

Motives and lifestyle of drug millionaires

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Why should I work when I could steal? Why settle down to some bumdrum uncongenial billet, when excitement, romance, danger, and a decent living were all going begging together? Of course, it's very wrong, but we can't all be moralists, and the distribution of wealth is very wrong to begin with.

E.W. Hornung, *Raffles*, 1899

1. Introduction: empirical basis of the research

Law enforcement files on operational investigations regarding organized crime usually remain inaccessible to academic researchers and the general public for obvious security reasons. The number of cases in which an academic researcher has been allowed full access to police files is very limited indeed. Even in the Netherlands, with its liberal culture, until recently only a handful of academics were involved in studying contemporary organized crime phenomena. Following a parliamentary inquiry in the mid-1990s that unveiled extensive covert policing practices and manipulations leading to the 'loss' of some 100,000 kilos of marihuana plus sizeable quantities of ecstasy that were supposedly kept under police surveillance, organized crime issues now draw substantial public and academic interest.²

The findings presented in this paper are based on a research project carried out between 1993 and 1996, when the author was granted access to the nearly-complete dossiers of the 'Ferrari-team' (a fictional pseudonym), about three dozen investigators who were operational for about two years in the early 1990s.³ The 200+ document files filled some twelve meters of bookshelves. This paper archive plus a personal computer contained altogether more than 20,000 recorded telephone conversations, 1,700 checked car license plates, thousands of records on individuals plus several other logs and reports. Additionally, seventeen functionaries were formally interviewed to gain their insights in the doings of both lawbreakers and law enforcers. The aim of the project was to develop

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² Netherlands (1996); Fijnaut et al. (1998).

³ The research findings are detailed in the dissertation (Klerks 2000, published only in Dutch by Samsom Publishers in Alphen aan den Rijn, ISBN 90-14-06639-2, 493 pp.). A crucial condition of being granted access to confidential police dossiers under Dutch law is that the researcher must avoid all direct personal contact with the subjects in question. For reasons of security and privacy therefore, it was not possible to do any ethnographic fieldwork or interviews with the drug traffickers or their friends, relatives and business partners. In combination with the obligation to publish only completely sanitized and anonymous reports, this severely limits the possibilities of providing naturalistic 'thick descriptions' of the subjects, their habitat and deeds. In return for this, the researcher gains a detailed insight in the personal lives of the subjects through the surveillance reports, telephone transcripts and other information sources.

new insights and methods for the gathering of knowledge on the workings of organized crime groups. More specifically, the intention was to learn more about the tactics and strategies employed by criminal organizations to ensure the continuity and expansion of their operations in reaction to (possible) government interventions.

Working in the tradition of Glaser and Strauss's grounded theory approach, data were collected, coded and systematized from both hundreds of open publications and from the confidential operational dossiers, a process which gradually produced a framework for further classification and analysis. This analytical framework was subsequently used to explore issues such as recruitment, leadership, covert logistics, clandestine security and intelligence-gathering, as well as the culture of trading and hedonism found among criminal subjects in the field. Simultaneously, a detailed description was produced of the criminal '*Verhagen* group' (again a fictional pseudonym), its participants, their activities, the social, criminal and market environments, their world view and lifestyle. In this paper, some insights on the lifestyle of these drug millionaires are explored.⁴

2. Description of the main criminal activities

It is a rather pleasant experience to be alone in a bank at night.

Willy Sutton, British bank robber

The criminal *Verhagen* network in question, named after the person considered by the police to be the nominal boss, basically consisted of informal sub-networks each clustered around one of a clique of five entrepreneurs who all brought their own contacts and clandestine abilities to a series of criminal projects. Nearly all important individuals were male Dutch nationals between thirty and fifty of white (Caucasian) ethnic origin. Some were well-entrenched in the traditional urban underworld, others originated from the milieu of travelers who live in semi-permanent camping sites all over the country. One individual had good contacts among 'adventurous' sailors willing and able to arrange cannabis transports over sea worldwide, while another had access to semi-clandestine financial service providers who could launder and stash the profits: millions of guilders, British pounds, Deutschmarks, dollars and other currencies that became so bulky they were sometimes kept in garbage bags in the kitchen. The criminal network was characterized by a near-absence of formal business structures: apart from a few offshore 'post office box corporations' and some transactions involving real estate, most of the cash was invested in expensive cars, boats and jewelry, with the main characters displaying an explicit aversion against anyone wearing a tie or having a title, since "that would only cost me good money". Plenty of that was raked in through the sales of mainly cannabis and some hard drugs, the cannabis brought in from Pakistan, Morocco and Lebanon in multiple-ton shipments to be redistributed all over Northwestern Europe. The threat of violence was

⁴ The wealth and lifestyle of drug traffickers in general are discussed in Klerks, Peter (2002), "Drug Millionaires", in: *The Encyclopedia of Crime and Punishment*, edited by David Levinson. Thousand Oaks, CA: Sage.

a clear element of the group's success: quite a few one-time partners who were lured into participating in a criminal project were left either stripped of their assets or in a foreign prison, but few dared to utter any protest or give evidence for fear of reprisal. Ultimately however, the sometimes impulsive urge to resort to violence in the resolving of conflicts brought the main players long prison sentences: when they physically attacked a competitor, beating him virtually to pulp, threatening his family with firearms and stealing most of his expensive furniture, they left him no choice but to report the incidents to the police. Building on these severe and documented offenses, the public prosecutor could get at the perpetrators much more severely than only the cannabis transports would have allowed him to do. The clumsy efforts made by the group to hide their activities and communications from law enforcement suggests that while they had access to some surprisingly detailed information on the police's activities, the general level of security awareness, methods and techniques employed was rather amateurish.

3. Assessment of the network

*Urgently requested a Captain.
No normal sailing work, some risk involved.
Adventurous with very high reward.
Should be prepared to leave at once.
Tel. 06-.....*

Newspaper advertisement placed
by a Dutch drug baron, 1990s

Analyzing what it is exactly that makes these criminal networks so resilient in the face of governmental interventions, the only logical explanation seems to be that it is the network structure itself. This informal and flexible social structure of eager entrepreneurs and handymen allows for an optimum use of local criminal infrastructures of logistical channels, 'watering places' and repositories. It enables network participants to engage in opportunistic operations on a project basis, with a few resourceful characters mobilizing a greater number of interested parties, who all contribute and afterwards get a share of the profits. Mutual trust would seem vital in such an environment without written rules, but the cases under study indicate that while *Verhagen's* reputation was far from reliable and solid, he still had no problems finding business partners eager to invest in his projects. He was known as a mover and shaker, and the greed of smaller or more ignorant players apparently was such that any reluctance was quickly set aside in the face of what seemed like a profitable endeavor. Also, on occasion *Verhagen* used trusted partners as cut-outs who would then approach vital contacts such as captains and investors to gain their cooperation. All this leads to the observation that the network structure allows smaller players access to profitable deals. With the drug smuggling business being as profitable as it was in the early 1990s, only a few successful transports would be enough to turn someone into a serious player in the market with power to invest. This mechanism, in combination with a large and eager market for cannabis products, guarantees that 'holes' in the network caused by conflicts or arrests can quickly be filled by new players. Only certain vital positions requiring special

knowledge or capacities, such as technical skills or access to major foreign suppliers in the countries of origin, are harder to fill. Not surprisingly, these vital 'broker' positions held by silent but permanent players that cater to the service needs of multiple criminal groups, rather than the presumed 'big bosses' of the drug networks, would really be the most interesting targets to law enforcement both from an intelligence and a tactical disruption point of view.

Where the actual impact and potential threat to society of the *Verhagen* group is concerned, it would seem that the group was rather damaging from an economic perspective. Furthermore, its continued and seemingly undisturbed existence for a number of years, with a rather high visibility in the regional 'irregular business' community, was detrimental to the morale of many young people who would be lured into becoming involved in the underground economy. Calculating size, nature, activity, profits, violence, actual impact and a range of other parameters, a 'Spectrum Analysis' for the *Verhagen* group produces a scored quantitative and qualitative weight probably comparable to that of one of the smaller U.S. *Cosa Nostra* crime 'families', such as the Colombo crime family around 1997.⁵ It is established that while this particular Dutch group is not as well-organized and structured as e.g. a traditional Italian-American crime 'family' with its formal inductions and strict sanctions, its efficiency and profitability could well match that of a *Cosa Nostra* 'family'. Characteristic 'mafia' traits such as dominance over territory or a strive for a monopoly hold over a criminal market have not been found, nor are there any indications of attempts to establish guarantees for a trusted business climate as a profitable service to other criminal players, similar to the kind of operations that Diego Gambetta (*The Sicilian Mafia: The Business of Private Protection*, 1993) has portrayed. These entrepreneurs, while primarily providing a product to a sizeable consumer market, are also predators and raiders who do not hesitate to confront weaker competitors and appropriate their contraband.

4. Criminal lifestyle studies

It seems peculiar that modern analysts have stopped assuming that 'evil' can be fun.

David J. Bordua, 1961

When the motives of the drug millionaires to continue their criminal involvement are considered, judging on their conversations over the telephone and when speaking to friends and relatives, the impression is that the simple desire for money provides an insufficient explanation for the activities of the *Verhagen* criminal network as well as for many other traffickers. It is rather an entire lifestyle, with all the fun, the tensions, the reputation and the excitement that it brings, which makes it attractive to remain in the business even at an operational (and therefore risky) level long after substantive amounts of money have been secured.⁶ Looking over the evidence gathered by studying their day-to-day lives for over two years, the conclusion has to be that in comparison with 'straight'

⁵ The 'Spectrum Analysis' method of impact assessment has been developed by the author in the course of this research.

⁶ The issue of immaterial motivators for participation in collective criminal activities will be further explored in Peter Klerks, "Immateriele drijfveren voor crimineel gedrag in collectiviteiten" *Tijdschrift voor Criminologie*, Vol. 44 (2002) No. 2, in print.

people from a similar background and education, these people lead rather interesting lives. Many of them also happen to spend a good many years in prison, and they run the risk of a violent death at the hands of criminal opponents, but most of them even at middle age choose to continue taking risks to maintain their lifestyle. In criminology, this is a fact that too often seems to be ignored: crime can be fun, it can be highly profitable, and for talented and lucky entrepreneurs operating in the liberal environment that exists in the Netherlands, it offers a prospect to the sort of intense life that 'normal' people will never have.⁷

The world of the drug millionaires could be described in sociological terms as a 'subculture', but that would not be entirely fitting. A subculture can be generally defined as "a group having specific patterns of behavior that set it off from other groups within a culture or society".⁸ While many of the drug millionaires are friends or mutual acquaintances, their backgrounds and habitats are altogether too different to consider them part of an identifiable group. They also lack typical group elements such as a common dress code, a shared taste for certain kinds of music, 'must-read' magazines, favorite physical locations, ritual get-togethers, et cetera. The concept of 'lifestyle' appears to be much better suited to point out what is particular about the drug millionaires under study. In his recent study on lifestyles, sociologist David Chaney emphasizes the aspect of showing wealth and social position, as well as defining one's values and attitudes. He points out that in our days, "the increasing significance of lifestyles derives from a re-evaluation of material culture, away from the immediate monetary value of objects and towards their social and cultural value."⁹ While the drug millionaires with their conspicuous consumption habits could be considered the ultimate materialists, at the same time their immense wealth in the sense of available cash money allows them to use their worldly possessions in a very indifferent way.

At times they seem to mock their expensive toys, using them as it were to shock and provoke a bourgeois audience. The wife of one exemplary drug baron is said to have visited her husband while he was held at a local police station. She parked her canary yellow Rolls Royce in front of the station and hurried in, carrying some clothing. Her two small children were left playing in the trunk of the Rolls, which was reportedly filled with white sand and plastic toys.¹⁰ There are, however, no direct indications that such behavior is indeed intended to shock the bourgeois, and interpreting it as such might only be in the eye of the beholder. In fact, the drug millionaires rather seem to continue the somewhat crude and uncomplicated lifestyle that they grew up in, with only a lot more material wealth at their disposal to play around with. They don't suddenly acquire a taste for classical music or German philosophy.

⁷ Obviously, there are strong moral and normative aspects to the crime debate, which could influence even the capacity of criminologists to recognize and understand the motives and drive of those who engage in the drugs trade. When the dissertation on which this article is based was published in early 2000, leading Dutch newspapers carried headlines on their front page such as: "Researcher: crime is not only fun, but rewarding as well", and "Hash dealers go to work whistling". This publicity brought about some criticism from colleagues in academia and law enforcement: sending such a message to the public was seen as very counterproductive, unwise and plainly just "the wrong thing to do".

⁸ Webster's Comprehensive Dictionary, 1996 Edition.

⁹ Chaney (1996): 44.

¹⁰ In the local police forces, dozens of similar anecdotes are told and retold about the infamous drug barons and their offspring. Facts and myths become interwoven as an image is spun of gruesome, evil, humorous, bold and silly traits.

Berend Verhagen, the main protagonist, albeit not the ‘Godfather’ of the *Verhagen* network on which the study is focused, felt at his best during sunny days at a camping site close to the city where he lived. Many of his friends and business partners came to visit him there, and on most weekends he could be seen sitting on a case of Heineken enjoying a joke and an argument. His annual holidays most often took place in Spain, fear of flying preventing him from traveling much further abroad. His modest education limited his language skills to speaking only Dutch and some crude English. *Verhagen’s* stinginess in doing business is still legendary. By principle, he never spent any money on things that he felt he could avoid, such as paying taxes, traffic tickets, parking meters, health insurance and similar nuisances. His was a keen business instinct, and an unmatched talent to always come out of a deal with a profit. It must be said that due to *Verhagen’s* reputation, very few people had the nerve to come back to complain afterwards.

Settling on the concept of lifestyle instead of subculture for our purpose, we can now look at what the field of criminology has to offer. An obvious study to consider is Glenn D. Walters’s *The Criminal Lifestyle* (1990), in which the author studies the motives of those persons who approach crime not as an isolated incident but as a lifelong commitment. As the determining influences to form a criminal lifestyle, Walters proposes what he calls ‘the three Cs’: Conditions, Choice and Cognition.¹¹ Conditions and Choice are obviously related to the classic (individual rational choice) and positivist (social and biological determining factors) traditions. Cognition stands for the belief system developed by the lifestyle criminal, which is “grounded in various early conditions and associated choices that serve to justify, support, and rationalize his subsequent criminal actions.”¹² As Walters further elaborates on his theories and findings, it becomes clear that his approach is most relevant for the sort of unsuccessful and often addicted lawbreakers that he as a practicing psychologist in a Federal Penitentiary is probably most familiar with. While his work offers some great insights, on the whole his work clearly reinforces the image of the criminal as a dramatic loser, something that can hardly be said of Dutch drug millionaires such as *Berend Verhagen*.¹³ Walters’ approach appears to be inadequate to explain the successful, cunning and carefully planning organized criminal who builds a career as a drug millionaire. He does recognize this inadequacy toward to the end of his book, when he admits that “Those in the higher echelons of organized crime, particularly well-established groups

¹¹ Walters (1990): 14 ff.

¹² Walters (1990): 16.

¹³ Cf. Walters’ Postulate #4: “The behavior of the lifestyle criminal is directed toward losing in dramatic and destructive ways’ (p. 81). In elaborating on the postulates, Walters asserts that “Anyone who has had regular contact with criminal offenders can attest to the fact that most are exceptionally lazy. In actuality, the lifestyle criminal is as lazy in thought as he is in behavior.” (p. 88) This claim seems to be in contradiction with the observations made by this researcher and many others who have concluded that many entrepreneurs operating in an organized crime environment were actually working very hard. Also, Walters’ observation that “The lifestyle criminal fails to follow through on commitments, carry out intentions, or remain focused on goals over time.” (p. 89) probably reflects the habitual criminal loser, but not the drug millionaires who are the focus of this study. Further on, Walters explains that the lifestyle theory of criminality “considers fear to be a primary motive for behavior. (...) The primary organizing motive exists as a fear of responsibility, commitment, intimacy, and failure in the conventional world.” (...) “Some high-rate offenders surround themselves with expensive material goods as a means of defending against this fear because they believe that they are incapable of attracting the attention of others on the merit of various personal attributes.” (p. 112). This, again, is in contrast with the relatively ‘normal’ behavior when it comes to e.g. the affective relationships of most of the organized crime millionaires found in the Dutch study.

like the Mafia or La Cosa Nostra, may not fit entirely within the framework of the criminal lifestyle since crime is treated by many of these persons as more of a business than a lifestyle.¹⁴ Walters' conclusion is that according to his lifestyle theory "success and high-rate, recidivistic criminality are incompatible."¹⁵ This suggests that we might have to look elsewhere for a lifestyle approach that does allow for criminal success.

Swedish criminologist Malin Åkerström in the late 1970s and early 1980s conducted three separate studies, interviewing altogether some 150 Swedish male prison inmates and comparing the results with survey material obtained from 198 non-criminal respondents on issues such as attitudes toward drugs, different types of legal occupations and illegal ways of making money, and 'straight' versus criminal lifestyles.¹⁶ Like Walters' inmates, Åkerström's subjects were also selected from an imprisoned population, implying an over-representation of criminals who get caught as compared to 'able criminals,' and many apparently were typical 'addicted losers'. Her specific interest in their motives and ideas though makes this study very relevant.¹⁷ Two main motivating elements seem to dominate the lifestyle of the inmates that Åkerström interviewed. One is the rejection of what respondents perceive as a life organized around a dull nine-to-five job. The criminal life is seen by many as filled with thrill and adventure in comparison with the 'square life' of the "working stiff." When asked what the disadvantages would be if they were to live a square life, 72 out of 117 inmates gave as the first answer: "a boring life, with no excitement".¹⁸ The second element is the idea of 'beating the System' by outwitting the system through rational means and being 'in control'.¹⁹ In practical terms, this translates in the explicit business orientation that ¾ of the criminal respondents show, compared to less than ½ of the 'straight' sample.²⁰ The main reason stated by Åkerström's respondents to be engaged in crime was their desire to be independent and not - as in the mafia study by Cressey - to join the upper or middle class through illegal means.²¹

While Åkerström's Swedish inmates for the most part could still be considered lower class, the third and final study relevant to our treatment of the criminal lifestyle deals primarily with upper-level

¹⁴ Walters (1990): 142).

¹⁵ Walters (1990): 186). In the final pages of his book, Walters draws a firm line between the subjects of his study and "Genuinely successful criminals [who] perpetrate their crimes within the structure and framework of society, engaging in unethical/illegal acts that have a high potential yield, low rate of detection, and relatively lenient sanctions attached to them. This is just the opposite of how the lifestyle offender approaches crime. It bears repeating that the principal intent of the lifestyle criminal is not eluding capture, but losing in ways that are dramatic and self-destructive." (p. 190).

¹⁶ Åkerström (1993).

¹⁷ Åkerström also chooses to work with the 'lifestyle' concept instead of 'subculture,' with the intention to avoid a cultural deterministic view of the actors (1993: 2).

¹⁸ Åkerström (1993: 157). "Problems with finances" came second (35 out of 117). When considering Åkerström's data, one should keep in mind that Sweden at the time of her fieldwork in the 1970s was perhaps the most (over)regulated social-democratic welfare state in the world, with few opportunities for the round pegs that wouldn't mould into the square holes prepared for them. Such a society presents a sharp contrast with the United States, where small entrepreneurship has traditionally been admired and encouraged. It comes as no surprise that many of Åkerström's respondents voice the ideal of being their own boss and owning a small business of some kind: a car repair shop, a small farm, et cetera (1993: 39).

¹⁹ Åkerström (1993: 31 ff.).

²⁰ Åkerström (1993: 39 ff.). A 'criminal business' for many seems a likely choice, considering that much less investment is needed and there is no need to bother with permits, plus the stigma of being an ex-con plays no role.

²¹ Åkerström (1993: 58). The 'Cressey study' is 'Theft of the Nation' (1969).

lawbreakers. Sociologist Patricia Adler had the opportunity to study a group of affluent Californian drug dealers and smugglers in the 1970s through participant observation over a period of six years.²² Reflecting the findings of Åkerström, the Californian drug peddlers also emphasized the boredom of the straight world, contrasted with the opportunities for thrills, spontaneity, emotionality and partying that their chosen lifestyle offered. There was an odd tension of ‘work and play’ between the planned rationality and often hard work required by operating in the narcotics business, and the irrational hedonism that one could engage in as a consequence of this. Adler concluded that “the dealing crowd was strongly driven by the pleasures they derived from their way of life. This lifestyle was one of the strongest forces that attracted and held people to the drug trafficking business.”²³ The ‘fast life’ in question is described by Adler as emulating “the jet set with all of its travel, spending, and heavy partying.”

Members of the “glitter crowd” were known for their irresponsibility and daring, their desire to live recklessly and wildly. They despised the conservatism of the straight world as lowly and mundane. For them, the excitement of life came from a series of challenges where they pitted themselves against the forces that stood in their way. Although they did not create arbitrary risks, dealers and smugglers were gamblers who enjoyed the element of risk in their work, being intoxicated with living on the edge of danger. They relished more than just the money; they reveled in the thrill-seeking associated with their close scrapes, their ever-present danger, and their drug-induced highs. Gone was the quiet, steady home life of soberly raising children and accumulating savings, as they set themselves on a continuous search for new highs. (Adler 1993: 84-85)

In 1991-1992, Adler returned to Southern California to see what had become of the ‘beautiful people’ she spent most of the 1970s with. She managed to re-establish contact with about a fifth of them, and found that they were all out of the narcotics business.²⁴ Most of them settled in some legitimate business of their own, in which having some money to start off with clearly helps.

None of the wheeler-dealers, then, entered the confines of the straight “workaday” world they had either fled or disdained in the first place. Like many legitimate entrepreneurs, they could not imagine themselves punching a clock or working for someone else. Having tasted the excitement of the drug world, the straight world seemed boring. For them, staying within the world of independent business was associated with the potential for freedom and adventure. (Adler 1993: 178)

Summing up her impressions, Adler concludes that many of the old traffickers have learned to

... appreciate the mundane security of the everyday world, yet they never attain their former level of disposable income, excitement, flexibility, and the pleasure, spontaneity, and freedom they experienced during their halcyon days of drug trafficking. (...) The attitudes, values, and lifestyle they adopted during the active phase of their dealing careers remain nascent within them. Most are straight for pragmatic rather than ideological or moral reasons. (Adler 1993: 182)

Following Rick Aniskiewicz’s appeal for “a more complete understanding of the existential reality of those involved in organized crime [which would] concentrate on identity, danger, violence, risk, and excitement within the criminal lifestyle,” we attempted in our study to derive indications of these and

²² Adler (1993).

²³ Adler (1993: 83; 98).

²⁴ “... they burned out, bottomed out, busted out, grew out, and quit.” (Adler 1993: 169)

other lifestyle factors from the available material.²⁵ For this purpose, in particular the over 20,000 recorded telephone conversations provided a rich source.²⁶ In the context of this article, the reporting will necessarily avoid going into details and remain limited to some summarizing observations.

5. Some observations regarding criminal lifestyles

I had to hit him, or he would have thought I was a 'softy'

Berend Verhagen,
referring to a complaining customer

In studying the lifestyle of the Dutch drug millionaires it soon became clear that certain traits described in the literature as typical for Cosa Nostra members were not found. There was no particular respect for descent, position or traditions, nor any inclination to respect authorities whatever their claims. Rather, what was observed testified mostly of a back street upbringing in combination with strong entrepreneurial skills.²⁷ They were all very much their own man, and most of them would only enter into coalitions on the prospect of profit. Also, there was no such thing as 'honor among thieves': betrayal and double-crossing were habitual for many of the criminal entrepreneurs, leading to mutual distrust and returning flicks of paranoia. The protagonists of the *Verhagen* network did not display a typical middle-class orientation centering around civility, respectability and cultural uplifting. In fact, one of the things most striking to the drug millionaires under study is their lack of aspiration for a 'respectable' bourgeois image. These are entrepreneurs dealing in high-risk commodities, the latent threat of violence is an advertised aspect of their trade, and they are keen to be seen enjoying life to the full, driving around in Ferrari's and Rolls Royces, and playing with speed boats and race horses. Showing off one's material success appears to be a prerequisite to playing a power role in the criminal network. Yet, while these observations are certainly valid for many of the well-known major drug merchants, there is another category of well-off entrepreneurs who play it very low-key indeed. Certain established big business owners are suspected by the police to have made at least part of their fortunes through investing in illicit ventures. Although they are now considered to be well beyond the reach of criminal investigators,

²⁵ Aniskiewicz (1993).

²⁶ The number of phone taps in this investigation was unusually high even to Dutch standards. There are some caveats as to the completeness and reliability of this source material. Firstly, only about half of the 20,000 taped conversations were available for this research in either verbatim or condensed form. The detectives left the 'women talk' and social chit-chat often out, marking it as "not relevant for the case". Peter Reuter among others has pointed out that such "minimized" transcripts are in fact insufficient for scientific or intelligence purposes (Reuter 1987: 172). Furthermore, researcher Kip Schlegel has warned that telephone recordings he studied often contained exaggerations by boasting criminals (Schlegel 1984: 106-108). Thus forewarned, we decided all the same to try and see how far an analysis would bring us.

²⁷ In fact, most of Miller's classic 'focal concerns of lower class culture' (Miller 1958: 7-13) could easily be identified in the drug millionaires' conversations and behavior. When considering the social background of the most notorious Dutch drug millionaires, it quickly becomes clear that more than half of them come from modest to poor families, and are often raised in trailer parks. Sons of industrial tycoons (such as the infamous Klaas Bruinsma, who was killed in 1991) or upper middle class families are the exception to the rule.

there are 'soft' indications that some of them continue to make very profitable investments as 'silent partners' in e.g. ecstasy production lines. These characters lead the 'normal' lives that rich people in Holland have nowadays. Their houses may be a bit more baroque than the dwellings of their neighbors, and the company they keep may be a bit rude late at night, but for the rest they blend in perfectly with the rest of the 'new money' that populates the villa parks surrounding Amsterdam. The 'criminal lifestyle' as it is described here is, therefore, not necessarily representative for all successful entrepreneurs involved in the higher levels of the drug trade in the Netherlands.²⁸

In general it can be concluded that the lifestyle of *Berend Verhagen* and his gang of drug millionaires, while they were extravagant in their spending patterns, is essentially of a working-class nature. Although they drove very expensive cars, their preferred habitat was a local camping site, with the dress code to match. Parties were also a big thing: many birthdays, weddings and homecomings were celebrated in exuberance with live music, drinking and the exchange of expensive gifts to show 'friendship' and mutual 'respect'. While they were not professional business people in any way, they were quite proficient as merchants in all sorts of irregular products such as second-hand cars, sporting boats, expensive watches and large quantities of hashish. Closing a profitable deal (which would often involve outsmarting the other party) concerning whatever product gave them the utmost pleasure, and wheeling and dealing had in fact become a second nature.²⁹ Their world view distinguished between suckers and wise guys: being wise guys themselves, all the suckers in the world were just waiting to be conned.³⁰ All this would not mean that they were devoid of any morals: sexual relationships with a business partner's loved one for instance was at least formally frowned upon, since it could easily result in serious conflicts. Also, when it comes to children and the misery of the world in general some of the toughest players could become quite sentimental, donating money to Foster Parents and other charities which they would never spend on anything they could avoid such as taxes or parking meters.

Camaraderie was a complicated matter. While most of the relationships were primarily instrumental, many members of the crime network had known each other since their primary schooldays, and they did show care and forgivingness when an old friend was in trouble or displayed weaknesses. Also they seemed to enjoy simple pleasures, such as chatting around a fireplace and having a beer. One arrested drug baron, when questioned by a detective on why he decided to participate personally in cutting up a large shipment of hashish in smaller packages, answered: "It's all about having a good

²⁸ For one thing, many of the successful drug traffickers from Turkish and Moroccan origin, members of the large Mediterranean communities that have migrated to the Netherlands in the past decades, send their profits directly to the 'motherland' while living under rather modest or even poor conditions in Holland.

²⁹ The drug millionaires knew no 'business hours', and in fact it was impossible to distinguish between work and leisure. The urge to sell and to close deals was almost compulsive, to the point where they would try to convince an interrogating police officer that he "really needed a better wrist watch". The greatest satisfaction would be derived from conning naïve buyers, such as when some British youths with a sailing boat bought a few hundred kilos of marihuana which they paid for in cash and received in the middle of the night, shortly before setting off to old England. Once back home, they discovered to their chagrin that the merchandise was seriously affected by fungi and thus nearly worthless. The story produced many a good laugh on the Dutch side of the North Sea, and nobody worried about possible retribution.

³⁰ This of course is an often reported world orientation among criminals: cf. Miller (1958: 10), Cloward & Ohlin (1960: 14, 23) and Reuter (1981), as well as many others.

time on a Saturday. With some mates, a crate of beer and good music, working on a load of hash: I wouldn't want to miss it for the world!"³¹

A particular trait that some of the drug barons displayed was an extreme stinginess: they avoided spending money on what they considered unnecessary things at all costs. Legal formalities involving permits and licenses were among the things one could expect a lawbreaker to avoid, and refusing to lend money to 'friends' could also be considered a smart business principle. Other things were more surprising: one drug millionaire presented his young son with a bicycle for his birthday. Instead of going to a shop and spending \$100 to buy a new model, he sought out a second-hand kiddy bike in the classifieds and spent the better part of a Saturday sanding it down and repainting it. He told a friend he had thus only spent about \$15, and the savings really seemed to please him.³²

When comparing the lifestyle of back street neighborhood dwellers functioning in their informal economy with the drug millionaires, many similarities become obvious. In the dissertation this is treated in some detail, and a second comparison with (semi-)legal entrepreneurs of various formats provides yet other typical traits that suggest the drug millionaire is not a unique and isolated species. Certain lifestyle and life philosophy elements could thus be found in all three categories.

- **Smartness:** in a general sense the ability to obtain money, goods or status with a maximum use of smartness and a minimum of physical efforts, which requires the talent to quickly recognize and seize opportunities as well as being a good judge of character. For the drug millionaires, it meant in particular the cunningness to outsmart others in all sorts of business deals;
- **Suspicion:** the counterpart of smartness, i.e. the talent to avoid being conned;
- **Casualness:** the coolness to be clearly in control without apparent efforts;
- **Autonomy:** projecting the impression that one is 'his own man', and invulnerable to pressure;
- **Well-connectedness:** being a good networker, which enables one to organize various projects;

³¹ A peculiar sense of humor is also definitely part of the lifestyle found among our subjects: they like to swap tall lies and true adventures, and some of these could be verified through police sources. Many such anecdotes center around smartness in the 'cops-and-robbers' game or in conning the criminal competition. In the summer of 2000 for example, a customs dog handler met a nice man at a birthday party, who generously offered to take care of the dog for an evening if the customs man would perhaps like to take his wife out to the movies. The customs man some time later took up the offer, and that night, the 'friend' willingly escorted the trained narcotics sniffer on a walk in the southern part of Rotterdam. Out there, the dog repeatedly barked when approaching certain garage boxes used as stashes by local hash coffeeshops. The 'friend' didn't forget to carefully note their locations. The following night the friendly dog walker accompanied by a partner returned to the garage boxes, this time in a 4x4 utility vehicle fitted with a tow bar and chain. The day after, the proprietors of the cannabis products missed their garage doors as well as their valuable contraband. None of them took the trouble of reporting their loss to the police.

³² This stinginess sometimes produced problems when it caused Murphy's law to come into effect. One sea trip with a very large shipment of hashish for example ended in disaster because *Verhagen* had over-economized by buying a thoroughly corroded virtual wreck of a ship, and hiring the cheapest and least qualified staff to sail it from Pakistan to Europe.

- **Boldness:** the ability to get things done and convince people, often through sheer domination and implied threats.

Perhaps an important difference between the drug millionaires and many licit entrepreneurs is the former's appreciation of enjoying the pleasures of the 'good life'. Their activities, while they enjoy the wheeling and dealing, seem particularly aimed at fulfilling the conditions for being able to maintain a lifestyle in which playing, partying, showing off and hanging out form an important part.

6. The influence of lifestyle on criminal decision-making

Everything in this world was sharpened up. You kept alert, moved quickly, stayed out late, drove at speed, made snap decisions. There was a contagious frenzy about it all. Everyone else was left standing at the lights.

UK criminologist Laurie Taylor

The study described here focuses on obtaining new insights on the relationships and 'social mores' in criminal networks, with the explicit intention of providing new input for the further development of criminal analysis. Certain methodologies have become available as a result, such as the charting of regional criminal infrastructures, and the distinguishing of various layers and dimensions of social relationships between subjects (instrumental, affinity, power, et cetera). Also, criminal analysts are now being introduced to a new terminology involving 'facilitators', 'brokers' 'role equivalence', 'centrality' and other concepts borrowed from social network analysis. They can learn how to make a 'vulnerability analysis' of a network to expose opportunities for law enforcement intervention. Making lifestyle awareness valuable for operational analysis is somewhat more complicated. Thus far, apart from the general benefits to be derived from being able to gauge the values and norms of criminal subjects, we have only been able to come up with a tool-in-progress which we have dubbed the 'lifestyle decision matrix'. The idea behind this is that drug millionaires continuously make decisions about what projects to initiate or invest in, and which options to avoid. This decision-making process is to all likelihood less impulsive than the operational decisions made by burglars or robbers, a topic on which a certain body of knowledge has been developed over the years. Still, apart from rational business considerations, other factors enter into play. Analysis of the empirical material indicates that the following elements and questions are taken into consideration.

1. The possible revenues: do these justify the trouble and investments?
2. Does the project fit into earlier or ongoing projects and activities (in connection to cognitive factors, skills and interests)?
3. How high are the costs anyway (considering financial investment, required time, the trouble one has to go through)?
4. Are there any chances of having (most of) the work and investments done by others?

5. (Related to 4:) are there opportunities to manipulate others into holding the Black Peter while assuring substantial benefits for oneself (the smartness factor)?
6. What are the risks (technical and organizing failure, being ripped off, being arrested), and who would suffer the consequences?
7. Who offers the opportunity ('own people' or others; how is the balance of power)?
8. What is the pressure from others (status, prestige)?
9. Is it a 'fun' and 'exciting' project?

Trying to increase our understanding of criminal decision-making processes should enable us to come up with new and better methods of administrative and enforcement prevention of organized crime. Put in a broader perspective, an increased awareness of the lifestyles of drug millionaires is in itself valuable to the development of criminology. This alone would justify further study. The research presented here merely scratches the surface, but these insights could contribute to the effectiveness of controlling organized crime, and current experiments in the field support this claim. The endeavors to intensify cooperation between intelligence analysts and academic researchers are however not without pitfalls, as the following paragraph will testify.

7. Dilemmas encountered during the research

*My superiors never wanted to know how I obtained the info.
As long as I delivered, they never had a problem.
As a consequence, you become very ingenious.*

Detective, 'Ferrari team'

While working on this project, some ethical and epistemological dilemmas presented themselves that are common in the world of intelligence, but unfamiliar to most criminologists in academia. One of those is the verification of very sensitive single-source information in an intelligence environment which is virtually similar to a closed society, a situation which deprives the researcher of his crucial tool of Popper's critical method.³³ The fact that interpretation of such sensitive information cannot be discussed with other researchers prevents an open discussion of certain essential aspects of the organized crime phenomenon, which in turn poses limits to the controllability which is crucial to any academic work. At a certain point, the researcher was confronted with the ambivalent line between academic research and intelligence work, epitomized in the quintessential question posed by one of the interviewees: "Well, do you now want to hear the real story or not?". Information obtained on that fragile basis of confidence nonetheless forced the researcher to rethink the initial interpretation of the criminal network under study. Certain key individuals appeared to have played an unexpected

³³ Cf. Ben-Israel 1989: 690 ff.

and totally different role, which shed a new light on what, judging from an intensive study of the available dossiers, at first had seemed a rather straightforward group of cannabis-smuggling criminals. How should a researcher go about reporting in such a case? Producing the straightforward report which he now suspects is incomplete in certain key areas, or refrain from publishing at all, thus causing the entire project to collapse without being able to give a satisfying explanation? Lacking the safeguards of open debate once such restricted information is involved, can criminologists working outside of the law enforcement and intelligence domains ever claim to understand controversial phenomena such as organized crime? When working 'inside', does the academic method remain applicable, or can the information gap separating academics from criminal intelligence operators never be bridged? This researcher at times now finds himself grinning the 'enlightened' mysterious smirk which he used to loathe in intelligence operators. The one that shields from all requests for explanation. The discouraging conclusion could be that there are different levels of 'understanding' in these matters, which are linked to access to privileged information. Experiencing the crossing of the information border makes it easier to understand why a dialogue between operators and scholars will often remain limited to the exchange of pleasantries and opinions, thus creating only the impression of sharing views without the opportunity of ever reaching the level of confidence that would allow for a discussion of essentials.

8. Last round for the millionaires?

It could be anything. I no longer know who my enemy is.

Drug millionaire Sam Klepper
Subsequently assassinated in
Amsterdam on October 10,
2000

Lifestyles cannot be seen isolated from the material and wider social conditions under which people live. In a sense, the relatively relaxed drug millionaire lifestyle described above may already be a thing of the past in Holland. Over the last few years, the narcotics market has seen some surprising changes. In the late 1980s and early 1990s, cannabis was the commodity of choice for any entrepreneur interested in a quick profit without really serious risks and with only low stigma effects. Smoking hash was legal in the Lowlands, it seemed only a matter of time before growing it would be legal as well, and hardly anybody associated it with serious health risks or damage to society. Then, prosecutors began to give more attention to the major smugglers, motivated by warnings that their substantial illicit gains would 'infiltrate' and corrupt the regular economy. One after the other, the hash barons of the 1990s were arrested and brought to trial, and attempts were made to confiscate their capital with varying degrees of success. Simultaneously, ecstasy and other 'smart drugs' became increasingly popular with the rise of the dance culture, and this opened up an immense market almost equal to that of the cannabis consumers. The hash smuggling business lost much of its attractiveness due to the increasing number of home growers: the quality of marijuana cultivated in

Holland ('Nederwiet') had improved to such an extent that the THC level often equaled that of Moroccan or Lebanese hash.

With the hashish market shrinking and the demand for party drugs at an all-time high, many entrepreneurs switched to the new commodity and began investing in laboratories and associated logistics. Profit margins were immense, with a production cost for one ecstasy pill at about one dollar and a street price of \$6 or more in Holland, and two to three times that in the rest of Europe and the United States. For a few years between about 1993 and 1999, the Dutch entrepreneurs held a near-monopoly on the large-quantity production and distribution of ecstasy. The pills easily surpassed cheese and tomatoes as the most requested Dutch export product, and the embarrassed government did not like this one bit. But by late 2001 change was in the air, with over one hundred new synthetic drugs investigators about to arrive on the scene and many dedicated law enforcement from Holland and Britain, from Europol and the U.S. DEA already targeting the Dutch production lines. Many intelligence and law enforcement efforts and projects received a strong impulse in the last months of 2001 following the September 11 terrorist attacks, as the Dutch government enacted a massive and comprehensive program to reinforce preventive and repressive capabilities to counter both terrorist and criminal threats. Also, competition from the former Soviet countries and Israeli traffickers is stronger than ever, which could bring the Dutch ecstasy market on the verge of collapse. On the Dutch domestic market, cocaine is still gaining in popularity while ecstasy consumption is declining, a trend most likely caused by recurrent incidents in which partygoers suffer the sometimes lethal consequences of taking pills with unpredictable but fatal effects. Subsequently, the export market becomes ever more important to Dutch drug entrepreneurs.

Adding to this, Holland in the year 2000 witnessed an unprecedented number of assassinations among criminals, a phenomenon which observers attribute at least partly to drug deals gone sour and infighting among major ecstasy producers. The Amsterdam police force interviewed well over a hundred criminal contacts in late 2000 in relation to the assassinations, and found many of them to be fearful for their lives and insecure about their business. A reshuffle in the Dutch criminal scene appeared to be in the making, and recently introduced legislation to stimulate turncoats and allow for the direct bugging of serious criminals probably also helped to stimulate paranoia. Although the number of assassinations among organized crime groups seemed to have dropped recently (estimates for assassinations in Amsterdam, (pop. 735,000) in the year 2001 range between 5 and 10), the laid-back money-making lifestyle is under considerable pressure. In certain cafés and coffeeshops the tension among professional drug merchants is apparent, and all of a sudden being a Dutch drug millionaire these days isn't as much fun anymore.

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