The Gentrification of Drug Markets


Researchers investigating sales of illegal drugs on Manhattan’s Lower East Side have found that the current business model more closely resembles Domino’s Pizza than the stereotyped media image of the urban drug market. Rapid gentrification of the area, they found, has brought a new set of characters to the drug trade: white middle-class customers, who are now the majority of area buyers and want the convenience of home delivery. Although some long-time users still prefer crack and heroin, the three top drugs here now are marijuana, powder cocaine, and ecstasy.

Richard Curtis and Travis Wendel, anthropologists with the John Jay College of Criminal Justice, studied drug transactions on the Lower East Side and in the East Village from January 1999 to January 2001. This was a period of dramatic reductions in every category of crime in New York City. Curtis and Wendel discussed their findings at an NIJ Research in Progress seminar.

The researchers combined direct observation with qualitative interviews, talking with 73 dealers and 93 users of various drugs. About half of those interviewed were white and the rest were African American, Hispanic, or mixed heritage. Only five were female, and all were 18 or older. Naturally, many of the dealers and users approached for interviews were reluctant to talk about their experiences.

Organization of Drug Markets

Initially, the researchers found large street-level “corporations” doing business in the area. By the end of the study, however, most street sales had disappeared, as middle-class users came to prefer the convenience of having pre-arranged drug deliveries made to their homes—like any other good or service in Manhattan that delivers—and the security of avoiding arrest. Thus, direct delivery became the typical transaction.

Buyers used acquaintances and networks to obtain drugs they previously would have purchased through anonymous street markets. As those markets disappeared, first-time users in particular had to rely on personal contacts to buy drugs. Generally, white heroin users bought from white dealers, while minority heroin users found the drug in their predominantly Hispanic public-housing complexes.
Drug distribution was carried out by three types of organizations: freelance distributors acting independently; distributors with a social bond, such as having the same religion or growing up in the same neighborhood or ethnic group; and individuals operating like a corporation, complete with job titles and a hierarchy, focused solely on making money. Large distributors had to downsize as drug sales moved off the streets. Employees developed franchising relationships with their former employers, obtaining drugs on credit from their old bosses and selling them to their established customers.

**Digital Divide**

The study found that the increased use of delivery services and technology by buyers and sellers contributed to a growing division of drug markets along class lines. Both buyers and distributors used pagers, cell phones, and computers to form exclusive drug markets not accessible to other groups. High-tech devices also helped those who used them to communicate with one another while remaining off the street and out of sight of the police.

Customers typically called cell phones, pager numbers, or answering machines to order drugs. In some cases, dispatchers answered phones and assigned deliveries, as if they worked for a legitimate messenger service.

**Dealers Unarmed**

With the change in drug sales from street markets to private deliveries, dealers felt little incentive to carry guns. None of the dealers interviewed for this study did so. The new sales strategy brought an end to fights over territory, as dealers came to realize that the criminal penalties for firearms possession were much greater than for drug possession. One result was that unarmed dealers were often robbed by criminals who recognized that dealers represented good sources of cash who could be victimized with impunity. White dealers regarded robbery as the greatest risk to their business, while African-American and Hispanic dealers were more concerned about arrest and imprisonment.

**Message for Police**

The presence of the police in public places helped drive the corporations out of most on-street drug sales. But while the police were effective in getting drug markets off the streets, dealers in the home-delivery trade reported little contact with police as they conducted their business. Law enforcement officials should note the frequent armed robberies of dealers. Although many in law enforcement might regard investigation of these violent crimes as less important than imprisoning dealer-victims, it may be that it is not helpful to society to feed the appetites of violent predators.

**For more information**

- Contact Richard Curtis, Associate Professor and Chair, Department of Anthropology, John Jay College of Criminal Justice, 212–237–8962, rcurtis@jjay.cuny.edu.
- Contact Travis Wendel, Adjunct Assistant Professor of Anthropology, John Jay College of Criminal Justice, 212–237–8956, twendel@jjay.cuny.edu.