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The Effects of Prohibition and Decriminalization on Drug Market Conflict: Comparing Street Dealers, Coffeeshops, and Cafés in Amsterdam

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Published on: Jun 09, 2020
DOI: https://doi.org/10.21428/7b6d533a.2004aa14
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ABSTRACT
Research Summary: To reduce individual and social harms, most nations prohibit certain psychoactive drugs. Yet, prior scholarship has suggested that prohibition reduces illicit drug sellers’ access to law and thereby increases predation against and retaliation by them. No prior study, however, has directly tested that theory by comparing drug sellers of different legal statuses operating in a single place and time. This study analyzes rates of victimization, legal mobilization, and violent retaliation in three retail drug markets in Amsterdam, the Netherlands: the legally regulated alcohol trade of cafés, the decriminalized cannabis market of “coffeeshops,” and the illegal street drug market. Results from interviews conducted with 50 sellers in each market indicate, as expected, that illicit drug dealers have the highest rates of victimization and violent retaliation and the lowest rates of legal mobilization. Contrary to expectations, we find coffeeshops experience less victimization than cafés and have similar rates of violent retaliation and legal mobilization. Policy Implications: Our findings suggest that state regulation of drug markets affects victimization and conflict management of sellers, but the relationship does not seem to be linear. Prohibition undercutsthe state's regulatory capacity by producing zones of virtual statelessness in which formal means of dispute resolution are unavailable, and thus, victimization and retaliation are more common. At the other extreme is laissez faire regulation, which may make sellers more likely to address problems only after they occur (instead of preventing their occurrence). The Dutch government originally instituted coffeeshops as a harm-reduction method meant to separate the market for cannabis from that of hard drugs. The policy also seems to work well when it comes to reducing victimization, perhaps by encouraging the use of preventive measures by coffeeshop owners and employees. The Dutch experience offers lessons for drug policy reforms elsewhere.

Introduction
An unprecedented rise in the formal control of drug use and distribution took place during the twentieth century (Musto, 1999; Zimring and Hawkins, 1992). Premised on a belief that psychoactive substances reduce the wellbeing of individuals and communities, governments world-wide developed prohibitions and regulations to prevent drug-related harms (MacCoun and Reuter, 2001). Anti-drug policies and enforcement practices, however, have harmful effects of their own (Kleiman, 2009; Kleiman, Caulkins, and Hawken, 2011; Zinberg, 1984). In theory, prohibitionist policies may reduce illicit drug traders’ access to formal means of conflict management (i.e., social control), making them attractive targets to predators and reliant on violent retaliation (Goldstein, 1985; Jacobs, 2000).

Despite some empirical evidence to support this theory, no prior study has directly tested it by comparing drug sellers operating in a single place and time who differ in legal status. Nor has research on this topic analyzed the full spectrum of legal statuses: legal, decriminalized, and prohibited. This study investigates rates of victimization, legal mobilization, and violent retaliation in three retail drug markets in Amsterdam, the Netherlands: the legally regulated alcohol trade of cafés, the decriminalized cannabis market of “coffeeshops,”
and the illegal street drug market. Drawing on data from interviews with 50 participants in each market, we test the hypothesis that drug sellers’ legal status varies inversely with rates of victimization and violent retaliation, but directly with the propensity to mobilize law.

We first review the conceptual and theoretical context of our study, prior research on victimization and conflict management among drug sellers, and the legal environment in which Amsterdam’s cafés, coffeeshops, and street dealers operate. We then describe our data and methods, present our findings, and discuss their implications for theory, research, and policy.

**Victimization and Social Control**

Victimization is an offense against one actor perpetrated by another. Both violent and property victimization are examined in this study. Social control, or conflict management, is the handling of a perceived wrongdoing, such as victimization (Black, 1976, 1998). Formal social control, or law (broadly defined), is the handling of a grievance by legal or political authorities (Black, 1976). Formal control may be initiated proactively by government officials or reactively when a victim or third party makes a police report (Black, 1980). Of special interest in this study is victim-initiated legal mobilization, which is one of “the process[es] by which a legal system acquires its cases” (Black and Mileski, 1973: 6).

Informal social control entails handling a grievance without involving legal or other state officials (Black, 1976, 1998). The most infamous type of informal control is retaliation – a kind of self-help involving “unilateral aggression” (Black, 1983). Nonviolent responses to victimization include negotiation, where disputants seek to resolve the conflict through discussion; avoidance, where the victim responds by reducing contact with the offender; and toleration, where the victim takes no action (Black, 1998). We consider each of these responses in the current study.

**Leviathan and Virtual Statelessness**

While this paper’s contextual focus is drug market conflict, its broader contribution is to theory and research on the relationship between access to law, victimization, and retaliation. This is a longstanding topic of study. In *Leviathan*, Hobbes ([1651] 1985) proposed that “during the time men live without a common Power to keep them all in awe, they are in that condition which is called Warre; and such a warre, as is of every man, against every man” (p. 185). In such a condition, violence is widespread and “the life of man [is] … nasty, brutish, and short” (p. 186). A strong central authority may reduce violence among citizens, however, by monopolizing the legitimate use of physical force (see also Elias, [1939] 1994; Weber, [1922] 1978). In theory, this state-held monopoly makes for a more peaceful society by using means of formal control to deter predation and retaliation (Hobbes, [1651] 1985). In support of this thesis, mortality data from archaeological, ethnographic, and other sources show that, on average, the violent death rate of persons living in nonstate societies is four to ten times greater than that of those living in state societies (Pinker, 2011; see also Cooney, 1997; Courtwright 1996; Rosenfeld and Messner, 1991; Roth, 2009).
At first glance, Hobbes’ thesis may seem to be of little use in explaining variation in modern day violence because few places remain beyond the reach of state control. But Hobbes’ thesis remains relevant for distinguishing between “actual statelessness” and “virtual statelessness” (Black, 1983; Cooney, 1997). The latter refers to persons living in a state society who rarely if ever use formal means of dispute resolution. Whereas Hobbes was concerned with actual statelessness, virtual statelessness implies that pockets of relative anarchy persist in which predation and retaliation flourish. Perhaps the most widely cited example in the United States is that of young black men living in socially disadvantaged urban communities, as they often have a tenuous relationship with police that serves to increase their victimization and subsequent vigilantism (Anderson, 1999; Goffman, 2014; Jacobs and Wright, 2006).

Not all stateless societies or communities are particularly violent, and some of the world’s worst violence has been perpetrated by nation states (Cooney, 1997; Pinker, 2011). But, other things equal, the probability that interpersonal disputes will be managed with violence increases when and where the state lacks regulatory control over human social relations. Ironically, the state creates such lawless social locations whenever it prohibits a particular class of behaviors, as prohibition obviates the need for behavioral regulation.

A theoretically fruitful social location for studying the unintended consequences of virtual statelessness is the contemporary illicit drug market. Numerous theoretical perspectives can be brought to bear on the relationship between drug policy and “systemic” crime (Goldstein, 1985), including Merton’s (1936) theory of the unintended consequences of purposeful social action, Durkheim’s ([1897] 1966) theory of the social origins of anomie, Anderson’s (1999) theory of violent cultural codes, Black’s (1976, 1983, 1998) purely sociological explanations of conflict management, and perhaps even Zinberg’s (1984) ideas regarding the effects of drug, set, and setting. We cast this study in the rational choice perspective because it underpins many government efforts to control crime and is a leading perspective on the relationship between drug-related behavior and law (see NRC, 2001, 2010).

**Rationality and Drug Market Conflict**

In its pure form, rational choice theory holds that people decide how to behave by weighing the utility—benefits minus costs—of alternative lines of action, and ultimately pursue the behavioral option with the greatest perceived payoff relative to its concomitant risks (Bentham, [1789] 1988). Clarke and Cornish’s (1985) multidisciplinary rational choice framework builds on the Bentham tradition, drawing lessons from social psychology as well as economics (see also Cornish and Clarke, 1986). In that formulation, such decisions are “bounded” by culture, social structure, the physical environment, emotions, and other factors (Simon, 1957; as relates to drugs, specifically, see Zinberg, 1984). Choices made in this way are defined as “rational” even if they are suboptimal because of limited information, time discounting, or other obstacles to unfettered decision making.
Rational choice theory implies that predators target individuals or groups offering the greatest reward relative to risk; in part, this assessment reflects an offender’s estimation of how a particular person will react to an affront (see, e.g., Jacques, Allen, and Wright, 2014; Wright and Decker, 1997). All else equal, it is more rational to prey on someone who is unlikely to mobilize law in response to victimization because cases not reported to police are obviously less likely to result in arrest, prosecution, and punishment. Relative to sellers of legal drugs, illicit drug sellers have less to gain and more to lose by mobilizing police. This is because making a police report may lead to a criminal’s own offenses being detected and punished. Even if a report is made, police and prosecutors are less inclined to pursue justice on behalf of a criminal victim (Copes et al., 2011; Klinger, 1997; Moskos, 2008; Jacques and Wright, 2013; Reuter, 2009).

As legal mobilization loses utility, however, informal responses to victimization, including violent retaliation, will become comparatively attractive options (Jacobs, 2000; Topalli, Wright, and Fornango, 2002). Therefore, illicit sellers should be more likely than legal ones to handle victimization via informal means. By retaliating against a victimizer, a dealer may be able to gain a feeling of justice, protect against further affronts by incapacitating or deterring would-be offenders, and reacquire their property or obtain some other form of compensation (Jacques, Wright, and Allen, 2014). Negotiation, avoidance, and toleration also have potential benefits, including compensation, insulation from further affronts, or no expenditure of time or energy (Jacques and Wright, 2011, 2015).

To summarize, and leaving aside the cultural, social, and psychological limits to purely rational decision-making, the basic thrust of rational choice theory predicts that the expected utility of mobilizing law is lower for illicit drug sellers than it is for legal ones, which means illicit dealers should do so less often and, therefore, be preyed on more frequently and be more likely than legal sellers to manage conflict informally, including with violent means.[1]

**Research on Drug Market Conflict**

Both qualitative and quantitative studies lend support to the theory outlined above (Jacques and Allen, 2015). First, consider a few examples from qualitative studies. When asked why he targets drug dealers, a robber asked rhetorically, “What he … gonna do, … call the police and tell [them] I took his drugs from him?” (Jacobs, 2000: 29). Another robber explained his motivation for robbing dealers as “considering that they’re committing crimes, they’re not going to rat us out to the police” (Curtis and Wendel, 2007: 878; see also St. Jean, 2007; Wright and Decker, 1994, 1997). The same factor motivating predators to target dealers leads dealers to retaliate in kind. As one seller put it, “[I]t’s not like we’re sitting there running a liquor store or a supermarket and something and we get robbed and tell the police. … We don’t have the police involved in it … If something happens on the streets, if a dope fiend does something to you or you get ripped off, we gonna go fuck that person up” (Jacques and Wright, 2013: 559; see also Bourgois, 2003; Topalli, Wright, and Fornango, 2002). Sometimes dealers resort to peaceful means of informal control, instead of calling the police or retaliating. An example of avoidance is a dealer who told a delinquent customer, “Go find someone else to get
Quantitative studies show that a large fraction of murders involve illicit drug sellers (Goldstein et al., 1997) and that some dealer populations—such as those operating in disadvantaged inner-city neighborhoods—have remarkably high death rates compared to non-sellers of a similar demographic makeup (Levitt and Venkatesh, 2000; Reuter, MacCoun, and Murphy, 1990; Werb et al., 2011). Yet we are unaware of any research that investigates whether illicit drug dealers’ victimization rates are higher than those of, say, alcohol sellers (e.g., liquor stores or bars). Nor has prior research documented whether members of these respective groups have different odds of mobilizing law or retaliating when victimized. The studies that come closest to filling that gap are the interrupted time-series analyses of alcohol prohibition in the United States and its relationship to violence. This body of work suggests that outlawing much of the alcohol trade led to a marked increase in violence (but see Owens, 2011). Homicide is positively correlated with the number of states that outlawed alcohol (Jensen, 2000) and expenditures on the enforcement of Prohibition (Miron, 1999). This research is suggestive but limited because it does not include direct measures of alcohol sellers’ rates of victimization, legal mobilization, and retaliation. Thus whether Prohibition had a direct effect on victimization or responses of alcohol sellers is unclear.

Also, prior quantitative research has not shown whether illicit drug dealers are more reliant on nonviolent informal conflict management than actors selling a legal drug. The only quantitative research bearing on this topic is that investigating drug market violence across communities. For example, Zimring and Hawkins (1997) note that, despite having similarly-sized drug markets, the rate of drug-related homicide is far higher in the United States than in other Western countries. Similarly, Ousey and Lee (2002) found that, under certain conditions, within-city variation in homicide is negatively associated with drug market expansion. A speculative interpretation of these findings is that because violent retaliation is not a constant across illicit drug markets, other forms of informal control must be filling the void (Jacques and Wright, 2008a, 2015). To be clear, these studies simply measure violence and, as already noted, do not compare illegal and legal drug sellers. Further, the extent to which drug sellers in any market employ peaceful means of informal control is largely unknown. For all we know, it is possible that the low levels of violent retaliation in some illicit drug markets simply reflect low rates of predatory victimization, or that some illicit sellers turn to the police when victimized instead of responding informally.

### Studying the Full Spectrum of Drug Market Legal Statuses

Another limitation of prior theory and research on drug market conflict is its failure to take into account the full spectrum of possible legal statuses attached to the drug trade. If market illegality is thought of as a continuum, prohibited drugs occupy one pole and unregulated drugs occupy the other. Prohibited drugs are those that under almost no circumstances may be produced, sold, or purchased legally. At present, such substances include, among many others, cocaine, heroin, and methamphetamine. Unregulated drugs are those in which trade is
comparatively free, open, and legal; obvious examples include caffeinated beverages such as coffee and tea. There are also substances between the extremes that are legal only when manufactured, sold, and consumed under more or less strict regulatory controls, such as having a license to distribute and meeting a legal age requirement for possession. The leading examples in most nations are alcohol, tobacco, and prescription medications.

Countries differ with respect to which drugs are prohibited, regulated, and unregulated, but nearly all jurisdictions classify various substances as one or the other. In the United States, for example, alcohol is regulated, cocaine is prohibited, and both are treated as such by law enforcement officials. When the line between permitted and prohibited drugs is so unambiguous, a test of how illegality affects victimization and conflict management among drug dealers is straightforward: researchers can simply compare the experiences of legal drug sellers (e.g., bars, liquor stores, and tobacco shops) to those of illicit drug sellers (e.g., cocaine dealers or drug-selling gangs). As noted above, to our knowledge no studies have actually done so, with the partial exception of investigations of alcohol prohibition.

But the legal regimes governing drug markets are not always clear cut. While far less common than outright prohibition or regulation, in some places a drug market is subject to de facto regulation in the face of de jure prohibition. The law on the books may prohibit selling the drug, but in practice the government permits retail sales, subject to extensive rules and regulations. An American example is the trade in medical marijuana. As of early 2015, twenty-three states plus the District of Columbia permitted the sale of medical marijuana under varying conditions and circumstances. Four U.S. states and the District of Columbia have gone further by permitting the sale or possession of marijuana for recreational use, despite the fact that the federal government prohibits the practice. Several European nations have decriminalized cannabis, including Portugal, Spain, and Italy. The most famous example is the focus of the current study: the decriminalized cannabis trade in the Netherlands.

When law proscribes an action, but the proscription is not fully enforced, the result is partial decriminalization. Decriminalization is situated between legal regulation and prohibition on the drug market legality continuum. The quasi-legal status of sellers of a decriminalized drug provides an invaluable opportunity to evaluate the full range of legal statuses attached to drug markets and their effects on victimization and social control. Quasi-legal sellers constitute a novel and, given recent trends in drug policy, increasingly important point of comparison. A theory of victimization and social control in quasi-legal markets must be speculative, given the absence of research on the topic, but current explanations and evidence regarding prohibited and legal drug sellers serve as a useful starting point.

From the perspective of rational choice theory, quasi-legal drug sellers should have rates of victimization, legal mobilization, and informal control, including retaliation, somewhere between those of legal and illegal drug sellers. Because the business of quasi-legal drug sellers is partially criminal and partially legal, for them the ratio of benefits to costs from mobilizing law may be lower than the benefit-cost ratio for legal sellers but
higher than the benefit-cost ratio for prohibited sellers. If that is the case, quasi-legal sellers should consider informal responses to victimization a more attractive option than do legal sellers, but less attractive than do prohibited sellers. Also, predators may perceive the risk of formal punishment to be lower when targeting quasi-legal sellers than legal ones, but higher than when targeting prohibited sellers, resulting in victimization rates among quasi-legal sellers between those of sellers at the poles of the continuum of drug market legality.

We stress that prior research on drug markets offers little evidence bearing on the validity of the hypotheses above. The predictions are based on the assumption that drug market illegality has a linear effect on victimization and social control: the more illegal the market, the higher the rate of victimization and informal social control, and the lower the rate of legal mobilization. That assumption seems to us to be a logical implication of these theories. But it may be incorrect. The effect may be curvilinear, such that rates of victimization or social control among quasi-legal sellers are lower than those of both legal and prohibited sellers—a possibility in keeping with the principles underlying “harm-reduction” drug policies. This alternative possibility notwithstanding, existing theory and research predict that victimization, violent retaliation, and other forms of informal control are a linear function of drug market illegality: the more illegal a drug seller’s business, the less likely is legal mobilization and the more likely is victimization and informal social control (including retaliation). The major research question addressed in the current study is whether these relationships hold across the triad of legal, decriminalized, and illegal drug markets in Amsterdam, the Netherlands.

**Legal Statuses of Drug Sellers in Amsterdam**

Like most Western cities, Amsterdam has a regulated alcohol trade and a prohibited market for other psychoactive drugs. Amsterdam is also home to the world’s best known decriminalized drug market: the retail cannabis trade conducted in coffeeshops (Leuw and Marshall, 1994; MacCoun, 2011; MacCoun and Reuter, 1997). These businesses are allowed to sell small amounts of cannabis under strict regulations, but it is illegal for them to purchase large quantities of cannabis for sale.

The “deliberate ambivalence” (MacCoun, 2011) of Dutch drug law with respect to coffeeshops is based on a harm-reduction approach to crime control (Leuw, 1991; Reinarman, Cohen, and Kaal, 2004). The legal framework for drug policy is the Opium Act of 1976, which divides illicit substances into two categories differentiated by their health risk to users. Those with an “unacceptable health risk” are referred to as “hard drugs” and currently include cocaine, amphetamines, heroin, ecstasy, and LSD (NMFA 2008: 5). The second category contains less harmful “soft drugs”; the drugs currently classified in this category are cannabis (marijuana and hashish) and hallucinogenic mushrooms. The legal distinction between hard and soft drugs reflects a desire to separate the markets for hard drugs and cannabis (NMHWS, 2003; Wouters and Korf, 2009). Legal authorities tolerate the retail sale of cannabis by coffeeshops “to protect cannabis users … from exposure to hard drugs and the criminal elements who traffic in them” (NMFA 2008: 18).
Coffeeshops are allowed to sell small quantities of cannabis – marijuana and hashish – without fear of punishment so long as they follow strict rules: no more than 5 grams of cannabis per day may be sold to any person; no use or sale of hard drugs is allowed at the shop; no advertising; no nuisance (e.g., loud noise or violence); no sales to anyone under 18 years-of-age; and no more than 500 grams of cannabis on the premises at any time. Violation of the rules may result in the closing of the business or criminal prosecution. In addition, coffeeshops were prohibited from selling alcohol during the period of our study. These rules are to be actively enforced: police are required to perform a random search of every coffeeshop twice yearly (Trimbos Institute, 2010; Van der Gouwe, Ehrlich, and Van Laar, 2009). To be clear, only coffeeshops are de facto allowed by the government to sell cannabis. Any other entity is de jure and de facto prohibited from selling it; cafés and street dealers, for instance, are strictly prohibited from selling marijuana or hashish (NMHWS, 2003). At the time of our study, the maximum penalty for possession, cultivation, sale, transport, and production of cannabis for commercial purposes was 6 years imprisonment and/or a fine of €67,000 (NMFA, 2008). These penalties apply to anyone not inside the decriminalized confines of a coffeeshop.

A second group of drug sellers engages in fully prohibited market transactions. Our study focuses on street dealers, who solicit customers in public and sell at the retail level. As detailed in the results section, our findings suggest that street dealers overwhelmingly concentrate on the sale of hard drugs, though some also engage in the prohibited distribution of cannabis. Because it is illegal to sell hard drugs in the Netherlands, no special regulations govern their distribution to minors, allowable quantities, or other business conditions. As with coffeeshops, the quantity of drug law applied to hard drug sellers increases with the quantity of drugs they possess: selling greater quantities results in harsher penalties. The applicable penalties for involvement in the distribution of hard drugs are comparatively severe; the maximum sentence for sale, transport, or production of hard drugs is eight years in prison (NMFA, 2008).

Cafés that specialize in the sale of alcohol for consumption on the premises constitute the third group of drug sellers included in our study. Unlike coffeeshops, cafés are legally permitted to advertise, are not limited in the quantity of alcohol they may sell to a customer, and no restrictions are placed on the quantity of alcohol they may have on the premises. Like coffeeshops, cafés must not allow nuisance or hard drugs on the premises. Finally, at the time of the research, cafés were prohibited from selling alcoholic beverages to persons under sixteen, and beverages that exceed 15% alcohol could only be sold to persons 18 years-of-age or older. As with coffeeshops, penalties for violating the rules vary from a fine to temporary or permanent closure of the establishment and criminal prosecution of owners or managers. But cafés are not subject to mandatory annual police searches (NMHWS, 2001) and closure for violations is rare.

**Hypotheses**

We regard Amsterdam’s street dealers, coffeeshops, and cafés as “ideal types” (Weber, 2011) that represent, respectively, prohibited/illega, decriminalized/quasi-legal, and regulated/legal retail-level drug sellers. There is some overlap in personnel and products among them. For example, some coffeeshop employees have also
worked in cafés and some street dealers sell marijuana. But the three markets are sufficiently distinct to permit valid comparative assessment. As noted previously, theory and prior research pertaining to illegal drug markets yield specific, albeit tentative, hypotheses regarding how the legal status of drug markets affects the amount of victimization participants experience and their use of legal mobilization or retaliation in response to it. In their elaborated form, these hypotheses can be stated as follows:

H$_1$: Sellers of illegal drugs should experience more victimization than sellers of decriminalized drugs, who should experience more victimization than sellers of legal drugs. In the present case, street dealers should experience more victimization than coffeeshop personnel, who should experience more victimization than café personnel.

H$_2$: In response to victimization, sellers of illegal drugs should be less likely to mobilize law than sellers of decriminalized drugs, who should be less likely to mobilize law than sellers of legal drugs. In the present case, street dealers should be less likely to mobilize law than coffeeshop personnel, who should be less likely to mobilize law than café personnel.

H$_3$: Sellers of illegal drugs should be more likely to engage in retaliation than sellers of decriminalized drugs, who should be more likely to engage in retaliation than sellers of legal drugs. In the present case, street dealers should be more likely to engage in retaliation in response to victimization than coffeeshop personnel, who should be more likely to engage in retaliation than café personnel.

To investigate whether differences in the legal regimes governing Amsterdam cafés, coffeeshops, and street dealers—legal regulation, decriminalization, and prohibition, respectively—are associated with corresponding differences in victimization, legal mobilization, and retaliation (and other informal responses), we interviewed the owner or an employee of 50 cafés and 50 coffeeshops as well as 50 street dealers in Amsterdam between March, 2009, and May, 2010 (N = 150). All subjects were recruited in and around Amsterdam’s “Red Light District,” an area with a heavy concentration of coffeeshops and cafés catering to tourists, and a vibrant street drug trade (van Gemert and Verbraeck, 1994).

**Data and Methods**

Amsterdam is the capital and largest city of the Netherlands with approximately 750,000 inhabitants at the time of the study. The city is divided into eight boroughs or districts. As its name suggests, the district known as Centrum lies at the very heart of Amsterdam. It has approximately 83,000 residents, or about 11 percent of the city’s population (City of Amsterdam, 2011). This district is one of the most dangerous and disorderly areas in Amsterdam as measured by police crime statistics and residents’ perceptions. In 2006, Centrum accounted for 26% of police-recorded crimes in Amsterdam, including 20% of the homicides, 24% of the alcohol-related offenses, 43% of drug trafficking offenses, and fully 67% of public-order offenses. A 2005 population survey
disclosed that Centrum residents were more likely than the residents of any other district to perceive drugs as a “neighborhood problem” (Lindeman et al., 2005).

The geographic focus of our study is the core of Centrum. The approximate size of the study area is less than a square mile. This area is home to the Red Light District as well as to less deviant attractions such as the Royal Palace, the National Monument, Nieuwmarkt, New Church, Old Church, the Amsterdam Museum, and the University of Amsterdam. The area is bordered on the north by the Prins Hendrikkade Road, on the east by the Geldersekade and Kloveniersburgwal Canals, and on the south and west by the Singel Canal. The study area also includes one street that extends beyond this boundary but is socially contiguous, Haarlemmerstraat, which is home to five coffeeshops and five cafés. The major analytical benefit of focusing on this small area of Amsterdam is to control for potential place-based effects (e.g., in policing, crime, tourist traffic) on our dependent variables.

**Sampling Design and Procedures**

*cafés and Coffeeshops*

In order to systematically sample from the coffeeshops and cafés located in the study area, we first had to create population enumerations for them. In September through early November of 2008, the lead author (hereafter referred to as the fieldworker), walked the entirety of each street in the study area and recorded the name and address of each coffeeshop. We then compared this enumeration to an online source that lists coffeeshops in the study area, the Amsterdam Coffeeshop Directory (http://www.coffeeshop.freeuk.com/Map.html), and then re-walked the district to resolve discrepancies between the two sources. The same procedures were employed to identify and enumerate the cafés located in the study area, verifying names and street addresses with online sources (e.g., Google Maps). These procedures generated a total of 84 coffeeshops and 249 cafés in the study area at the time the research was conducted.

After developing population lists for the cafés and coffeeshops, we proceeded to recruit study participants. To obtain a generalizable sample of alcohol-selling businesses we used a random number generator to select 73 cafés to recruit for the study, roughly one and-a-half times the target number of 50 interviews. We selected the entire population of 84 coffeeshops for recruitment. After a business was selected for recruitment, a letter was sent outlining the nature of our study and requesting participation; one side was written in English and the other in Dutch.

After the letters were sent, we visited each business in order to recruit a representative to participate in the study. Although our objective was to interview the highest-ranking representative available, the minimum requirement was that the person had worked in the business for at least six months in order to ensure that they were knowledgeable about business operations and experiences with victimization and responses to victimization during the year prior to interview.
The fieldworker introduced himself as a “university researcher doing a study of crimes against cafés, coffeeshops, and street drug dealers,” and stated: “I would like to ask you, another employee, or owner some questions about the business and crimes against it. The information we receive will be kept confidential and neither your identity nor that of the business will be revealed. We can pay 50 Euros for participation in the study. Do you know if anyone here can help us out?” A business card with the fieldworker’s information also was handed to the person.

If participation was declined, we randomly selected a replacement from the corresponding population list. In cases where the individual was unwilling to participate but offered to recruit an alternative participant on our behalf, we provided that recruiter with extra business cards and thanked them. If contacted by the referral, we arranged a visit. If we did not hear from anyone, we returned to the establishment to repeat the process. When potential participants vacillated about whether to take part in the study, we moved on to recruit other businesses, returning later to see if they had reached a decision. But once we reached our predetermined goal of 50 coffeeshops or 50 cafés, we terminated the recruitment process for that seller category. Thus, some of the businesses we approached never provided a definitive decision about participation (i.e., never refused per se).

Twelve of the 73 recruited cafés refused our request to participate; 11 never gave a definitive answer. Twenty-three of 84 coffeeshops refused our request to participate; 10 never gave a definitive answer. Two of the participating coffeeshops and nine of the participating cafés were recruited via snowball sampling (i.e., they were referred to us by other participants). We do not know how many businesses were approached in this way but refused the intermediary’s request. Therefore, we cannot determine the refusal rate for all businesses recruited by either the researchers or participant-recruiters. The recruitment processes described above resulted in interviews with representatives of 50 cafés and 50 coffeeshops, or 20% and 60%, respectively, of these establishments located in the study area.

Street Dealers

The recruitment of the street dealers involved two sampling strategies. First, we capitalized on the fieldworker’s appearance and demographic characteristics to encourage street dealers to approach him as a potential customer. It is widely known that street dealers in this area solicit potential buyers by whispering “coke,” “heroin,” or “ecstasy” as they walk by (Grapendaal, Leuw, and Nelen, 1995; van Gemert and Verbraeck, 1994). Another common solicitation technique is to use eye contact or head-nods to suggest the possibility of trade. But street dealers do not solicit everyone because there are obvious risks in doing so. Instead, they focus their efforts on persons they perceive to be “drug tourists” (see NMHWS 2003, p. 22). The fieldworker often was perceived by street dealers to be a drug tourist because he had characteristics indicative of this role. Specifically, he is white, 5 feet and 9 inches tall (the average height of males in the Netherlands exceeds 6 feet), has a facial structure, hair color, and clothing style unlike that of the stereotypical Nederlander, and at the time of the research was 24 to 26 years of age.
Over the course of several months, the fieldworker walked every street in the Red Light District on an almost daily basis, usually between the hours of 5 pm and 10 pm. When solicited by a street dealer, he would react by saying something along the lines of: “I don’t want drugs, but I’m a university researcher studying crimes against cafés, coffeeshops, and street dealers. I’d like to ask you some questions about your business and crimes against you. It will take about an hour, and the information you give will be kept confidential. I don’t want to know your name or anything like that and I can pay you 50 Euros to participate. Are you interested?” If the dealer agreed, they would immediately go to a nearby place, such as a café, restaurant, or street bench, to conduct the interview.

The above sampling strategy proved to be extremely time consuming. The fieldworker had to spend many hours to locate each dealer. To make the process more efficient, we adopted a second strategy: snowball sampling (see Wright et al., 1992; Jacques and Wright, 2008b). Dealers recruited through the initial procedure were asked to refer others to us. Of the 50 street dealers we interviewed, 18 were recruited through our initial sampling method (another two dealers refused) and 32 were recruited via snowball sampling. We cannot determine the proportion of street dealers in the study area recruited to participate or the representativeness of the final sample because the population parameters are unknown and, practically speaking, unknowable (see Glassner and Carpenter, 1985).

**Interviews**

We obtained quantitative and qualitative data during structured interviews that combined fixed-choice survey-type items with open-ended questions. The fieldworker administered all interviews in English, with the exception of a single representative who was not fluent and was questioned in Dutch by the fourth author. Interviews consisted of three main parts. The first part elicited information on the background characteristics of respondents and, for businesses, those of fellow employees or owners (e.g., age, marital status, education, immigration status, race/ethnicity, arrest history, drug use). The second part consisted of questions about business operations (e.g., hours and days of operation, average number of customers and sales, compliance with rules set by the government, satisfaction with police, and perceptions of safety). The last section asked about victimizations experienced during the past year and the different ways such incidents were responded to. For the most recent victimization reported, we asked whether it was handled by legal mobilization (contacting the police or other formal authorities), retaliation (violent or forceful action against the perpetrator), other actions (e.g., avoiding or negotiating with the perpetrator), or toleration (no action taken). In this study, we focus on serious victimization, including attacks on employees by customers, the use of counterfeit currency by customers, the failure of customers to pay for purchases, burglary, and employee thefts. We also focus on the most frequently reported responses to victimization (legal mobilization, violent retaliation, toleration, negotiation, and avoidance).

As with any self-report study, some participants may have engaged in intentional deception or unintentionally misremembered the past. To reduce these problems, participants were promised confidentiality and informed of
their rights as a research participant through a consent form. Also, inconsistent or unusual comments were probed to establish their veracity. Assuming that the tendency to provide inaccurate responses did not differ across the three types of drug sellers—for example, on average they have equally good memories and are no more or less likely to exaggerate or downplay their experiences—the resulting measurement error would deflate estimated effect sizes but would not systematically bias empirical results. One source of systematic distortion, however, pertains to victimization reports: the street dealers worked alone and therefore reported solely on events that happened to them, whereas coffeeshop and café representatives were also reporting events that did not directly involve them (e.g., burglary or vandalism against the premises or assaults against fellow employees). This difference means that street dealers may have disclosed a greater proportion of all victimizations of the business than did the café and coffeeshop respondents. That possibility should be kept in mind when interpreting the victimization results, although it is unlikely to fully account for the large differences in victimization we find between the street dealers and other drug sellers. Moreover, this source of bias, should it exist, is much less likely to affect our findings on social control because those results pertain only to reported victimizations.

**Analysis**

The results presented here are limited mainly to the quantitative data obtained from respondents’ answers to the fixed-choice questions in the interview, although we draw on the qualitative data to illustrate some of the quantitative findings. Complex analytical procedures are not necessary to evaluate our hypotheses. We simply compare the three drug markets on the theoretically relevant dimensions described in the hypotheses and evaluate observed differences in outcomes on the basis of standard tests of statistical significance. We point out that careful description is the essential foundation of subsequent explanatory research, especially with respect to matters for which prior research provides little empirical guidance—as is the case for victimization and social control among sellers operating in a decriminalized market.

**Results**

We begin the analysis by providing background characteristics of the samples of cafés, coffeeshops, and street sellers in the study area. As shown in Table 1, over 60% of the café and coffeeshop respondents and nearly all of the street dealers were male. The respondents on average were in their mid-to-late 30s at the time of the interview. The street dealers stand apart from the café and coffeeshop respondents in racial identification and immigrant status. Over two-thirds of the alcohol and cannabis sellers were white, whereas three-quarters of the street dealers were black. The street dealers also were significantly more likely than the alcohol and cannabis sellers to have immigrated to the Netherlands. Relatively few of the respondents were married at the time of the interview. Nearly all of the alcohol sellers had graduated from secondary school, but about a quarter of the cannabis sellers and over half of the street dealers had not.

**Table 1 about here**
The background information presented in Table 1 is for the interview respondents and does not necessarily characterize other employees in the business. The characteristics of the café and coffeeshop respondents, however, correspond reasonably well with estimates they provided for all employees. For example, the café and coffeeshop respondents estimated that 51.1% and 66.6%, respectively, of their colleagues were male and 14.6% and 14.8% were married. They estimated that 88.3% and 80.8%, respectively, of their colleagues were white, and 30.2% and 47.3% were immigrants. Although the estimates differ somewhat from the results reported for the respondents, the estimated characteristics of café and coffeeshop employees roughly mirror the results shown in Table 1. Because nearly all of the street dealers worked alone, the descriptive statistics accurately portray, within the limits of the sample, the demographic and social characteristics of street dealers in the study area.

We also asked the respondents about their alcohol and drug use and whether they had ever been arrested for a drug-related offense. Perhaps not surprisingly, the café respondents were most likely to report daily alcohol use. Nearly 70% of the street dealers reported daily use of cannabis, as did over half of the cannabis sellers. None of the café or coffeeshop respondents reported daily use of cocaine, whereas 30% of the street dealers self-reported daily cocaine use. The street dealers were far more likely than the alcohol and cannabis sellers to have been arrested for a drug offense, although about a third of the coffeeshop respondents also reported a drug-related arrest. In results not shown (all such results are available from the authors on request), the street dealers also reported non-drug arrests at twice the rate of the alcohol and cannabis sellers.

Comparison of the three categories of drug sellers is premised on the assumption that the drugs they sell differ in legal status. By definition, the cafés and coffeeshops sell alcohol and cannabis, respectively, but street dealers could be involved in the sale of hard or soft drugs. We asked the street dealers what types of drugs they sold. As shown in Figure 1, the great majority of street dealers in the study area sold cocaine. No other drug comes close, although sizable fractions of street dealers also sold ecstasy, cannabis, or heroin. Clearly, then, the street drug trade in the study area is dominated by the sale of hard drugs; just two of the street dealers reported selling only cannabis.

**Figure 1 about here**

We also asked our respondents questions concerning the safety of the immediate area in which they did business, their compliance with rules governing the type of drugs they sold, whether they had been prosecuted or fined for rule infractions, and their experiences with and perceptions of the police. The responses are shown in Table 2.

**Table 2 about here**

Relatively few of the café and coffeeshop respondents perceived the area in which their business was located to be very or somewhat unsafe. About four-in-ten of the street dealers, however, characterized the area in which
they sold drugs as unsafe. A key indicator of safety is the frequency of fights among customers. The street dealers reported far more customer fights during the previous year, averaging about two per month, than did the café and coffeeshop employees. But far more fights among customers took place in the cafés than in the coffeeshops (3.94 v. .32, \( p = .010 \), in a pairwise comparison). This difference is not a function of a corresponding difference in the average number of customers between cafés and coffeeshops. Both reported that they serve about 960 customers per week.

Café employees also reported significantly more rule infractions during the previous year than did the coffeeshop employees, as measured by sales to minors and the presence of hard drugs on the premises. The latter result is consistent with reports from street dealers, 23.4% of whom said they had sold drugs in cafés, compared with 14.9% who said they had sold drugs in coffeeshops (not shown). We also observe a corresponding difference between the cafés and coffeeshops in having been fined for rule infractions (16.3% v. 2.0%, \( p = .023 \)). Nearly four-in-ten of the street dealers reported they had been fined, however, and 30.6% had been prosecuted for drug selling. None of the café or coffeeshop employees reported that the business had been prosecuted.

Surprisingly, in light of their differing experiences with legal authorities, we find no significant differences among the three types of drug sellers in their perceptions of police surveillance or police effectiveness. They were equally likely to report seeing the police pass by the business, and the police entered the cafés and coffeeshops between two and three times on average during the previous year. Recall that the police are required to inspect the coffeeshops at least twice a year, whereas no such requirement applies to the cafés. Finally, sizable majorities of the café, coffeeshop, and street dealer respondents reported that the police do a good job of controlling crime and disorder in the area.

In summary, the street dealers differ from the café and coffeeshop employees with respect to demographic and social characteristics, perceptions of safety, and their experiences with the law. But the cafés and coffeeshops also differ from one another along several important dimensions. More fights among customers occur in the cafés than the coffeeshops, the cafés engage in more rule infractions, and they are more likely than the coffeeshops to have been fined (but not prosecuted) for rule infractions.

**Victimization**

We focus primarily on acts of serious victimization: violence by customers against drug sellers, failure to pay for purchases, the use of counterfeit currency for purchases, and, for cafés and coffeeshops, burglaries. We also examine the incidence of employee theft from cafés and coffeeshops, which may range in seriousness from minor pilfering to embezzlement. Our victimization hypothesis predicts that for each type of victimization, the highest rates will be observed for the sellers of illegal substances (street dealers) and that the lowest rates will be found for sellers of legal substances (cafés). The sellers of a decriminalized substance (coffeeshops) should exhibit rates of victimization that fall between these extremes. The results are shown in Table 3.
The Effects of Prohibition and Decriminalization on Drug Market Conflict: Comparing Street Dealers, Coffeeshops, and Cafés in Amsterdam

Table 3 about here

The number of customer attacks on employees is highest for cafés, next highest for the coffeeshops, and lowest for the street dealers. These differences in frequency, however, are not adjusted for differences in exposure among the three types of drug sellers. The street dealers reported being open for business fewer hours each week than did the café and coffeeshop respondents, and the cafés and coffeeshops, with more employees, offer more targets for victimization than do the self-employed street dealers. When normed by these measures, the violent victimization rate of street dealers greatly exceeded that for employees of the cafés and coffeeshops, which supports the first hypothesis. However, the violent victimization rate of cafés is roughly double that for the coffeeshop employees, though only marginally significant ($p = .076$). This result does not support the expectation that sellers of decriminalized substances should experience more victimization than sellers of legal substances.

An example of violence, specifically robbery, was provided by Street Dealer #7: “A boy and a girl came to me and asked me if I had coke. I said yes and they put a knife on me and said, ‘Give me all the things you have in your pocket, your necklace and everything.’” In another example, Coffeeshop #37 described an assault: “The guy wanted to go into the coffeeshop and the manager refused him, like ‘Sorry.’ He was trying to talk to the guy, ‘Hey, you are drunk, blah, blah, I can’t let you in.’ Then the guy poked him with his fingers like ‘this’ [semi-closed fist] really hard in his neck.” Café #32 reported a time that an employee “got hit with an ashtray on his head then the guy kept sitting on him and beating him in the face.”

We also observe statistically significant differences among the three types of drug sellers in the rate at which customers fail to pay for purchases or pay with counterfeit currency. The results offer only partial support for the victimization hypothesis. As expected, the street dealers were more likely to experience these forms of victimization than were the cafés and coffeeshops. Yet unexpectedly, the cafés were no less likely than the coffeeshops to encounter customers who fail to pay or pay with counterfeit money. The pairwise difference between the cafés and coffeeshops for failure to pay is marginally significant ($p = .100$); the difference between the cafés and coffeeshops for counterfeit currency is not statistically significant.

Café #48 recounted an instance in which a customer failed to pay for their purchase: “They were really, really drunk already when they came here, and we served them two drinks. It was really busy and suddenly they were gone.” Three interrelated incidents of counterfeit victimization took place in Coffeeshop #6: “It was 150 euros – three bills of 50, three separate guys coming in. Looking back on the camera, you can see them arriving with the three of them and two of them holding back: one goes in, then the other one goes in. They bought 10 euros [worth of weed, a gram] and got 40 euros in change back.” Referring to an attempted counterfeit fraud, Street Dealer #36 said, “I showed them the way back!”, meaning “Go fuck somebody else, you know? I took the money, but then they got nothing.”
Finally, and again contrary to expectations, the coffeeshops experienced marginally fewer business burglaries ($p = .051$) and employee thefts ($p = .085$) during the previous year than did the cafés. Consider a burglary at Coffeeshop #40: “We closed it, it was at night, and when we came back in the morning it had been robbed [meaning burgled, technically]. They just robbed the weed, about 700 [euros worth], and a few coins in the machine.” An employee of Café #1 recounted: “We had a burglary just recently. He came from the back and he broke open the delivery door which is all the way downstairs. We have some cameras so he covered one of the cameras downstairs by the toilet and he broke open the cigarette machine.” And a major case of employee theft was occurred at Coffeeshop #22: “He was stealing money from the boss. He was doing things with administration”—the culprit was in an accounting position—“He was stealing 200 euros a month and maybe for seven or eight months.”

In summary, although not all of the victimization results are statistically significant, taken together they tell a consistent story. As expected, Amsterdam street dealers experienced far higher levels of victimization than did the cafés and coffeeshops, but, contrary to our hypothesis, the coffeeshops had lower rates of victimization than the cafés. These results hold for multiple types of victimization and across alternative measures of exposure to or opportunities for victimization.

**Conflict Management**

We now turn to how the three types of drug sellers responded to serious victimization. We asked respondents to indicate how they or others responded to the most recent victimization experienced by the business for three types of victimization: violence (customer attacked employee), fraud (customer used counterfeit currency or did not pay for purchases), and theft (by employees or customers). Ways of handling such conflicts include legal mobilization, violent retaliation, negotiation, avoidance, and toleration.

Our hypotheses focus on legal mobilization and violent retaliation, as defined earlier. The hypotheses predict that sellers of legal substances (cafés) are most likely and the sellers of fully prohibited substances (street dealers) are least likely to mobilize law in response to victimization. By the same logic, we expect that alcohol sellers will be least likely and street sellers will be most likely to respond to victimization by retaliating against the offender. Sellers in the decriminalized market (coffeeshops) are expected to fall between the extremes on both dimensions. We also present results for three additional responses that occurred with appreciable frequency: toleration, negotiation, and avoidance. The results are shown in Table 4.

**Table 4 about here**

Again, the results offer only partial support for expectations derived from theory and prior research on illegal drug markets. Beginning with responses to violent victimization, 27.3% of the cafés and 33.3% of the coffeeshops responded by contacting the police or other authorities, compared with just 10% of the street dealers. Given the low base rates of violence, these differences are not statistically significant. Nonetheless, the results offer some support for the hypothesis that street dealers should be less likely to mobilize law in
response to victimization, but contradict the expectation that the coffeeshops are less likely than the cafés to mobilize law in response to victimization.

An apposite example of legal mobilization occurred at Coffeeshop #50 in response to a “guy [who] pulled a knife out of his pocket [and threatened an employee].” The employee “phoned the police and they came and we gave a description and they looked at the camera and then they went around to look for him.” Coffeeshops and cafés, but not street dealers, sometimes dealt with conflict by means of avoidance. A somewhat comical illustration comes from a representative of Coffeeshop #25: “A geezer” made “a really feeble effort at a head butt. ‘Why did you just do that mate? I am being friendly here.’ Then he took a swing at me. I said, ‘Mate, that is really not necessary, on you go’, and turned him round and walked him on his way. Then he sort of shrugged and walked off.”

Street dealers were more likely than cafés and coffeeshop to respond to customer violence by retaliating against the perpetrator. Again, however, these differences are not statistically significant given the low base rates of violence. Contrary to expectations, coffeeshop employees were not more likely than café employees to respond in kind to customer violence. (The percentages shown in Table 4 sometimes exceed 100% because respondents reported more than one response to victimization.)

Significantly more street dealers than café and coffeeshop employees took no action at all in response to violent victimization. It may seem counterintuitive that street dealers would tolerate being attacked, given the scholarly emphasis on the use of retaliation to uphold an honor code or ward off predation in street drug markets (Anderson, 1999; Bourgois, 2003; Jacobs and Wright, 2006). This result is consistent, however, with research showing that drug dealers and other street criminals sometimes conclude that their best or only recourse when victimized is to do nothing (Jacques and Wright 2011, 2015), which appears especially true for dealers in Western countries outside the US (Zimring and Hawkins, 1997).

Few of the drug sellers invoked law or violence in response to customer fraud. Café employees were significantly more likely than coffeeshop employees and street dealers to take no action. The latter sellers, in turn, were about as likely to negotiate a settlement with the perpetrator as to ignore the incident. An example of negotiation was provided by Café #23, who opted to talk out a resolution over a counterfeit bill: “I gave it back to the guy, he was an American guy, and I really thought he didn’t have a clue that it was counterfeit. So I said, ‘You had better spend it somewhere that they don’t have a machine like I have.’ He said he really didn’t know and I said it was ok. I told him, ‘Give me another one, a good one, and try to spend this somewhere else.’”

The results for theft victimization are broadly similar to those for fraud. (Because only three of the street dealers reported a theft, they are not included in the results for theft victimization.) Few of the cafés and coffeeshops mobilized law or retaliated with violence in response to the most recent theft by employees or customers. Roughly half of the incidents were tolerated and a few were handled by negotiating with the
perpetrator or by barring the perpetrator from the business. Sizable proportions of the café and coffeeshop respondents took some other action or, more frequently, did not know how the incident was handled.

In summary, our hypotheses regarding the response to victimization by the three types of drug sellers receive only partial support. As expected, the street dealers were less likely than the cafés and coffeeshops to mobilize law and more likely to violently retaliate in response to violent victimization, although the small number of cases prevents strong conclusions. But the coffeeshops were no less likely than the cafés to mobilize law and no more likely to use violence in response to violent victimization, contrary to expectations. The results for responses to theft and fraud point to general continuities, not divergences, in social control by Amsterdam drug sellers, again contrary to expectations from theory and prior research on drug markets. Regardless of their legal status, Amsterdam sellers rarely mobilize law or take the law in their own hands in response to nonviolent wrongdoing. They typically try to work out a settlement with the perpetrator or do nothing at all.

**Discussion**

Governments across the globe have sought to limit the potential harms of drug use by prohibiting and regulating the trade in psychoactive substances. The policy question that remains unresolved is whether it is better to regulate drugs as a legal product, prohibit them unconditionally, or adopt the middle road of decriminalization. Each option has its own drawbacks. Social commentators and academics alike have argued that prohibitionist measures may increase victimization and retaliation by reducing access to law. Despite strong claims in support of that position and its concomitant policy implication—legalization—there is surprisingly little empirical research to back it up. While some studies have shown that illicit drug sellers in the United States have high death rates and that homicide rates were elevated during Prohibition, no study heretofore has compared sellers of varying legal status in a single time and place with comparable measures of victimization and social control.

Drawing on prior research, the present study aims to address this gap by comparing rates of victimization, legal mobilization and violent retaliation among Amsterdam street dealers engaging in a fully prohibited marketplace and cafés that sell alcohol. In line with expectations, we found that compared to the legal sellers, the fully illicit sellers are more likely to be violently attacked, defrauded, and to respond to violence with retaliation (and toleration), but less likely to mobilize law when victimized. We did not find any discernible difference in how the two groups handled fraud, except that cafés appear more likely to tolerate infractions. Considered as a whole, these findings support existing theory on the role of drug prohibition in increasing victimization and retaliation as well as decreasing access to law.

The present study did more than simply look at the extremes, however. We also included a decriminalized seller: coffeeshops involved in Amsterdam’s cannabis trade. Coffeeshops are squarely positioned between legal and illegal drug dealers, as the government allows them to openly distribute marijuana and hashish at the retail-level, yet obtaining a supply with which to do so is strictly prohibited. To our knowledge, no study has
speculated, much less brought empirical evidence to bear on, how this decriminalized state should affect victimization and social control among sellers. Because decriminalized sellers are midway between legal and illegal dealers, we hypothesized that coffeeshops would exhibit rates between those of fully legal cafés and fully illegal street sellers. That prediction turned out to be only partially correct.

In line with our hypotheses, we found that compared to the illegal street dealers, coffeeshops had lower rates of victimization and, when violently victimized, were less likely to retaliate but more likely to mobilize law. Yet contrary to our expectations, coffeeshops were less likely to be violently victimized, defrauded, burgled, or to experience employee theft than were cafés, and did not differ much with respect to retaliation and mobilization. Put differently, coffeeshops not only are less likely to be victimized than illicit street dealers, but also less likely than are fully legal cafés; and coffeeshops are just as likely as cafés to mobilize law and retaliate, but more likely to do the former and less likely to do the latter than street dealers.

What explains why coffeeshops and cafés are similar in their use of social control? And why do coffeeshops have lower victimization rates?

Concerning the first question, one conjecture is that in Amsterdam, at least, being a decriminalized seller or a legal one does not affect the utility of retaliation and legal mobilization. While coffeeshops and cafés have differing legal statuses on the books, they are *de facto* quite similar. Both groups are regulated by the state; both are public businesses; there is little hypocrisy or deception, except for that concerning the coffeeshops’ source of supply, which is a very open secret. Recall that one reason illicit drug traders choose not to mobilize law is to avoid revealing their own crimes, and another is that they are technically unable to do so when defrauded. Unlike fully prohibited sellers but like legal ones, however, coffeeshops may not fear that reporting victimization to the authorities will uncover their “crime,” as the government already knows what they are up to. In addition, because the government oversees coffeeshops, these establishments do have access to formal means of dispute resolution when defrauded, except when the fraud is perpetrated by their supplier, which is rare—only a few coffeeshops reported being “shorted” during the past year. Further, our observations and conversations with coffeeshop and café representatives suggest that both groups are treated by the police as “deserving victims.”

Regarding the question of why coffeeshops have lower victimization rates than cafés, four answers seem most likely, and all should be pursued in future research.

First, it is possible that the differing rates of victimization are a function of the psychogenic properties of cannabis and alcohol. One of the coffeeshop owners said it best: “Drunk cat like lion; high lion like cat.” Research has convincingly demonstrated that alcohol intoxication is linked to violence, but that this is not the case for marijuana (Boles and Miotto, 2003; Caulkins et al., 2012; Felson et al., 2008; Meyerscough and Taylor, 1985). Thus, it is not surprising that cafés would have higher rates of violence (e.g., more customer fights) than coffeeshops. But that explanation only tells us so much. It does not easily account for why...
coffeeshops also had lower rates of burglary and scamming by counterfeiters, or why daily alcohol consumption does not appear to increase the risk of victimization among drug sellers.

The second possibility is that coffeeshops may engage in more preventive social control than cafés and thus experience less victimization. Recall that coffeeshops face severe penalties, including closure, if hard drugs are found on the premises or if nuisance becomes an issue. For that reason, coffeeshops may exert greater efforts than cafés to ward off problems before they occur. Café representatives, for example, rarely took an exact inventory when products were delivered by suppliers, but coffeeshop representatives typically had the product weighed out in front of them before handing over the cash. Thus, cafés would only learn of being “shorted” post-delivery and post-payment, whereas coffeeshops took steps to prevent this problem from occurring in the first place. In a similar vein, several coffeeshops would not allow patrons to wear hats or sunglasses inside the shop because, as it was explained to us, street dealers use these accessories to hide in plain sight and thereby turn the shop into their own place of business. Such an approach to crime control, in some ways reflective of order-maintenance policing, may have sent a clear signal to potential offenders: “not here.” This possibility helps to explain why coffeeshops experienced fewer attacks, frauds, and employee thefts, but the relationship to burglary is not immediately obvious.

The third explanation involves possible sample selection bias attributable to differential law enforcement. If coffeeshops are more likely than cafés to have their business license suspended or to be closed permanently for violating applicable legal regulations, that could explain why those that remained open, and therefore were available for inclusion in the sample, exhibited comparatively low rates of rule violation and victimization. In other words, Dutch policy governing the operation of coffeeshops, to the extent it is scrupulously enforced, may systematically weed out the “bad apples” that attract problems. An important challenge for future studies of victimization and social control in drug markets is to overcome possible sample selection bias through longitudinal research that follows drug sellers over a sufficient period of time to measure the effects of drug policy on business closures.

A final possibility may have affected all of our results: namely, street dealers, coffeeshops, and cafés may vary systematically in their propensity to be victimized or engage in particular forms of social control for reasons not directly related to the legality of their business. For instance, street dealers may be generally more likely to interact with predators or be afforded less guardianship due to the public nature of their business, both of which would increase their risk of victimization (Cohen and Felson, 1979). Furthermore, street dealers may adhere to a retaliatory ethic in everyday life that stems from a perception that the criminal justice system is illegitimate (Anderson, 1999; Jacobs and Wright, 2006). Also, perhaps the coffeeshop clientele is more peaceful and conflict averse than that of cafés (see MacCoun and Reuter, 2001), reducing the former’s victimization rate and reliance on physical force in ways not directly tied to the legal status or preventive actions of the business. Such unmeasured differences between the three types of drug sellers could help to explain the results of the
current study. In practice, collecting such information is extremely challenging because it requires surveying many different groups of market actors (sellers, customers, suppliers, associates of sellers, predators).

While this study has taken a first step toward systematically determining the effect of legality on drug market conflict, there is still much ground to be gained. Examining the possibilities outlined above would further advance the field.

Policy Implications

Our findings suggest that limiting drug-related harms is tied, in part, to how strictly the state regulates drug distribution. But the relationship between state policy and drug-related harms does not appear to be linear. Prohibition undercuts the state’s regulatory capacity by producing zones of virtual statelessness in which formal means of dispute resolution are unavailable and victimization is rampant; the street dealers we studied embody this effect. At the other extreme is *laissez faire* or “hands off” regulation in which sellers are allowed to offer their product with little or no government oversight (except for a business license, taxes, and restrictions on sales to minors). The potential problem with this approach is that it can make sellers too comfortable, inviting them to address problems only after they occur instead of preventing their occurrence.

The Dutch government originally proposed coffeeshops as a way to separate the market for cannabis from that for hard drugs. This is harm-reduction policy in practice. And it seems largely to work. It does not appear to have increased cannabis use by natives (MacCoun and Reuter, 1997; Reinarman, Cohen, and Kaal, 2004; Wouters and Korf, 2009), and our results suggest that Amsterdam’s coffeeshops generally comply with government regulations and do not experience or produce problems that could lead to their closure. Our best guess is that coffeeshops are more scrupulous than the fully legal cafés in preventing trouble because their survival depends on it. The government made a clear deal with these instructions: small amounts of marijuana can be sold so long as more serious problems are kept at bay. Businesses that do not heed the warning will be terminated. Whether by eliminating deviant sellers or by deterring others from allowing misbehavior, or both, the policy appears to function well when it comes to reducing drug-related harms.

Reducing drug-related harms is an important objective of drug policy, but for more than a century drug policies around the world have also had other objectives, including the management of drug-related victimizations and the control of drug use and trafficking. Therefore a question left unanswered by the current study, and thus another fruitful line of future research, is whether other decriminalization policies have the same effect on victimization and social control. Most often, decriminalization simply involves not enforcing penalties for a crime. As in some other nations, the Dutch government allows citizens to grow a limited number of marijuana plants and consume cannabis without fear of penalty. But what makes the country unique is that an entire industry has arisen alongside the expansion of individual rights. It is possible that, compared with Dutch coffeeshops, drug sellers operating in other decriminalized contexts may have less access to law and therefore are more likely to be victimized and to respond with informal social control, including violent retaliation. A
research task with important policy consequences is to determine whether drug sellers working in the growing variety of decriminalized contexts across the world are more similar in victimization and social control to their counterparts in prohibited or legal markets.

The emerging array of cannabis markets in the United States offers an excellent opportunity for policy-relevant research. As of this writing, 23 states and the District of Columbia have instituted some form of legalization or decriminalization of marijuana. Four states have legalized marijuana sales and possession for recreational purposes, and Washington DC has legalized possession for recreational use. The other states permit the sale and possession of marijuana for medical purposes. Still other states have decriminalized the possession of small amounts of marijuana. Moreover, considerable heterogeneity characterizes the specific policies and regulations within each of these categories of drug law. The United States has become a fascinating laboratory for exploring the consequences of quite distinct drug law reforms.

Building on the current study, we recommend that future research address several key policy questions: Are there significant differences in levels of violent and property victimization across communities subject to differing drug policy regimes? For example, have states that have legalized marijuana for recreational use experienced greater increases in victimization than those that permit the sale and possession of cannabis only for medical purposes? These issues are best addressed, as in the current research, by comparisons with outlets serving alcohol.

Have the legal reforms diminished the scale of the street market in marijuana? The answer to that question is not obvious. It is possible, for example, that the greater legal availability of marijuana has led to the diversion of cannabis products to the street through theft and straw purchases for underage or otherwise ineligible users.

Finally, have the differing legal regimes resulted in corresponding differences in the formal and informal social controls that drug sellers employ to prevent crime and disorder? Studies of these and related policy issues will have to be based primarily on observational data, because, to our knowledge, none of the reforms has been instituted in the form of randomized controlled experiments. But policymakers should consider doing so in states where drug law reform remains under debate.

We recognize that drug policy is driven by multiple objectives (see Zinberg, 1984), some of which are only tangentially related to reducing drug- or drug policy-related harms. Policymakers must balance the concerns and preferences of interest groups with quite distinct agendas. Some religious groups oppose loosening restrictions on drug use on moral grounds. Some law enforcement organizations presume that drug legalization or decriminalization threatens public safety and view medical marijuana statutes as a “Trojan horse” intended to prepare the way for recreational use. Some citizens and medical groups point to the health risks of cannabis use. Reform advocates counter these claims by underscoring the harms of drug prohibition, the health benefits of cannabis use, and popular support for marijuana legalization.
Most of the issues in the drug policy debate go well beyond the limits of our study. Our results should convey two messages to policymakers. First, the decriminalization of cannabis does not necessarily increase crime or reduce sellers’ access to law; it may even reduce victimization. Second, the best way to adjudicate competing claims about the consequences of drug law reform is to conduct research in the settings where the reforms have taken hold and use the results to revise the implementation strategy as needed. Research and policy implementation should go hand-in-hand.

If drug law reform generally or the Dutch model in particular does indeed have the effect of reducing criminal victimization and strengthening social control by fostering access to law, that does not necessarily imply that all psychoactive drugs should be decriminalized. If there are good reasons to loosen the legal restrictions on the sale and possession of cannabis, whether hard drugs warrant the same treatment remains far more debatable (see Kleiman, Caulkins, and Hawken, 2011). At a minimum, however, government officials should increase illegal drug traders’ access to formal means of dispute resolution (see Rosenfeld, Jacobs, and Wright, 2003). Even if the law states that black market disputes are beyond legal redress, some evidence indicates that, in practice, they often can be settled formally (Jacques and Wright, 2013). By making all victims “deserving,” as Klinger (1997) puts it, such a reorientation would reduce the predatory victimization and retaliation that can touch the lives of law-abiding persons caught in the crossfire (Jacobs and Wright, 2006).

A final policy recommendation pertains to the legal trade in alcohol. One interpretation of our findings is that crime in cafés, bars, and pubs might be reduced by making them more like Dutch coffeeshops; that is, prohibiting supply-side purchases while tolerating retail sales. But the ubiquity of alcohol consumption throughout the world, and the American experience with Prohibition, argue for another way. If we are correct that coffeeshops are less likely than cafés to experience victimization because they exercise preventive social control on a day-to-day basis, the implication for alcohol outlets, in the Netherlands and elsewhere, is that they should be regulated in the same manner: mandated to prevent problems on their premises before they arise—or face a genuine risk of being put out of business.

References


Mohamed, A. Rafik, and Erik D. Fritsvold. 2010. *Dorm room dealers: Drugs and the privileges of race and class.* Boulder, CO: Lynne Rienner Publishers


**Figure & Tables**

**Figure 1. Drugs Sold by Street Dealers (%)**
Table 1. Characteristics of Respondents\(^a\)

<table>
<thead>
<tr>
<th></th>
<th>Café</th>
<th>Coffeeshop</th>
<th>Street Dealer</th>
</tr>
</thead>
</table>
| Pct male              | 66.0  | 64.0       | 96.0          | .000  
| (50)                  | (50)  | (50)       |               |  
| Mean age              | 34.5  | 34.3       | 38.7          | .063  
| (50)                  | (50)  | (50)       |               |  
| Race                  |       |            |               |  
| Pct white             | 70.0  | 70.0       | 10.0          |  
| (50)                  | (50)  | (50)       |               |  
| Pct black             | 2.0   | 6.0        | 76.0          | .000  
| (50)                  | (50)  | (50)       |               |  
| Pct other             | 28.0  | 24.0       | 14.0          |  
| (50)                  | (50)  | (50)       |               |  
| Pct immigrant         | 42.0  | 40.0       | 72.0          | .002  
| (50)                  | (50)  | (50)       |               |  
| Pct married           | 20.0  | 10.2       | 4.0           | .040  
| (50)                  | (49)  | (50)       |               |  
| Pct < secondary school| 2.0   | 26.0       | 55.1          | .000  
| (50)                  | (50)  | (49)       |               |  
| Pct daily use Alcohol | 40.0  | 30.0       | 14.0          | .014  
| (50)                  | (50)  | (50)       |               |  
| Cannabis              | 26.0  | 56.0       | 68.0          | .000  
| (50)                  | (50)  | (50)       |               |  
| Cocaine               | 0.0   | 0.0        | 30.0          | .000  
| (50)                  | (50)  | (50)       |               |  
| Pct drug arrest       | 12.0  | 32.7       | 81.6          | .000  
| (50)                  | (49)  | (49)       |               |  

\(^a\) No. of respondents in parentheses. Percentage differences evaluated by chi-square; mean differences evaluated by F-test (two-tailed).
Table 2. Safety, Compliance, Punishment, and the Police\textsuperscript{a}

<table>
<thead>
<tr>
<th></th>
<th>Café</th>
<th>Coffeeshop</th>
<th>Street Dealer</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pct area somewhat or very unsafe</td>
<td>10.0</td>
<td>8.0</td>
<td>40.8</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>(50)</td>
<td>(50)</td>
<td>(49)</td>
<td></td>
</tr>
<tr>
<td>Mean customer fights</td>
<td>3.94</td>
<td>.32</td>
<td>24.1</td>
<td>.003</td>
</tr>
<tr>
<td></td>
<td>(50)</td>
<td>(50)</td>
<td>(47)</td>
<td></td>
</tr>
<tr>
<td>Pct under age sale</td>
<td>22.0</td>
<td>6.0</td>
<td>---</td>
<td>.020</td>
</tr>
<tr>
<td></td>
<td>(50)</td>
<td>(50)</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>Pct hard drugs\textsuperscript{b}</td>
<td>64.0</td>
<td>32.0</td>
<td>---</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>(50)</td>
<td>(50)</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>Pct fined</td>
<td>16.3</td>
<td>2.0</td>
<td>38.8</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>(49)</td>
<td>(49)</td>
<td>(49)</td>
<td></td>
</tr>
<tr>
<td>Pct prosecuted</td>
<td>0.0</td>
<td>0.0</td>
<td>30.6</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>(50)</td>
<td>(49)</td>
<td>(49)</td>
<td></td>
</tr>
<tr>
<td>Mean police presence\textsuperscript{c}</td>
<td>14.2</td>
<td>13.9</td>
<td>14.5</td>
<td>ns</td>
</tr>
<tr>
<td></td>
<td>(47)</td>
<td>(45)</td>
<td>(46)</td>
<td></td>
</tr>
<tr>
<td>Mean police enter business</td>
<td>2.44</td>
<td>2.46</td>
<td>---</td>
<td>ns</td>
</tr>
<tr>
<td></td>
<td>(50)</td>
<td>(50)</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>Pct police effective\textsuperscript{d}</td>
<td>75.5</td>
<td>72.0</td>
<td>62.0</td>
<td>ns</td>
</tr>
<tr>
<td></td>
<td>(49)</td>
<td>(50)</td>
<td>(50)</td>
<td></td>
</tr>
</tbody>
</table>

\textsuperscript{a}No. of respondents in parentheses. Percentage differences evaluated by chi-square; mean differences evaluated by t-test (two-tailed). P-value > .10 not shown.
\textsuperscript{b}“Has anyone brought hard drugs into the business?”
\textsuperscript{c}“How often in an average day do police move past the business?”
\textsuperscript{d}“Do you think the police do a good job at preventing and reacting to crime and nuisance (e.g., trash, loud noise, graffiti) in this neighborhood?” (Street dealers: “...n’hood where you sell?”)
### Table 3. Victimization\(^a\)

<table>
<thead>
<tr>
<th></th>
<th>Café</th>
<th>Coffee-ship</th>
<th>Street Dealer</th>
<th>(p)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer attacks</td>
<td>.620</td>
<td>.320</td>
<td>.200</td>
<td>.035</td>
</tr>
<tr>
<td></td>
<td>(50)</td>
<td>(50)</td>
<td>(50)</td>
<td></td>
</tr>
<tr>
<td>Per employee x hours open</td>
<td>.0007</td>
<td>.0003</td>
<td>.008</td>
<td>.038</td>
</tr>
<tr>
<td></td>
<td>(49)</td>
<td>(50)</td>
<td>(47)</td>
<td></td>
</tr>
<tr>
<td>No pay rate per 100 sales(^b)</td>
<td>1.19</td>
<td>.340</td>
<td>21.8</td>
<td>.018</td>
</tr>
<tr>
<td></td>
<td>(44)</td>
<td>(47)</td>
<td>(43)</td>
<td></td>
</tr>
<tr>
<td>Counterfeit rate per 100 sales(^c)</td>
<td>.870</td>
<td>.364</td>
<td>22.1</td>
<td>.048</td>
</tr>
<tr>
<td></td>
<td>(49)</td>
<td>(46)</td>
<td>(48)</td>
<td></td>
</tr>
<tr>
<td>Burglaries</td>
<td>.120</td>
<td>.020</td>
<td>---</td>
<td>.051</td>
</tr>
<tr>
<td></td>
<td>(50)</td>
<td>(50)</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>Pct one or more</td>
<td>31.2</td>
<td>22.0</td>
<td>---</td>
<td>.085</td>
</tr>
<tr>
<td>employee thefts</td>
<td>(48)</td>
<td>(50)</td>
<td>---</td>
<td></td>
</tr>
</tbody>
</table>

\(^a\)No. of respondents in parentheses. Mean differences evaluated by F-test; percentage differences evaluated by chi-square (two-tailed).  
\(^b\)No. of customers who did not pay or attempted / no. of sales per week (x100).  
\(^c\)No. of customers who attempted to pay with counterfeit money / no. of sales per week (x100).
<table>
<thead>
<tr>
<th></th>
<th>Café</th>
<th>Coffeeshop</th>
<th>Street Dealer</th>
<th>( p^a )</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Violence</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal Mobilization</td>
<td>27.3</td>
<td>33.3</td>
<td>10.0</td>
<td>ns</td>
</tr>
<tr>
<td>Violent Retaliation</td>
<td>45.5</td>
<td>40.0</td>
<td>70.0</td>
<td>ns</td>
</tr>
<tr>
<td>Toleration</td>
<td>0.00</td>
<td>6.70</td>
<td>30.0</td>
<td>.018</td>
</tr>
<tr>
<td>Negotiation</td>
<td>9.10</td>
<td>0.00</td>
<td>0.00</td>
<td>ns</td>
</tr>
<tr>
<td>Avoidance</td>
<td>27.3</td>
<td>20.0</td>
<td>0.00</td>
<td>ns</td>
</tr>
<tr>
<td>Other or DK</td>
<td>4.50</td>
<td>6.70</td>
<td>0.00</td>
<td>ns</td>
</tr>
<tr>
<td>( N )</td>
<td>(22)</td>
<td>(15)</td>
<td>(10)</td>
<td></td>
</tr>
<tr>
<td><strong>Fraud</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal Mobilization</td>
<td>4.20</td>
<td>2.90</td>
<td>0.00</td>
<td>ns</td>
</tr>
<tr>
<td>Violent Retaliation</td>
<td>0.00</td>
<td>0.00</td>
<td>4.30</td>
<td>ns</td>
</tr>
<tr>
<td>Toleration</td>
<td>62.5</td>
<td>38.2</td>
<td>30.4</td>
<td>.017</td>
</tr>
<tr>
<td>Negotiation</td>
<td>22.9</td>
<td>32.4</td>
<td>43.5</td>
<td>ns</td>
</tr>
<tr>
<td>Avoidance</td>
<td>2.10</td>
<td>2.90</td>
<td>8.70</td>
<td>ns</td>
</tr>
<tr>
<td>Other or DK</td>
<td>8.30</td>
<td>26.5</td>
<td>13.0</td>
<td>.033</td>
</tr>
<tr>
<td>( N )</td>
<td>(48)</td>
<td>(34)</td>
<td>(23)</td>
<td></td>
</tr>
<tr>
<td><strong>Theft(^b)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal Mobilization</td>
<td>10.6</td>
<td>2.40</td>
<td>---</td>
<td>ns</td>
</tr>
<tr>
<td>Violent Retaliation</td>
<td>00.0</td>
<td>00.0</td>
<td>---</td>
<td>ns</td>
</tr>
<tr>
<td>Toleration</td>
<td>44.7</td>
<td>47.6</td>
<td>---</td>
<td>ns</td>
</tr>
<tr>
<td>Negotiation</td>
<td>17.0</td>
<td>11.9</td>
<td>---</td>
<td>ns</td>
</tr>
<tr>
<td>Avoidance</td>
<td>2.10</td>
<td>7.10</td>
<td>---</td>
<td>ns</td>
</tr>
<tr>
<td>Other or DK</td>
<td>25.5</td>
<td>31.0</td>
<td>---</td>
<td>ns</td>
</tr>
<tr>
<td>( N )</td>
<td>(47)</td>
<td>(42)</td>
<td>---</td>
<td></td>
</tr>
</tbody>
</table>

\(^a\)Differences evaluated by chi-square (two-tailed). \( P \)-value > .10 not shown. Totals may exceed 100\% due to multiple responses.

\(^b\)Street dealers reported only three thefts, too few for reliable results.
Notes

[1] To be sure, would-be victimizers must consider the possibility that illicit drug sellers might retaliate with violence (Jacobs, Topalli, and Wright, 2000). Even so, empirical research suggests that the diminished legal status of sellers of illicit substances is an important reason why they are subject to high rates of victimization.