DRUG MARKET RECONSTITUTION AFTER HURRICANE KATRINA: LESSONS FOR LOCAL DRUG ABUSE CONTROL INITIATIVES

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Abstract

Hurricane Katrina accomplished what no law enforcement initiative could ever achieve: It completely eradicated the New Orleans drug market. However, Katrina did little to eliminate the demand for drugs. This article documents the process of the drug market reconstitution that occurred 2005–2008 based on in-depth interviews and focus groups with predominately low-income drug users and sellers. Before Katrina, the drug market was largely characterized by socially-bonded participants involved with corporate style distribution. After Katrina, a violent freelance market emerged. The conclusion draws recommendations for law enforcement for dealing with drug markets after a major disaster.

This article uses New Orleans as a case study to chart the process of drug market reconstitution following an extreme disaster, namely Hurricane Katrina. On August 29, 2005, Hurricane Katrina made landfall and engulfed the New Orleans area, overwhelming levees and causing extensive flooding and destruction across the city. The storm generated 30- to 40-foot waves, which demolished many cities and small towns in Southern Mississippi and Alabama and caused considerable wind damage further inland. Although the hurricane eye missed central New Orleans by about 30 miles, the wave action in Lake Pontchartrain caused several levees to break and flood most of eastern New Orleans, which was under sea level. The storm had an impact on practically all New Orleans residents and almost destroyed New Orleans (Cooper & Block, 2006; Levitt & Whitaker, 2009; Lee, 2006).

Our research focused on the impact of this storm on the drug markets in New Orleans. Katrina destroyed the physical environment and organizational structure that sustained the drug trade, yet drug use and sales did not disappear. During and soon after the storm, improvised sales and distribution organizations provided a wide range of illicit drugs to users (see Dunlap, Johnson, Kotarba, & Fackler, 2009; Dunlap & Golub, 2010; Dunlap, Johnson & Morse, 2007). This article examines the next historical period, the continuation of drug use among those returning to New Orleans and the rebuilding of drug market structures. The analysis provides a short review of drug markets before Katrina. Our main focus is the reconstitution process during the three years following the disaster. We pay special attention to street-level dealers and the end users’ lived experiences in primarily poorer neighborhoods, illustrating elements of continuity and change as various actors reconstituted New Orleans’ drug market.
Literature Review

Drug markets are often forced to adapt in response to various external factors. Much research has focused on drug market disruption resulting from criminal justice interventions such as police crackdowns (Caulkins, 1993; Johnson, Golub, & Dunlap, 2000; Wood et al., 2004; Hoffer, 2006; Brownstein & Taylor, 2007; Johnson, 2003; Taylor & Brownstein, 2003; Curtis & Wendel, 2007). Researchers have also examined market disruption due to shortages of drug supply resulting from war, political realignment, or shifts in domestic and international supply (Degenhardt, Reuter, Collins, & Hall, 2005; Degenhardt, Day, Gilmore, & Hall, 2006; Kuzmarov, 2009; Courtwright, 2001; MacCoun & Reuter, 2001; Musto, 1973; Breecher, 1972). To a lesser extent, research has also begun to examine the impact of disasters (like 9/11 and Katrina) on drug markets and use (Cepeda, Valdez, Kaplan, & Hill, 2010; Vlahov, Galea, Ahern, Resnick, & Kilpatrick, 2004; Movaghar, Farhoodian, & Goodarzi, 2005).

In general, the market reconstitution process involves reestablishment of persons, facilities, and procedures for transferring drugs from suppliers to users. During reconstitution, considerable shifting occurs until the supply of drugs meets demand. In this analysis, we focus on retail distribution as opposed to wholesale supply. Curtis and Wendel (2007) described a typology of three common types of retail market organizations: corporate, socially bonded, and freelance (see also Curtis & Wendel, 2000; National Research Council, 2001). The corporate-style organization is characterized by large-scale hierarchical drug distribution with a high degree of job specialization; such organizations often tightly integrate wholesale, mid-level, and street-level markets. In this model, violence or the threat of violence is systematically employed to maintain discipline. In the illegal drug trade, individuals do not have the recourse of settling disagreement within the legitimate court system. In a socially-bonded organization, selling groups share close personal ties based on family and kin, ethnicity, or neighborhood. These ties can help minimize violence resulting from internal friction often associated with the hierarchy structure of the corporate model and its characteristic separation of ownership from labor (Curtis & Wendel, 2007). The ties can also reduce the violence over turf wars that often result in a greater freelance-style market. In the freelance-style market every dealer is purely out for him/herself. Dealers’ “turf” is ill defined and subject to violent competition; drug prices and quality are highly unstable and the user/dealer relationship is tenuous. The freelance model is widely thought to be the most violent and chaotic as drug dealers use strong-arm tactics on an ongoing basis to establish or expand their flimsy hold on a selling territory. In the corporate model, a well-established threat of violence helps to reign in conflict and keep actual violence to a minimum. For example, a freelancer operating in an area dominated by corporate or socially-bonded organizations will typically suffer swift and severe retaliation (Bourgois, 1995; Jacobs, Topalli, & Wright, 2000). In practice, real markets tend to be much more complex than this typology (Ritter, 2006).

Previous analyses have indicated that disruptions such as police crackdowns or elimination of a major supplier can undermine corporate and socially-bonded drug market organizations (Brownstein & Taylor, 2007; Johnson, 2003; Taylor & Brownstein, 2003). However, instead of permanently eliminating drug use, they often create a vacuum that pulls in new dealers. Accordingly, the various initiatives tend to transform a corporate or socially-bonded market structure into one dominated by freelance organizations. Efforts to dismantle drug markets by capturing and prosecuting high-level dealers, “Mr. Bigs” or “Kingpins,” are a prime example of this point. These efforts have generally been found not to eliminate drug markets but rather lead to a violent frenzy of new dealers scrambling and thrashing at each other to
establish new turf (Moore & Kleiman, 1997; Reuter, 2009). Thus, the end result of a market disruption can be increased disorder and violence.

Similarly, research has shown that targeted law enforcement interventions aimed at drug “hot spots” often result in market adaptations, displacement, or violent transformation rather than complete dissolution (Bultmann, Caulkins, Fiechtinger, & Tragler, 2008; Caulkins, 1993; Hoffer, 2006; Weisburd et al., 2006). A prime example of this would be the widespread “crackdowns,” such as the use of Tactical Narcotics Teams (TNT), in late 1980s New York City, which often simply caused drug sellers and users to move to a new location a few blocks away (Sviridoff, Sadd, Curtis, & Grinc, 1992; Johnson, Golub, & Dunlap, 2000; Hoffer, 2006; Eck & Maguire, 2000).

Over the past decade, research has examined drug market disruptions due to shortages of drug supply or a disaster. Research on the Australian “heroin shortage” of 2001 concluded that the heroin shortage resulted from a combination of law enforcement initiatives that disrupted shipments from source countries, leading suppliers to transport drugs to other regions (Degenhardt et al., 2005). This heroin drought brought about a decline in heroin overdoses, but also led to increases in use of cocaine and amphetamines (Degenhardt et al., 2006). The shortage initially resulted in riskier needle and drug sharing activities. However, research suggested these emergent harms were moderated by Australia’s integrated drug policy apparatus that blends elements of supply, demand, and harm reduction (Degenhardt et al., 2006).

A related line of research suggests that substance use may increase after a disaster, possibly to cope with the trauma and as a result of the stress of rebuilding. Researchers found that the 2003 earthquake that destroyed much of the city of Bam in Iran resulted in a decline in the quality and quantity of drugs available but a rise in demand and increased incidence of withdrawal (Movaghar, Farhoodian, & Goodarzi, 2005; Movaghar, Goodarzi et al., 2005). Similarly, following 9/11, many Manhattan residents increased their use of marijuana as well as alcohol and cigarettes (Vlahov et al., 2004). Some analysts concluded that more services such as drug substitution therapy (e.g., methadone, buprenorphine), HIV/HCV testing, drug treatment, and related services need to be firmly in place preceding disaster or large-scale market disruption (Movaghar, Farhoodian, & Goodarzi, 2005; Movaghar, Goodarzi et al., 2005).

**Substance Use and Violence Post-Katrina**

Research suggests that similar to survivors of other disasters, many Katrina survivors increased their drug and other substance consumption (Flory, Hankin, Kloos, Cheely, & Turecki, 2009; Cepeda et al., 2010). Evidence also suggests that post-Katrina drug markets may have become violent with time. After Katrina, the homicide rate in New Orleans plummeted to a three-decade low (Wellford, Bond, & Goodison, 2011). In 2007, the rate established a new peak level before beginning a gradual decline. However, in 2009, the rate was still one of the highest in the country—10 times the national average and more than four times the rate for cities of a similar size. An analysis of 200 homicides occurring 2009–2010 in New Orleans found that many of these homicides could be drug or territory related (Wellford et al., 2011). Hence, the macro data on homicides is consistent with the possibility that there may have been increased drug market-related violence post Katrina.

Overall, we found that the reconstitution of the New Orleans drug market resulted in many of the same phenomena identified in the literature on the change in drug markets in response to other disasters or major law enforcement initiatives. Our findings are generally consistent with the studies described above. Our qualitative data provide further in-depth analysis of the mechanics and lived experience behind the larger drug market changes. Despite the
blank slate afforded by Katrina, the demand for drugs persisted. Drug markets in New Orleans also endured, adapted, and generally become more violent and chaotic as the storm and reconstitution process brought about a shift from a higher-level corporate model of distribution and lower-level socially-bonded market structure to one that more closely resembled the freelance market structure.

Methods

This article examines the reconstitution of the New Orleans drug market as it took shape following the disaster in 2005 through 2008 using data collected from a National Institute on Drug Abuse (NIDA)-funded project entitled “Disruptions and Reformulation of Illicit Drug Markets among New Orleans Evacuees.” Researchers collected data from predominately low-income drug users and sellers who lived through Hurricane Katrina in New Orleans. Subjects included Katrina survivors who had returned to New Orleans and others who were still living elsewhere, especially in Houston. Other papers from this project examined routine drug use in New Orleans in the years prior to hurricane Katrina and at evacuation sites like the Houston Astrodome, and explored how drug markets operated in New Orleans during the disaster itself (Dunlap et al., 2009; Dunlap et al., 2007; Dunlap & Golub, 2010).

The project developed key informant contacts and then used snowball sampling to recruit a sample of 140 current or former drug users and sellers who experienced Hurricane Katrina in New Orleans (Biernacki & Waldorf, 1981; Henry, 1990). Ethnographers in New Orleans located initial contacts through pre-existing professional and informal network relationships and by participating in the daily life of communities in locations likely to support drug users and dealers (e.g., convenience stores and low-income housing project common areas). Staff also conducted focus groups with 155 users and dealers who had returned to New Orleans.

Groups were composed of five to seven respondents each, and were assembled according to two criteria: primary drug of choice and seller versus consumer. Several focus group participants also completed interviews.

The project used three major data collection procedures: semi-structured, in-depth, qualitative interviews, ethnographic observations, and focus groups. Project staff developed semi-structured qualitative protocols that asked every respondent the same questions in the same order, but encouraged qualitative probing based on respondents’ answers. Subjects provided detailed in-depth information about their experiences and were re-interviewed over the course of the next three years (2006–2008). The ethnographers also observed and recorded day-to-day, street-level drug market behavior. In addition to interviews and field work, the project carefully assembled focus groups that met for approximately two hours each (see Greenbaum, 1988). The interviews and focus groups were digitally recorded, transcribed, and made available to the ethnographers and other staff who reviewed them for accuracy. Transcripts and field notes were then entered into FileMaker Pro for electronic storage, coding, and data analysis. (For a more detailed description of the procedure, see Johnson, Dunlap, & Benoit, 2010.).

Participants were recruited from primarily poorer areas of New Orleans (e.g., Ninth Ward) and were selected based on heavy use or sales of heroin, marijuana, powder cocaine, crack, and other drugs (e.g., prescription, amphetamines, hallucinogens). Individual interviews and focus groups were organized to gain participants’ perspectives on the New Orleans drug scene in the month before Katrina, during and immediately after Katrina, and through the process of drug market reformulation in the three years following Katrina. Focus groups and individual interviews were conducted in 2006, 2007, and 2008 to capture the process of market reformulation and highlight shifts in market structure and patterns of drug use and sales. Within each period, respondents were asked about use and sales practices, locations of
drug use, drug purchase and sales, drug pricing, quality, availability, treatment experiences, and the social organization of distribution. For example, project staff asked respondents to describe their experiences with drug sales immediately after the storm and if or how the organization of sales shifted between 2006 and 2008. Similarly, respondents were asked to characterize drug availability, purity, and pricing in the months following the storm and how or if this changed between 2006 and 2008. Researchers also collected information on participants’ socioeconomic status and demographic characteristics (housing, family, employment/income, education). All respondents provided their full informed consent and were compensated financially for their participation. All procedures involving human subjects were approved by the study’s Institutional Review Board.

This article is based on the in-depth interviews and focus groups. The interview-sample included more males (60%) than females (40%). Subjects were predominately African-American (88%); two were Hispanic and two were Native American. Subjects ranged widely in age from 18 to 67, with a mean of 40. Subjects who self-reported drug use used a variety of different street drugs, including marijuana (49%), crack (45%), heroin (22%), powder cocaine (16%), and ecstasy (8%), among others. Many used more than one drug. Nearly half (45%) were involved with drug sales at some level, ranging from major street-level dealer down to the more modest activities of runner or lookout. The findings present subjects’ experiences from their own perspectives. Names given are pseudonyms that in most cases were chosen by the research subjects themselves and are not their street names.

The data were analyzed according to the logic of grounded theory (Charmaz, 2000; Glaser & Strauss, 1967). This inductive procedure provides a method for reading, coding, and rereading the extensive collection of transcripts and observations to achieve insight into the forces and processes that underlie the lived experiences. This rigorous yet flexible approach involves exploring emergent ideas, developing and elaborating on typologies, and creating connections between key themes and personal experiences. The approach is particularly appropriate for use with the type of qualitative data collected for this project through interviews, focus groups, and field notes.

We note several limitations to our study. First, because we focused mainly on poorer drug users and sellers in and around housing projects, our findings do not pertain to the better-to-do tourist sector, professionals, and the middle-to-upper class. Additionally, our focus on the lower-level retail drug market primarily among economically disadvantaged persons in poorer neighborhoods prevents us from teasing out the dynamics of market structures in the larger New Orleans area and how they connect to national and international sources of supply. In this article we talk about drug markets in general as opposed to differentiating markets by drug type. We felt this was justified because the users and the dealers often were involved with multiple drugs. Our focus is primarily on hard street drugs including heroin, cocaine, crack, and the emergent use of methamphetamine and ecstasy post-Katrina.

**Findings**

**Drug Markets Before Katrina**

Pre-Katrina drug markets in poor neighborhoods contained elements of both the corporate and socially-bonded market structures (see Dunlap et al., 2007). Drug selling organizations were hierarchal yet often glued together through ties of family or extended kin and neighborhood. These markets were highly visible, dependably serving individuals from diverse racial, ethnic, and socioeconomic backgrounds with a wide selection of drugs. The top of the market consisted of large-scale distributors and suppliers who were generally known only to certain dealers directly below them. These large-scale suppliers remained hidden from the larger market participants and protected their source of supplies while...
maintaining their anonymity. Their product was in turn distributed to mid-level dealers directly under them, who would supply drugs to several lower-level dealers in the neighborhoods defined as their turf. The final distribution to customers primarily took place through two mechanisms. Middlemen or street runners discreetly delivered drugs to the homes of their established clientele who were generally wealthier customers. Other less-wealthy or less-established users engaged the open, vibrant street markets that were active day and night, 24/7. New initiates could easily obtain drugs from these highly visible markets once an existing user vouched for them to establish their street credibility.

The mid-level neighborhood and lower-level street dealers in our study were mostly older, long-term players or market participants. These long-term residents obtained their entrée to the field and learned the business from successive generations of dealers. These dealers were respected by other market participants and many community members. They would teach the drug business and provide entry-level jobs to younger family members and friends, giving them the human and social capital necessary for their selling careers. This face-to-face knowledge among extended networks of family members and peers conditioned market transactions and behaviors. Respect for others was central to market dynamics and, to a degree, helped hold violence in check, providing stability to the drug market. Thus, while the hierarchical corporate model of market distribution is evident through the diminishing scale of drug transactions from the high-level distributors to the mid- and street-level dealers, the market transactions at the neighborhood level were shaped by ties of family, kinship, and community networks. The remainder of this section illustrates drug market dynamics at the neighborhood level and describes the distribution sites, dealers, and drug availability of pre-Katrina markets in the words of the participants themselves.

Main Distribution Sites and Dealers—Sales were common in and around low-income housing projects. Indeed, the drug markets were so established that the housing projects were off limits to those not involved with drug sales. Darrell, a long-term resident of a housing project, explained that unless you were buying some drugs or lived there, you were not welcome in the projects:

**Darrell (African-American male, 47, heroin user and dealer)**: [People would tell you] You buyin’ something or you don’t come this way. Go around!

[This was because the projects were teeming with drug activity. Buyers would] come in all ways, through all corners, and buyin’ it all, you know, and the projects are covered with dealers, every cut…. It doesn’t matter what way you comin’, somebody will pick you up. It doesn’t matter. They’re out there. Oh, you gonna— they gonna make you see it. They don’t care who you are. They gonna holler at you, “Whassup?” “What you want?” and, “It’s all here.”

The omnipresent and vocal street sellers and runners were lower in the drug-distribution hierarchy. They tended to be younger and less experienced. Respondents described how the major dealers behind the scenes supplied drugs to a handful of street sellers below them who tended to be older, established, long-term residents of New Orleans. Hammer grew up in the business and learned the basics of dealing from his extended family and community network. Hammer described his extended family’s multigenerational drug market activity and his entrée into the business as follows:

**Hammer (African-American male, 40s, heroin and cocaine dealer and user)**: My family does it, [sell heroin] you know what I’m saying? My uncle sell it, my dad’s selling it. My daddy is a big doctor shopper. So, drugs ain’t never a problem…. Um, before the storm, I could go outside and get me a kilo of cocaine, cheap too—probably $11,000. That’s it. I’d go get me a whole pound of heroin if I want to…. It’s New Orleans. It’s retarded how raw it is.…
Pre-Katrina… I ran… a crack house and [there was] prostitution [there too]… My job was to tend to the house. I sat at the front door with a gun on the table and watched the door. If they had any trouble, I had the hammer… [The owner of the business] trusted me to run the house. And, I did that for at least 8 months. It was in my neighborhood. He knew me from a little boy, tough kid. He knew me from my background. Uh, the only thing I’d do was sit at the door. Anyone walked in with drugs, the one’s that wanted to sleep with the woman, they have to pay me, pay the house. So, I didn’t have to purchase any drugs, I got my drugs for free.

The potential for a freelance market was always there. Even with established markets in New Orleans, there were scattered freelance sellers who would try to establish themselves. However, in general, a freelance seller would not survive long; a dealer or street peddler had to establish a main supplier and access to them was limited. Drug market participants were connected by face-to-face knowledge of each other and extended family and they operated in well-defined turf.

Prices and Profit Before Katrina— Pre-Katrina, dealing drugs was a very profitable business. Drug dealers’ and users’ community-rooted familiarity with each other added a modicum of drug market stability, making prices and quality more predictable. Hammer explained how easily he made money selling heroin:

Hammer: I get me a 4½ [ounces] fronted to me [and] I sell—I just sell an ounce of that heroin. That’s—that’s already that right there. I don’t have to worry about the rest of the money. The rest I can just do whatever I want to or whatever. I mean, when you sell heroin, you see, I’ve been doing it since I was young. When you sell heroin, you always make 3 times your money. Always! And that’s if you do a lot of it. So, I mean, I can ever just go get 3 bundles you know. I can go [do a] bundle by myself, sell a bundle, you know what I’m saying. The other bundles are profit.

As Darrell and Hammer illustrate, drugs like heroin, crack, and powder cocaine were widely distributed and easy to find in pre-Katrina New Orleans. According to Travis, a wide variety of pills could also be found and dealers frequently “doctor shopped” to maintain their supplies:

Travis (African-American male, 30s, pharmaceuticals dealer and user): [I would go to the doctor and pay] $200, $250… just for the visit, once a month. And I was leaving out of there with, uh, anywhere’s from, uh, 150, 180, 240 pain pills for the month…. I got $10, $15 apiece for ’em…. Everybody wanted pain pills and the plants [marijuana].

As these respondents indicate, a variety of drugs could be found in and around housing projects, through known dealers, other family members and peers, and through neighborhood doctors. The drug markets that we studied, located in and around housing projects, essentially provided users their drug of choice, and dealers such as Hammer made sure they could meet demand. Moreover, in these markets, prices were relatively stable and product quality was often predictable:

Rasta (African-American male, 40s, crack user): Um, with crack, prices would always be the same. And like, those are really just like one type of crack that you get. Sometimes it’ll be like the good crack and others be like the crumbly flaky stuff um. Basically…the prices were all the same.

Early Market Reconstitution

Approximately four weeks after Katrina, New Orleans began the long process of rebuilding itself as evacuation orders were gradually lifted. Many people who had temporarily
evacuated returned home. Drug market reconstitution started nearly immediately and sooner than other reconstruction efforts. As more former residents returned, the market became turbulent and there was intense competition. The scramble of users and dealers for the scant supply of drugs only contributed to overall levels of distress, chaos, and violence (also see Wellford, Bond, & Goodison, 2011). Conduct norms that had helped to regulate the pre-Katrina drug market had been disrupted—both the corporate-style supply and socially-bonded distribution networks had collapsed. The generational respect, intimate face-to-face relations, clearly defined distribution territories, established prices, and hierarchical authority that had conditioned conduct norms in pre-Katrina New Orleans no longer exerted a stabilizing pressure on the market. The result was a freelance style of market organization with turf and customer bases being renegotiated through intense violence.

**Connecting Demand with New Sources of Supply**—New and returning dealers soon began making their presence known in post-Katrina New Orleans through a variety of tactics. As more and more people returned to the city, dealers scrambled to resurrect their customer base by reestablishing demand with supplies that were being replenished for better prices. As one dealer who returned soon after the storm related:

*Jake (African-American male, 30s, heroin user):* Man coz we had so much drugs in our [neighborhood]...the dealers were just passin’ it out. [They] wasn’t selling it. But they was coming back with so much drugs from Texas, Atlanta. Wherever they went, they came back with quantity. And they was like, “Aw man, we got this, ya’ll try it and tell me how it is.” “Man, you gotta look at [what I] come back with… here, try this.”

Returning dealers had made connections in cities where they had evacuated to and came back with large quantities of high-quality drugs. They were giving away drugs to let users know that they had high-quality product as they attempted to rebuild their clientele. With various sources of supply, dealers were determined to reestablish demand. Nurturing a clientele was the first step in the process of market reconstitution. Not only were dealers letting users test the drugs for free, they were giving out more and better drugs for traditional prices. Jake talked about people overdosing from heroin that was particularly pure.

*Jake:* Black tar heroin. They call it Batman in our neighborhood. They took out seven young guys…. No, no, I don’t know where it’s coming from but it showed up in our neighborhood. The first two guys OD’d off it was like younger guys. Coz a lot of younger guys are using heroin now where I’m from. And [after] the first two guys OD’d off it, like everybody gonna flock into it, like everybody from under the neighborhood just come and get it, you know like “Yea, we heard about Batman, heard about Batman,” you know.

The better quality drugs at lower prices allowed the markets to reestablish demand. Bargain and Pogo talked about the prices and availability:

*Bargain (African-American male, 40s, heroin dealer):* Ten dollars [for a bag of heroin]! Sometimes you get it cheaper like five dollars. They just give it away now. It’s not—not literally, but you know they got so much of it. You can come around over by our house and get like I got 15 for like $700…. Before Katrina, it was people scraping together what they could and doing the best they could. And now it’s just like they got a wealth of materials.

*Pogo (African-American male, 30s, opioid user):* Uh, my drug was opiates before Katrina…. Methadone wafers, $20 apiece, um, Lortab, $6 apiece. But right after Katrina, there was just a whole bunch. It just came out of everywhere. The prices
dropped. You get a bargain for $5. Um, the wafers dropped to like $10 and that went on for like 3 months after Katrina. But we just, pills everywhere.

Market Reconstitution: New Places and New Players—Before Katrina, drug sales primarily took place in and around housing projects. Many of these poorer areas were destroyed by the storm. Consequently, the spatial arrangement of sales shifted to neighborhoods that were not destroyed by Katrina, many of which had not been formerly known for drug activity, such as Uptown.

Mom (African-American female, 50s, former crack user): Now—now what they’re doin’, now they’re doin’ it Uptown…. [It] left one place and come up here. It’s no better. They in the rock house. And they doin’ everything in the rock house. And the cars just pullin’ up, takin’, pullin’ out. And you come out, somebody runs down the steps and say, “I got it. I got it.” And then they go get it [their cars] and then drive on off. Now, this is in the Uptown and you wouldn’t think it…. Yeah, everything—everything at this particular house Uptown.

The reconstitution of the drug market in New Orleans was facilitated by an influx of “drug entrepreneurs” who built upon or established new sources of supply and an expanded variety of drugs. In addition to the return of evacuees, new populations came to New Orleans to take advantage of the opportunities the storm provided and meet the demand for drugs:

Rose (African-American female, 42, crack user): There is just so many different types of drugs coming. And it’s like since the evacuees are commuting from Houston to down here they bring… They riding out, getting it, and driving it down here. They got the Mexicans down here, you know. Katrina done brought all types of people. People come down here and act like they working for construction sites. But they delivering and smuggling too.

Analysis of early market reconstitution in post-Katrina New Orleans reveals several salient themes. Despite community opposition, dealers quickly began taking care of business: they reestablished their client base by giving drugs away and selling larger quantities for pre-Katrina prices. Many dealers who had evacuated temporarily established new drug connections in evacuee sites; they often returned with higher-quality drugs. Users who returned also initially benefited: they could procure almost twice the quantity of drugs for the same price as they could pre-Katrina. Population demographics also began to shift as more younger persons and outside drug entrepreneurs entered the market—as users and sellers—of heroin and powder cocaine/crack and, increasingly, methamphetamine, a wide variety of pharmaceuticals, and ecstasy or “X-pills” as local residents often called the drug.1

Later Market Reconstitution

By the end of 2006, drugs that were available pre-Katrina could again be found and the drug market had reconstituted itself considerably. In many ways drug availability resembled that of pre-Katrina New Orleans. However, much had also changed. The market had become very violent, with street rules changing, territorial fighting, and considerable instability in the price and quality of drugs sold and consumed.

By 2007, the market had been transformed. Participants report that many of the larger dealers that maintained a corporate style market did not return to New Orleans. And at the lower levels, socially-bonded market structures had also disintegrated. People had been uprooted from neighborhoods as well, which undermined the socially-bonded market

1While participants referred to these pills as “X-Pills,” implying ecstasy or MDMA, the actual composition of these substances is unclear. See http://www.ecstasydata.org/.

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structure. New players competed to establish their territory and clientele, ultimately to meet the demand for drugs. The drug markets came to reflect a freelance style both on the street and in the upper levels of the supply chain. This brought with it tremendous violence and even chaos in the second and third year following Katrina (2006–07).

New Players in New Places—As younger persons and many outsiders struggled to establish a customer base, there were often territorial disputes, as SU explained:

SU (African-American male, age 42, heroin user): Oh, we’re talking—we’re talking, um, major change. I mean, it’s not, you know, basically like the areas where I went, it—it’s not there anymore. You know, it done moved, per se, a mile or two down the street or, you know, and there’s different faces…. And it’s more treacherous now, you know…. Now it’s like the dealers will beat you, you know.

In addition to an increase in territorial disputes, the demographics of drug users and dealers had shifted. They were younger and there were more females and Hispanics.

Stoney (African-American male, 40s, crack user and dealer): A large group of people left and some didn’t come back…. The same with the dealers…. A lot of the dealers in the area left and didn’t come back. But they always replace them…. You will find less people in the higher age group. If you look at the ethnic lines… because the situation in the city and in this country I would say that predominantly the users [of crack] are black because of hopelessness, despair, you know, low wages, can’t see their way up the ladder, you know. And as far as the different sexes, I would say it’s a balance, pretty much men and women. When I look at the race thing, at this time, I know a lot of Hispanics that are on crack.

Cash (White male, age 67, crack user): Since Katrina, um, we have a lot of Mexican people here in the city. And I think they’re trying to either control or take over the drug situation. That’s my take on it.

With new populations came an increase in some of the types of drugs available and newly emerging patterns of drug use. According to several respondents, methamphetamine and X–pills, though available in pre-Katrina New Orleans, made considerable inroads into the New Orleans’ post-Katrina drug scene, especially among younger persons:

Huey (African-American male, age 53, methamphetamine user): Everybody’s usin’ it [methamphetamine]. I mean, um, whites, Latinos, blacks…. They’ll come from the, um, whites, you know, ones that brought it out, crystal meth. And then, um, it just spread, you know. Look like, um, the cracks [crack users] mostly just pull, just pulled to it. I guess because you use it the same way [as the cocaine], shoot it, snort it, and that’s the same thing with the crystal meth. So that’s—that’s why, you know, it’s crossed over so easily from people that use cocaine.

SU (African-American male, age 42, heroin user): You hear these kids talkin’ about the X…. They tell me that that’s a like a sex drug or something like you know what I mean…. That’s basically what the younger generation, that’s what they want. That and they’re smokin’ the blunts.

Market Transformation and Violence

“They don’t have no respect, you know, at all” (SU)

Competition over turf followed the emergence of new sources of supply, different market players, and a changed landscape, both spatially and demographically. Violence surged. SU’s statement that the younger generation of dealers and users “don’t have no respect” speaks to one of the more significant themes evident in analysis of the process of market
reconstitution and transformation in New Orleans. In pre-Katrina New Orleans, informal bonds between community members and institutions exerted a mediating force on market relations, partially holding in check potentially high levels of crime and violence that often result from illicit drug markets. Credit was often extended to users who were familiar to the dealer and word-of-mouth spread quickly when a dealer was selling “bunk” or low-quality drugs. These interpersonal and quasi-organizational ties often prevented users and dealers from ripping each other off or exacting vengeance for a deal gone bad. Even in a criminal enterprise such as a drug market, “respect” of peers and elders can serve as a powerful stabilizing force. As the market reconstituted, it transformed into one dominated by freelance entrepreneurs with violence over turf, customers, and product.

\[SU\]: You know, the guys that I used to deal with, they—they’re, you know, it’s like they’re nonexistent. Like, it’s like they got a chance to get away, you know, and like they’re not coming back. You know what I’m sayin’. And then, you know, the generation of the dealer have gotten younger and younger. You know what I mean. It’s like they’re, um, and they have no remorse. They don’t have—they don’t care how they talk…. They don’t have any respect, you know, at all. They don’t, just—just put a whole new wrinkle in the game, you know.

Respondents Lisa Lisa and Rose further illustrate these shifts in conduct norms that accompanied the disruption of corporate and socially-bonded organizational distribution networks and the shift to the freelance style of distribution:

Lisa Lisa (African-American female, 40s, crack user): [Before Katrina] you had your own people to pick from…what you call a “connection” that you would go to all the time. You had hookups then, a dealer, and you gave him good business. And they had a lot of competition out there. So, you would get good deals…. Even with a dealer that may have had a batch that wasn’t as good because he didn’t cook it…you [could] say, “man that stuff you sold me wasn’t no good!” … They would look out for you because you are looking out for them.

Rose (African-American female, age 42, crack user): They are driving it in by car. … They using little kids [to sell]…. Oh they getting violent about their money. The drug dealers, they want their money and I don’t think they letting anything go on credit no more. Drug use and sales is getting dangerous. You hear of more killings over IOUs. That crack and that heroin. Oh you see the killings. You see a beat-down often [even daily].

Tank spoke further about these shifts to a more volatile market. Following his complex causal model is difficult because he uses the same pronoun “they” to refer to multiple groups. However, his tangled reflection describes how disrespect, drugged-out confusion, and cultural clash led to violence:

Tank (African-American male, age 38, former heroin and crack user): Murders. Murders. [Laughs] Murders. That’s what all the murders is for. Really these youngsters out here trippin’. See what I’m sayin’. They like trip out on them X-pills or whatever drugs they usin’, and think they can [not] like talk to a person. See, like I’m a heroin addict. And I’m not gonna let one of them little youngsters talk to me crazy…. It—it’s a lot of youngsters doin’ the killin’, too. … [When they interact with older dealers,] them youngsters be tryin’ to talk to ‘em stupid because they lookin’ bad [tough]. And—and they not gonna let ‘em talk. So they’ll feel played…. And so instead of fussin’ with ‘em, they’ll just kill ‘em. And a man ain’t gonna let nobody take their manhood from ‘em. So, you know. Like I said, some of the younger ones, they killin’, too. But they killin’ the youngsters. That’s all they killin’.
As the market was reconstituting and transforming, there was less accountability between or among dealers and users. They lacked the common bonds of kinship, growing up together, or even having worked together over the years. Moreover, there were no clearly defined roles and responsibilities among market players. JB describes the lack of trust as follows:

**JB (African-American male, 50s, crack user):** If you slip they gonna get you. You have to just be careful. I mean when you scoring dope with your money… somebody can give you some dope that ain’t dope. You just have to be careful. And, you have to have your guards up when you’re out there in the streets, you know…. I mean it ain’t no joke and you will get killed. It is just life today…. I mean once you done put your money in your hands and they gone or whatever then you’re got. You can charge it to the game…. You done lost that.

With a younger crowd, new faces, new drugs, territorial boundaries being re-negotiated, and informal bonds between community members and neighborhood institutions uprooted, violence itself seemed to be the new drug-market behavioral norm. While many respondents reported an increase both in quality and quantity of drugs available in New Orleans, due in part to connections established in evacuee sites and by drug entrepreneurs, supply and demand remained unstable and uneven.

By the close of 2008, respondents reported that the New Orleans drug market had again become vibrant and in ways resembled that of the pre-Katrina market; it had begun to modestly restabilize in terms of prices and locations for drug transactions. Housing projects had again become hubs of drug activity and sales often occurred on street corners in settings that resembled the open air markets found in pre-Katrina days (Dunlap et al., 2007). New players had entered the market, in particular younger persons and more females and Hispanics. Prices began to return to those that could be found pre-Katrina. Levels of violence, however, though declining, remained high and the quality of drugs found was uneven. While some respondents related that crack and cocaine had declined in purity and availability, for many they were apparently easy to find. For those who struggled to reestablish solid crack/cocaine connections, methamphetamine and heroin increasingly provided an alternative.

Drug markets are by nature potentially violent due to the criminal nature of the activity. However, market stability can mitigate some of the more devastating harms. Perhaps New Orleaners can find cautious optimism in the words of DJ, who was interviewed in late 2008:

**DJ (African-American male, 40s, crack user):** It looks to me like things are beginning to quiet down a little, but not too much…. It looks like it’s not as bad as it was. Maybe they are cleaning it up…. I wouldn’t say it’s 100% but it has stabilized a little bit.

**Discussion**

Hurricane Katrina performed a more comprehensive bursting of the drug market in New Orleans than could ever be achieved by busting a kingpin or through massive street sweeps. Just like those programs, however, this disruption did little to change the demand for drugs. Accordingly, a similar reconstitution pattern occurred. Freelance dealers fought vigorously to fill the void caused by the displacement of long-term dealers operating within established turf. The drug market subsequently reemerged with violent force in a transformed state. What had been a market primarily dominated by a blend of socially-bonded and corporate distribution organization styles pre-Katrina transformed between 2005 and 2007 into a freelance market. Hurricane Katrina disrupted ties between drug users and sellers and their
kin and peers and community institutions, linkages that might also have held in check levels of violence.

Ironically, the reconstitution and transformation of the New Orleans drug market was facilitated by the storm itself as evacuees established new sources of supply in host cities. The storm also altered the demographics of New Orleans (see Fussell, Sastry, & VanLandingham, 2010) and the New Orleans drug scene. Many long-term residents and large-supply drug dealers did not return to the city. In their place came new faces and new players, many of whom were drug entrepreneurs, often younger and increasingly Hispanic. This influx of new peoples (and exodus of old timers) disrupted traditional conduct norms that had been based on intimate knowledge of other community members, face-to-face relations, and respect for others and the rules of the “game” as understood and practiced by long-term residents. The disrupted larger New Orleans community, in the first two years after Katrina, was ill equipped to exert both formal and informal mechanisms of market regulation on market players, especially on the younger and non-local population. Levels of violence and other drug market consequences subsequently climbed considerably in 2006, the year following Katrina, with the homicide rate reaching a decade high of close to 92/100,000 in 2007 (Wellford, Bond, & Goodison, 2011). The rate has declined every year since 2007, a fact that further supports our claim that the drug market was modestly stabilizing by late 2008 and that formal and informal mechanisms of market regulation were beginning to function somewhat effectively again.

Illicit drug market disruption adds to the inherent instability of drug transactions, often resulting in heightened levels of violence and other negative consequences, such as fluctuations in product quality and quantity and the introduction of new types of substances. This is what happened in New Orleans in the wake of Hurricane Katrina. New Orleans’ drug markets—especially for heroin and crack—returned to New Orleans by mid-2006 and grew considerably over the next several years. By 2008, users reported being able to select their drug of choice from several suppliers at reasonable prices. However, the drug users and sellers who eventually returned to New Orleans reported that they did not see “old faces” in “regular locations” (as before Katrina). Rather, New Orleans sellers were younger, more dangerous, and their selling locations had shifted. New ethnic groups appeared and joined the ranks of dealers and users. The widespread availability of guns, heightened competition and lack of more benign, informal sanctions generated numerous killings.

This article explores the process of market reconstitution from the perspectives of drug users, sellers, and others impacted by the drug market. In this manner, it provides a window into the process of market reconstitution by which illicit drug markets respond to a disaster like a hurricane and are reshaped by various actors. This information can potentially help law enforcement and social service providers in other disaster situations to effectively intervene and hold in check violence and the spread of disease, assist those who desire it, and offer treatment and other services.

Our findings suggest several potentially productive directions policymakers should consider in the wake of the drug market disruption that follows a natural disaster:

1. Focus resources on violence prevention
2. Help the community rebuild institutions
3. Provide drug treatment, drug maintenance and substitution therapy, and other social services

After a major drug market disruption, drug users will be looking for suppliers to sustain their habits and drug entrepreneurs will be looking to supply their needs. Dealers will use
violence to establish a lucrative, extended territory. We suggest that this violence represents
the major immediate drug-related challenge facing law enforcement and related agencies.
These planners need to accept the idea that drug use will likely persist, even if they are
opposed to illegal drug use. That markets persist and often become more violent after
disruption underscores the need for policy makers to focus resources first and foremost on
violence prevention. Naively hoping drug activity might go away because supplies have
been disrupted is grossly unrealistic. A recent report, “Crime in New Orleans: Analyzing
Crime Trends and New Orleans’ Responses to Crime” (Wellford, Bond, & Goodison, 2011)
indicates that mechanisms to address this recommendation, namely making law
enforcement’s top priority a focus on violent crime and homicide, were initiated in 2010.
The New Orleans’ Police Department (NOPD) enacted a new initiative in an effort to reduce
homicides that includes “Project Safe Neighborhoods,” which calls for an extensive follow-
up investigation of firearm-related arrest in the city, and a “Knock-and-Talk” program that
focuses on tracking felony gun offenders (Wellford, Bond, & Goodison, 2011). The
development and deployment of a strong investigative function to swiftly bring those dealers
who commit violent acts to justice will set a tone and is a good step in efforts to control
violence. However, these initiatives came late in the reconstitution process. Based upon the
growing literature, including this study, the NOPD and related agencies might have been
able to anticipate the return and growth of violence and initiated these programs in a
proactive manner. Our intent here is not to place blame on NOPD; rather, it is to inform
future law enforcement groups so that they can establish more timely and effective
procedures.

Rebuilding community can help further reduce the drug dealers’ hold. The weight of
mechanisms of community regulation on drug-related activity and violence needs to be at
the forefront of policy responses to drug market reconstitution following major disruption.
Establishing a climate that leads to less volatile relationships may be as effective in reducing
drug-related violence and stabilizing drug markets as more formal mechanisms (e.g.
icarceration, police crackdowns). Our findings suggest policy makers should direct
direct energies toward helping communities reestablish social institutions and help community
members reconnect with the services these institutions offer. We recommend policy makers
consider resource allocation in such a way that community members can quickly rebuild
their institutions and regain a sense of community. Thus, we recommend swift investment in
rebuilding community organizations such as churches, youth recreation centers, and schools
coupled with community-wide forums that allow members to express concerns and offer
solutions.

Some drug users may be motivated to stop given the challenges of obtaining drugs as well as
the broader challenges facing the community. This could be an opportune time to reduce
demand through drug maintenance and treatment programs. These and other social services
could help users establish healthier, more stable lifestyles. Indeed, facilitating the provision
of a wide range of social services, including drug treatment and homeless services, as well
as schooling and employment programs are critical as communities recover from disaster.
As research has suggested, however, other drug users will continue to seek out their drug of
choice or try to locate any drugs that are available (Cepeda, Valdez, Kaplan, & Hill, 2010;
Vlahov et al., 2004; Movaghar et al., 2005). In this frenzied context, people may engage in
risky practices such as buying drugs from unfamiliar sources, a practice that can increase the
incidence of overdose. Services should be in place for these persons to reduce the health
risks they pose to themselves and the larger community.
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