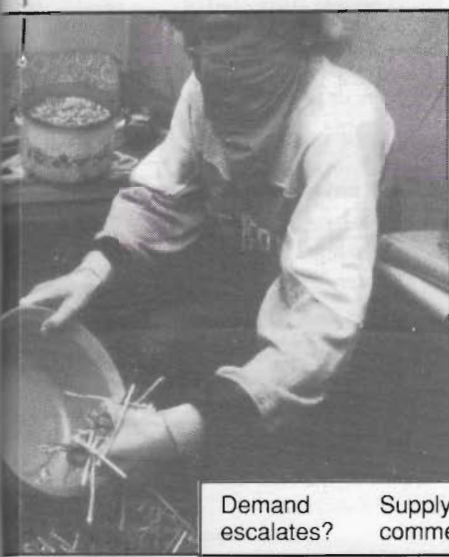
Although most users produce drugs, they do so on an intermittent basis. In Warsaw, where the commercialisation of drug use is at its most advanced, all users buy on the market from time to time. To produce drugs, typically three users form a temporary alliance. One will have access to poppy straw, another will provide a suitably safe flat for converting it to drugs, and the third will sell the proportion designated for the market. After the costs of production have been covered, the profits are split.

New users usually begin by buying on the market, located in a shifting but easily identifiable area of town where sellers and potential customers congregate. However, the economics of drug use – the cheapness of producing one's own relative to buying on the market – dictates that soon they will try to establish their own production alliance.

1. Watson P. "Levels of drug use and the Polish drug market." Paper presented to WHO Consultation on Sociocultural Factors in Drug Abuse, Reims, December 10-12 1990.

2. Watson M. "Drug use and policy in Poland in the 1980s." *International Journal of Health Services*: 1989, 19(3).

3. Watson P., op cit.



Perhaps the most important aspect of this supply process is the fact that *at no point does the accumulation of profit have any role to play*. The farmers sell poppy straw on an opportunistic basis, either in exchange for goods unavailable in the villages, such as lightbulbs or tractor batteries, or to cover extra costs such as a daughter's wedding; drug users produce and sell to support their own drug use and as a means of subsistence.

There are similarities here with the lowest user-dealer levels of drug distribution in Britain. The crucial difference is that there is no commercial superstructure of producers or traffickers in it purely for the money. The result is that there is no tendency to expand the market, so the extent to which levels of consumption are supply-driven is reduced.

This explains the delay between the development of supply (1976) and increased drug use (1980-81). Lack of commercialisation may also have contributed to the marked stabilisation in levels of use since the early 1980s. Official statistics and interviews with drug users in Warsaw last year³ show negligible numbers of new users over recent years – a fact which is all the more striking in view of the continuing and dramatic rises in levels of poverty, unemployment, homelessness and crime.

What the Polish evidence does is to illus-

trate very clearly both the potential and the limitations of measures which aim to control the extent to which supply will generate demand. The point at which this kind of policy ceases to be effective is the point at which increasing demand begins to generate supply – in whatever way it can.

Future uncertain

There is an analogy here with prescribing as a way of regulating drug supply. As traditionally conceived, the 'British system' provided an indigenous non-commercial supply of opiates geared to the number of (heavy) users seen by doctors. With demand met, there was, the theory ran, none left for the commercial suppliers to exploit and expand.

“ At no point does the accumulation of profit have any role to play ”

The difference is that the supply system which has developed in Poland is one capable of responding to a dynamic situation where the demand for drugs is increasing. As a means of regulating supply, prescribing can only cope with a relatively static situation – new non-addicted users must seek their drugs elsewhere.

For this reason it will be extremely interesting to watch developments in Poland over the next few years. Polish currency is now convertible, and as prices and incomes approach parity with the West, the country's potential as a commodity market will become increasingly attractive.

It may be that Poland's existing drug supply system will prevent the incursion of the international drugs market, as the British system of prescribing was unable to do in the 1970s. We might even see the 'Polish system' increasingly take hold in neighbouring countries, affording them too a measure of 'protection' against the international drugs traffic. (Experience in Austria, where poppy straw is smuggled in from Hungary to provide the basis for 'poppy-head soup', and where levels of heroin use are relatively low, suggests this is a possibility.)

The alternative scenario is that the international market will generate its own demand. Changes in the nature of the substances used, not simply an increase in use per se, will give an indication of this. What emerges will have relevance for how one interprets the United Kingdom's own historical experience. ■

Demand forces have dominated the development of opiate use in Poland – but can that survive the internationalisation of drugs markets?

