Chapter – VI

Conclusion and Recommendations

The days are gone when many scholars including Economists used to believe that crime studies do not fall under the domain of Economics. Rather, with the range of Economics touching almost every field of studies, crime studies too have captured an immense interest during the last few decades. The present study of Economics of cannabis forms an important aspect of such emerging areas of research. The Narcotic Drugs and Psychoactive Substances

\[1\] In this context, a recent book writes: “Economics is defined by its theoretical approach, rather than its subject matter. Economics is a study of rational choice, that is, choice made on the basis of deliberate, systematic calculation of the maximum extent to which the ends can be met by using the inevitably scarce means. The subject matter of the calculation can be anything – marriage, having children, crime or drug addiction, as Gary Becker, the famous Chicago economist and the winner of 1992 Nobel Prize in Economics, has written about – and not just ‘economic’ issues, as non-economists would define them, such as jobs, money or international trade. When Becker titled his 1976 book The Economic Approach to Human Behaviour, he was really declaring without the hype that economics is about everything.

“This trend of applying the so-called economic approach to everything, called by its critics ‘economics imperialism’, has reached its apex recently in books like Freakonomics. Little of Freakonomics is actually about economic issues as most people would define them. It talks about Japanese sumo wrestlers, American schoolteachers, Chicago drug gangs, participants in the TV quiz show The Weakest Link, real estate agents and the Ku Klux Klan.

“Most people would think (and the authors also admit) that none of these people, except real estate agents and drug gangs, have anything to do with economics. But, from the point of view of most economists today, how Japanese sumo wrestlers collude to help each other out or how American schoolteachers fabricate their pupils’ marks to get better job assessments are as legitimate subjects of economics as whether Greece should stay in the Eurozone, how Samsung and Apple fight it out in the smartphone market or how we can reduce youth unemployment in Spain (which is over 55 per cent at the time of writing). To those economists, those ‘economic’ issues do not have privileged status in economics, they are just some of many things (oh, I forgot, some of everything) that economics can explain, because they define their subject in terms of its theoretical approach, rather than its subject matter.” - Ha-Joon Chang, Economics: A User’s Guide: A Pelican Introduction, (Penguin Group: Pelican Books 2014, p. 1-2.)
Act, 1985 prohibits the consumption, sale and cultivation of ganja. Despite its prohibition, the cultivation of ganja has been a significant economic activity in the Ukhrul district of Manipur for quite a few decades. Further, researches on the once limitedly-acknowledged therapeutic potential of cannabis have recently advanced significantly. The studies have provided immensely wide-ranging results labelling cannabis as an alternative promising treatment for various diseases particularly where the conventional treatment has failed. Within development studies, literature and evidences show that there is a close association between production of illegal drugs and underdevelopment. In the present case, while cultivators’ preference to remain criminals poses an open challenge to the operation of the law prohibiting it, the issue of production gets complex as it relates to the livelihood of the people. At the backdrop of the given background, it becomes a prime necessity to evaluate the ground realities of the issues so as to identify the nature and extent of the problem.

Review of literature shows several reasons being put forward as to why drugs are prohibited with its main focus pointing to health concerns. The different theories of the illegal drug markets too have given challenging notion of rationality in many ways. The nature and organisational set up of a drug market depends on the prevailing culture, skills and ideology of the market participants and also on the milieu in which trade takes place. Moreover the never ending debate between the existing policy of prohibition
and legalisation goes unabated with the anti-prohibitionists arguing for alternative policies of non-prohibition. Though drugs’ association with cultures, traditions and religions since time immemorial is acknowledgeable, drug trafficking, nevertheless poses as an undeniable threat to all nations.

The study results show that in the area where ganja cultivation takes place, the economic condition is precarious and backward with poor road connectivity and non accessibility to markets. Both the level of income of the respondents and their households from legal sources are found low with a larger proportion of big-sized family falling in the lowest income groups and the main economic activity being cultivation work. Moreover, the people have access to a limited standard of basic amenities and with no medical facilities. Given such condition, cultivators engage in cultivation of ganja because they find it as the only commercial product that promises cash.

The study also shows the main economic features of ganja cultivation and its cultivators. Subsistence economy still exists to a great extent where respondents grow agricultural crops only for domestic consumption and not for sale. Ganja, which is labour-intensive, one year durational crop, is grown as the sole commercial crop. However, its production is not meant for domestic consumption and cultivators are not abusers of it. Cultivation is done only in public land. Other than using chemical fertilizers, the mode of cultivation still depends on outmoded and traditional ways and techniques.
Majority of the cultivators use self and family labour, with barter system of labour very common among them.

It is found that cultivators resort to this illegal venture as a means of survival, given the poor road connectivity, no market access and non-availability of better opportunities for livelihood. In fact, poverty, unemployment and lack of development account for the reasons of the cultivators to remain criminals (in the sense of cultivators of an illegal plant) creating a situation where the issue of morality is compromised by the compulsion of livelihood.

The study not only indicates a strong positive relationship between the level of income from ganja and the level of household income, but also one sample t-test shows ganja cultivation constituting a dominant source of income for the cultivators’ households. Both the results are statistically highly significant.

The present study also focuses on the intensity of cultivation of ganja of the respondents. To determine the intensity of cultivation of ganja in more realistic measure, a composite index consisting of 6 related variables is computed. It shows that there exists a positive relationship between the level of income of the households and the intensity of ganja cultivation, i.e., higher income groups having more capacity to invest on labour and other inputs.
The organisational set up of a local ganja market is found to be simple and open with its trade carried out smoothly in the village itself with the intermediaries working in between the buyers and the sellers. It is found that, though price and demand of ganja products fluctuate, there exists no difficulty in transacting ganja products in the local market. However, it is believed that the lion’s share of profit from ganja cultivation is appropriated by the higher dealers or other groups, with only a marginal share of revenue going to the cultivators. Moreover, cultivators are vulnerable to certain risks: law enforcement related risks, health risks including morality and conscience risks. So the lack of capital to invest in the business and the associated risks of trafficking and business make the returns higher for the higher dealers in the entire network of the business.

Evidences showing law enforcers and politicians being involved in illegal drug trafficking deactivates and paralyses the whole system of drug law enforcement policies in the region. With the law enforcing agencies acting as the protecting agent of the ganja cultivation and trade too, only traffickers who could afford to buy protection prosper in the illegal business.

Measures to eradicate illegal drug production taken up by law enforcing agencies include raiding houses of producers, arrests, seizures and incarceration, etc. However, the accountability of the existing legal and judicial system of the land has been questioned as it is found that ganja related arrestees
are all found released within less than three months, even though, the crime is a non-bailable offence. Moreover, law enforcement activities are also found violating the fundamental human rights of the ganja related offenders.

6.2. Recommendations:

1. The present study results recommend legalisation of ganja in Manipur. This is expected to yield positive outcome. “Legalisation is not about handing out drugs like giving sweets to schoolchildren, or offering a sentimental view of addiction as if addicts were victims of some great conspiracy, or even a way of removing responsibility. It is about reducing crime and corruption, improving health and reducing cost”\(^2\). The step can be taken up in a similar manner where plantation of poppy plants is legalized in some States of the country like Gujarat, Madhya Pradesh and Uttar Pradesh. There could be a well regulated and controlled market for ganja under the sole monopoly of the state. Consumption, trafficking, sale and purchase, etc. can still be prohibited while legalising its plantation.

   Legalisation will be beneficial mainly in four ways:

   Firstly, it will generate a substantial amount of revenue for the State legally which otherwise gets disseminated in the black market breeding unaccounted illegal money in the economy.

\(^2\)Philip Bean, “Legalising Drugs: Debates and Dilemmas” (Bristol/Portland: The Policy Press 2010)
Secondly, the cultivators who cultivate ganja for survival purposes will no longer remain criminals. They will have the pride in engaging in it as their rightful profession. Moreover the cultivators will receive appropriate and fair revenue from its cultivation. Exploitation of small cultivators that exist in the local level may also vanish.

Thirdly, the evils of running a black ganja market will be eliminated to a considerable extent. Unreported violence and other crimes associated with its illegality will be easier to be tackled with. Corruption in the ganja market generally will be reduced. However it is expected that even after ending prohibition, there is still a possibility of some dealers tempted to go underground, if the price set legally is much less than the price in the illegal market. But it becomes much easier for law enforcers to deal with traffickers once the good is made legal.

Fourthly, legalisation would enable for exploration of the therapeutic potential of the cannabis plant and the production of ganja products will be diverted for fair and more beneficial uses which now only feed the illegal market.

2. Development of transportation and communication in the area should be a must. This becomes the most important remedy for its underdevelopment and backwardness. Non-accessibility of markets and poor network of transportation is found to be one the root causes of the main economic
problems. Bringing all round development in the area will reduce participation in illegal activities.

3. While awareness and sensitization programmes of the drug problem can be held at the grass root level, opting for more realistic and feasible law enforcing policies on drugs is necessary. Taking up measures to fight corruption practised in the business of running an illegal ganja market should also be considered.

4. Arranging alternative means of livelihood and providing the basic amenities of life and taking development programmes to the corner most part of the area where ganja cultivation is taking place will help raise the economic standard of the people. This may in turn help bring the cultivators from their illegal engagement to the legal zone.

6.3. Limitations of the Study:

Every possible care has been taken for the accuracy and accountability of the work. However, the present work is not free from limitations, which are given below:

a) *Self-reported surveys:* The study is based on self reported surveys and results which generally have a high tendency to hide or exaggerate things as they are accompanied with no scientific evidence. Though adequate precautions are taken to avoid these, there could still be
elements of some respondents indulging in it to suit their own purpose.

b) Limited coverage: The study covers only Ukhrul district and is based on a cross sectional data collected from a village. Moreover, it studies only a small localised ganja market and the complex network of the marketing system beyond this is out of reach of the study.

c) No standard measure of land: owing to the prevailing property rights regime of land, there is no standard measure of the size of the land. This makes estimation of the accurate size of the land under cultivation of ganja rather difficult. A more accurate picture of the size of the land might affect the results of the intensity analyses.

d) Measuring only monetary income: Another shortcoming of the present study is the non-monetisation of commodities. Barter system is still practised in various ways. This creates misleading measurement. Real income in the form of production for self consumption is not included while measuring income of the respondents. It nevertheless gives the rough picture of the economic status of the respondents.

e) Non-generalisability: The present qualitative study faces the issue of generalisability. Nevertheless, it can be claimed that a better understanding of the phenomenon has been created in an area where there is still no scientific research.
New researches with a component to address these weaknesses would be academically rewarding and important for policy formulation.