

Copyright is owned by the Author of the thesis. Permission is given for a copy to be downloaded by an individual for the purpose of research and private study only. The thesis may not be reproduced elsewhere without the permission of the Author.

The underground economy: A selective history, theory and practical  
guide to localised underground deviance in New Zealand.

Ben Monckton

	<i>Page</i>
Preface	
1. Introduction	4
2. Theory	9
2.1 Traditional Perspectives	9
2.2 Interactionst Perspectives	15
2.3 Radical Perspectives	19
3. History	25
4. Ethnography	36
4.1 Introduction	36
4.2 Ethics	36
4.3 Participant one	38
4.3a Manufacturing Cannabis Oil	41
4.3b Growing Cannabis Outdoors	43
4.3c “Ripping off” a Cannabis Crop	47
4.3d Stolen Goods	49
4.4 Participant two	51
4.4a Manufacturing Cannabis Oil (2)	53
4.4b Stolen Goods (2)	54
4.5 Participant three	55
4.5a Ecstasy	57

	<i>Page</i>
4.5b LSD	57
4.6 Participant four	58
4.6a Shoplifting	58
4.7 Growing Cannabis Indoors	61
4.8 Conclusions	68
5. Theoretical Analysis	70
5.1 Traditional Theory	71
5.2 Interactionist Theory	72
5.3 Radical Theory	72
6. Conclusion	74
Bibliography	



“Capitalism...gives to each and every one of us a great opportunity, if we only seize it with both hands and make the most of it.” Al Capone

## Preface

In order to assist the reader in conceptualising the notions I wish to describe in this thesis, it may be useful to portray my ideas by way of this preface. This will take the form of the perspective, initial focus and development of my research.

After completing my degree I initially lived with, and was consequently interested in looking at, people and groups that did not want to interact within the mainstream New Zealand capitalistic infrastructure. These people (myself included) were largely made up of those who felt (idealistically?) that through focusing on money and material gain capitalism had lost most of its appeal as a way of life. Consequently these “hippies” and members of alternative communities choose to live in various differing fashions.

I then came to realise that, although many of these people felt they were no longer part of society, or more particularly capitalism (this appeared as a reoccurring theme among the people I spoke with), that was their one constraint. They had to have money in order to operate in relative autonomy from the rest of society. In order to get away from the “rat race” one had to purchase some land, which in turn needed developing. In order to gain money one usually had to participate in the “rat race”. This lead me to a change in philosophical tack; I began to see a difference in those that I

(possibly unfairly) saw as running away from capitalism and those who cunningly hid from it.

I saw those who hid from capitalism as the people that use the “system,” and exploit it where they can by utilising the underground economy in order to make money, without having to pay the price conventional capitalist citizens do; such as working long hours and paying taxes. The hiding involved concealing their deviant (and often devious) ways, lest they be discovered by those in power, and punished for their clandestine transgressions. Amongst the people I encountered, their primary activities consisted of growing and dealing in cannabis and selling stolen household goods. In a sentence I am interested in those who attempt to use the 'system' by bending it to suit their own socialised and fostered views of how the world can work.

I discovered that much had been written, primarily in the field of criminology, concerning the statistical aspects of crime, such as the percentage of people who smoke cannabis (derived from those who have been convicted of possession of cannabis) and have also been convicted for drunk driving. A plethora of other statistical information looked at how one could stop re-offending; which ethnic groups committed what crimes, *etc.* The problem I had with all this information was that it was only of any great use if you accepted (and no one does) that all criminals are apprehended and convicted<sup>1</sup>, otherwise it becomes a purely statistical game. I wished to understand those who committed unlawful acts, but were not necessarily convicted criminals.

Initially I wanted to examine what sort of people take part in this activity, an activity that I see as grassroots deviance. I had the idea that the participants would be largely made up of ‘marginalised’ folks - those people who could not get jobs due to

their low levels of education, those with criminal convictions and other social factors that reduced their job opportunities. Initial observation seemed to confirm this as a contributing factor, although interestingly enough there appears to be quite a high rational choice factor occurring - that is people weigh their opportunities and judge that the deviant path of 'a' or 'b' is better and more financially rewarding than the more conventional path 'c'.

Through this research I discovered that becoming a criminal in New Zealand is not difficult, although maintaining a lifestyle based upon criminal activity requires, like all successful careers, a combination and degrees of skills, in this case acute business skills, ability to deal with people, the ability to make quick decisions, often under pressure, the ability to remain calm under pressure and most importantly of all, the art of doing all this without being detected. The individuals who are successful in this career venture are the subject of this research.

The aims of this research required stepping into the world of so called deviants and the underground economy. This proved to be a relatively simple task, especially as I already had a number of contacts and friends engaged in underground activities. Aside from this, it was merely a matter of asking around and being introduced to people. Some individuals were obviously a lot more interested than others, some even reacted to the effect that they certainly would not care to be the object of my scrutiny. Others expressed both an interest and a desire to become involved, and it was amongst these people that I chose a number to be examined individually whilst bearing in mind that they were part of an interactive group.

## 1. Introduction

In this thesis it is my intention to look at criminal deviance with regard to the underground (black market) economy in New Zealand. This research will consist of three distinct parts, each written as separate chapters, consisting of theory, history, and fieldwork. The thesis will offer an expansive guide to the specifics of how the participants engage in New Zealand's underground economy. It will subsequently develop an argument for why the participants involved in this research engage in the underground economy instead of utilising more conventional notions of work.

To achieve this I will examine certain criminological, sociological, and anthropological theories of criminality. I will argue that the economic and socio-historical situation leading up to the present environment in New Zealand provides for an increasing potential for black market operations to be a viable and lucrative way of life, especially when seen in a relative light with conventional job opportunities. This analysis will consist of three chapters, the first is a brief summary of the prevalent social theories regarding deviance and crime<sup>2</sup>. The discussion of these theories will be used with particular reference to the participants later in the thesis. This discussion also helps construct the parameters and ideas with which the thesis will be examined. The theories chosen will cover three prevalent theoretical fields: traditional, interactionist, and radical perspectives on deviance.

The second part of this thesis concerns New Zealand's recent political and economic history. This socio-historical foundation will help us examine the economic aspects concerning participants decisions and choices (or nonchoices as the case may be) regarding their career options. It is my intention to show that increasing urbanisation, a

polarisation of wealth distribution, reduced job opportunities, and disassociation with traditionally held values coupled with material desire has, over time, led to the underground economy becoming more pervasive in New Zealand society. This historical analysis will begin with the emergence of New Zealand's "welfare state" and follow the progress and relative decline of New Zealand's economy to the present day.

The third part and primary content of this thesis is concerned with the information gained through field research. Ned Polski highlights the importance of such work; "Experience with adult, unreformed, 'serious' criminals in their natural environment - not only those undertaking felonies in a moonlighting way, such as pool hustlers, but career felons - has convinced me that if we are to make a major advance in our scientific understanding of criminal lifestyles, criminal sub-cultures and their relation to the larger society, we must undertake genuine field research on these people."<sup>3,4</sup>

While it is not possible, within the scope of this thesis, to use field research to study a large segment of the 'deviant' population, it is possible to study several people with reference to the larger social context within which they operate. This is emphasised in order to explain the references which fall outside the scope of the participant individuals. Having said this, I will deal largely with four selected participants and how they survive, and obtain income by utilising the underground or black-market economy through the sale of stolen property and goods, growing and selling of cannabis, manufacture and sale of cannabis oil, sale of LSD and Ecstasy and finally shoplifting.

The two principle questions I wish to address through this research are how, and why? How, or in what form, does this blackmarketeering take place? Why did

these individuals become involved in this form of deviant activity? Why do these individuals continue to engage in this behaviour? Given that this is not a psychological but an anthropological, assessment these questions will be examined within the social context that these individuals operate in.

The first question - how - is more readily answered than the following two, as it is by direct observation and communication with the participants that it is answered. Consequently, the sections on participants one through to four contain the information necessary to answer the question. The second and third questions - concerning why - run deeper than just the participants answers, as it is reasonable to suggest that there are many different forces contributing to an individual's engagement in the underground economy, some obvious, others more obscure. It is intended that the chapters on Theory and History in this thesis will help shed light on many of these forces. The concluding chapter on Theoretical Analysis attempts to answer the "why?" questions.

My general approach to this participant research will be holistic; I will examine the cultural, social, psychological, environmental, and economic factors within the lives of these people. This multi-perspective approach to the underground economy and the individuals within it will be used to argue that these factors, such as an environment of reduced job opportunity due to low education, a lack of desire to engage in regular working patterns, and New Zealand's economic instability, means that the underground economy presents an increased avenue for marginalised individuals to gain monetary return for their efforts, as opposed to conventional employment. It is also my contention that while the underground economy is utilised by marginalised individuals, it

is also used as a viable and calculated business venture for those who would seem to have many other options available to them (as we will see when we discuss Rational Choice Interpretation).

Finally, and by way of conclusion, I hope to show clearly how and why the participant individuals (and by inference others) engage in specific underground activities. This will be shown by reconciling both the theoretical overview and the historical commentary with my own participant observation and conclusions.

Before we continue with the main body of the text I would first like to remove some of the ambiguous nature of this topic by offering some definitions of terms that have been discussed, or will be discussed.

Initially a definition of the economy of deviance, the black market or underground economy is necessary. For the purposes of this thesis, the black market and underground economy can be considered synonymous, and the underground economy will be taken to mean the environment where transactions of stolen or illegally acquired goods takes place. These are transactions which involve either money or the barter of other, usually stolen, goods to obtain the goods one desires. All transactions involving money are informal<sup>5</sup>, and so any individual (or groups) who assiduously uses this market, will never pay taxes on their transactions. It also involves the interchange of quantities of illegal drugs for either money or goods. Underground activities are also considered those activities that are undertaken for the procurement of tax free dollars. Specific to this research, this includes the manufacture of cannabis oil, growing of cannabis and shoplifting, all of which, whilst not strictly black market activities, are engaged in as a means to that end.

It is obvious that any work attempting to cover the underground economy must also centre on notions of conformity and deviance. In defining these terms, it becomes clear that human lives are governed by rules and regulations. It would appear it is widely accepted that without these rules and regulations society would erupt into chaos. This is primarily because these rules dictate what behaviour is appropriate in what context. Giddens uses the analogy of driving to illustrate the concept of rules; "orderly behaviour on the highway... would be impossible if drivers did not observe the rule of driving on the left and other traffic conventions."<sup>6</sup> Some of these rules are regulated in our society by the law. Of course, not all people follow the law; in fact, many if not all people deviate from the law from time to time. Newbold defines deviance as "the obverse of social control, it is what happens when control mechanisms fail."<sup>7</sup> Giddens adds that "(d)eviance may be defined as nonconformity to a given norm, or set of norms, which are accepted by a significant number of people in a community or society."<sup>8</sup> So we can see that the basic premise behind deviance is not following the rules, laws, or majority opinion. This deviance can take many different forms, from stealing pens from work to murder or rape the latter considered in western society to be the most deviant, while the former would scarcely raise an eyebrow of many. For this research we will be concerned with neither the most nor the least deviant. Perhaps it could be termed or considered the middle ground in deviance. Either way, as with any deviance, it is termed or viewed subjectively, and generally viewed as less deviant if one is not the recipient of the deviance.



## 2. Theory

Having discussed the basic outline of this thesis and defined the terms that were potentially ambiguous, it is now time to delve into the theoretical overview. It is not the object of this thesis to offer a comprehensive theoretical critique. It is, on the other hand, the object of this thesis to analyse the participants with regard to social theories. With this in mind I have attempted to select the theories that may help us in this endeavour by both displaying and covering the more pertinent and prevalent theories postulated in the social sciences. Thus the theories selected will cover the three aspects of contemporary anthropological, criminal, and social theory. That is, traditional, interactionist, and radical perspectives. The theories will be presented in that order drawing on the works of the major contributors to each.

### 2.1 Traditional Perspectives

The first theories we will look at are the traditional theories (also called Control Theories<sup>9</sup>) starting with Edwin H. Sutherland's Differential Association.

Sutherland followed the Chicago School approach to criminal theory<sup>10</sup>, yet he wished to devise a more cohesive explanation due to existing Chicago School theories being criticised for being too vague<sup>11</sup>. Differential Association postulated that within any society that contains differing sub-cultures, some of these social environments would tend to encourage illegal activities, and others would not. For the purposes of this study, we can assume that Sutherland (and others) when referring to sub-culture mean the values and norms held by a group within the wider society, that are different from those views held by the majority<sup>12</sup>.

Differential Association goes on to explain that individuals become deviant through the social process of associating with other members of the sub-culture, who are themselves carriers of deviant norms. Sutherland contends that within these sub-cultures peer groups are primarily responsible for this education of deviants. The variables involved in Differential Association reflect the following aspects of frequency, duration, priority, and intensity. These in turn represent the deviance of the individuals making up a subculture:

Frequency: refers to the number of times deviations occur, or frequency of association with the deviant sub-culture.

Duration: over what period of time the association with the sub-culture takes place.

Priority: at what stage in life association with the subculture occurs. The younger the age the more susceptible an individual is to taking on deviant sub-culture norms and values.

Intensity: this refers to the intensity of the relationship, the prestige of the person making the definition, or the amount of respect demanded by a peer, which effects an influential young member of a sub-culture.

We can now see why individuals become criminally deviant according to traditional theory, yet we still need to ask and answer the question; 'why do some sub-cultures encourage illegal activity (while others do not)?' To examine this question we must progress upon the theoretical framework we have embarked upon. In doing this we see that Emile Durkheim touches on this question with his notion of anomie which he used to refer to the thesis that in modern societies traditional norms and standards

become undermined without being replaced by new ones, leaving people feeling disoriented and anxious.

Robert Merton expanded Durkheim's idea of anomie<sup>13</sup> to discover "how some social structures exert a definite pressure upon certain persons in the society to engage in non-conforming rather than conforming conduct."<sup>14</sup> Merton termed this idea "socially derived sin" as opposed to the biblical and biological<sup>15</sup> notion of "original sin". Merton's theory centres around the reason why people deviate (anomie) and the types of deviance which people engage in, and it stresses that crime is the outcome of a strain between what people wish to achieve and what is possible, the theory is often referred to as strain theory.

In other words Merton, in this theory, was contending that all people want to achieve the same material success, but due to unequal opportunities many people (or sub-cultures) must resort to deviant actions in order to try and fulfil their ambitions. For example people wish for a large house with modern appliances, and two new cars. They cannot afford this with a conventional job, so turn to deviant criminal means to achieve these conventional ends.

Merton also recognised that political, economic and social institutions mean that not all people get equal access to realise the ideal of material success. Compounding this, not all people have been socialised to utilise the legitimate avenues that are available for them to achieve success. Therefore the discrepancy between peoples social desires, values, and goals on one hand, and their inability to achieve these goals through legitimate ends, on the other, results in anomie. Anomie once realised means that an individual or sub-culture who experience(s) these conditions is more likely

to use deviant means to assist them in achieving their material goals. Merton concluded that; "If we can locate groups peculiarly subject to such pressures, we should expect to find fairly high rates of deviant behaviour in these groups..."<sup>16</sup>

Merton goes on to identify five "modes of individual adaptation", which identify and explain Sutherland's sub-cultures:

1) Conformity - The majority of the population falls into this category, accepting generally held values and conventional methods of achieving these goals. These values are kept regardless of the level of success they enjoy.

2) Innovation - This group is made up of those people who accept generally held values, but use deviant (illegal) methods to achieve these values.

3) Ritualism - This group consists of those who conform to socially accepted standards, although they have lost sight of the values that initially prompted the activity. For example someone who is engaging in a job that has no further prospects and pays poorly.

4) Retreatism - This group consists of those who reject the dominant values and the conventional methods of achieving these values. A typical example of this is alternative communities.

5) Rebellion - Those who reject the dominant values and the normative means, but wish to actively reconstruct the social system. Political radicals and anarchists afford an example.

Though we are now enlightened as to the different people who make up the different sub-cultures and in which capacity they act, we have yet to answer how the people within these sub-cultures can perform in a seemingly prescribed (deviant) manner.

That is, anomie tells us why people become deviant, but not how they are able to be deviant.

Richard A. Cloward and Lloyd E. Ohlin<sup>17</sup> have an answer for us, arrived at by linking Sutherland and Merton's theories. Cloward and Ohlin felt that Merton had exempted the existence of an *illegitimate opportunity structure*<sup>18</sup> (this title is sometimes used to describe Cloward and Ohlin's theory) that ran parallel to the legal one. In other words, Cloward and Ohlin saw levels of opportunity as stratified within both the legal and illegal sub-cultures. Just because an individual utilised the underground economy, was not necessarily because they could not achieve in conventional society. The illegitimate opportunity structure has three levels: criminal subculture, conflict subculture and retreatist subculture. The criminal subculture exists when there is a stable, cohesive community (sub-culture) with contact with both the mainstream legal community and the illegal one. This subculture has several functions: It means stolen goods can be sold through the wider community. It provides for successful criminal role models to inspire aspiring criminals. Finally it provides an age demographic for criminals to travel through, for example a deviant teenager has older contacts and role models to encourage continued deviant behaviour and provide continued contacts.

In the conflict subculture, the methods of peer support and contacts of the criminal subculture are not present. Therefore, the resulting participants violently vent their frustration at their perceived career failure. An example of this is gang warfare which provides for a social hierarchy of fear (often interpreted as respect) for the physically successful combatant.

The retreatist subculture is the final level of Cloward and Ohlin's criminal subculture. Individuals who are unable to achieve in criminal and violent subcultures turn their failure into drug and alcohol addiction, paid for by petty theft, shoplifting and prostitution.

Cloward and Ohlin established this theoretical structure whilst studying youth gangs in America. They argued that these gangs emerge in "sub-cultural communities, where chances of achieving success legitimately are small"<sup>19</sup>. These gangs accept the desirability of material goods (as with differential association), but these ideas are filtered through gang networks, the result being theft of material items for resale or ownership. This fits in with Merton's type two, the innovator (as we are yet to see, this also applies to the participants involved in this study). Albert Cohen<sup>20</sup> also adheres to this explanation, except he rejects the idea of an acceptance of material desire and consequently sees all theft in the same light as fighting and vandalism that is, a rejection of 'respectable' society. This would be more in line with Merton's type five, rebellion.

This structural idea of deviation, as purported by Sutherland, Merton, Cloward, and Ohlin, has been criticised for relying on the supposition that all people and societies have the same values and desire to achieve material and monetary success. Lemert, although largely a supporter of Merton's theory<sup>21</sup>, says "The associated ends-means schema, while it may be valid for the analysis of deviation in situations or societies with patterned values, is insufficient for this purpose in pluralistic value situations."<sup>22</sup> This problem is also associated with differential association, as it also presupposes that poorer people aspire to the same level of success as those who are affluent and consequently can only be applied to these people. This type of criminal

activity, it logically follows, would be prevalent where a major gap between aspirations and opportunities exists.

## 2.2 Interactionist Perspectives.

Interactionist perspectives on deviance and crime centre around labelling theory, and it is claimed that "...labelling theorists have presented a more enlightened and progressive response to problems of crime and criminal justice in our society than have most of the traditional approaches."<sup>23</sup> Labelling theory illustrates Newbold's<sup>24</sup> earlier definition of deviance, as it shows that deviance arises through its contrast with non-deviance. Interactionism illustrates the idea that people actively go about creating their own lives, that people make decisions based upon their subjective interpretation of a given situation<sup>25</sup>. Society is therefore seen, not as the controlling force of the people, but as the product of people's interactions with it.

Becker defines labelling theory with reference to deviance thus:  
Social groups create deviance by making the rules whose infraction constitutes deviance, and by applying those rules to particular people and labelling them as outsiders. From this point of view, deviance is not a quality of the act the person commits, but rather a consequence of the application by others of rules and sanctions to an "offender." The deviant is one to whom that label has successfully been applied; deviant behaviour that people so label.<sup>26</sup>

Willem Dienstien describes labelling theory within a social context:

“...society also defines the offender. It tells us how he is viewed, what he is in the eyes of the people. What he is, is realised in the manner in which he is treated by the agencies of control... The affluent person who steals and the poor person who steals both commit theft. The affluent person is called a kleptomaniac, a psychological term, the poor person is called a thief, a social term.”<sup>28</sup>

Labelling theory, unlike anomie and differential theory, does not look at deviance as a set of characteristics of individuals or groups. Labelling theory claims that those in positions of power, such as the police and the law, provide the labels for others. The rules in terms of which deviance is defined, and the context in which they are applied can be seen as following a Marxist approach. As the wealthy define it for the poor, men for women, the older for the younger, and the ethnic majorities for the ethnic minorities. Therefore once a person is labelled as deviant by one of the dominate forces, they are stigmatised and treated and considered as untrustworthy. This in turn pushes the individual into a more marginalised philosophy and they begin to view themselves as deviant and act accordingly.

Edwin Lemert<sup>29</sup> sees Labelling Theory as having two distinct parts. The initial act of being labelled by the dominant forces in society is termed primary deviation. Secondary deviation occurs when the individual comes to accept their label and sees themselves and interprets their acts as deviant.

Giddens comments that “Labelling theory is important because it begins from the assumption that no act is intrinsically criminal. Definitions of criminality are



established by the powerful through the formation of laws and their interpretation by the police, courts, and correctional institutions.”<sup>30</sup>

The actual process of labelling someone is not as straightforward as it may at first seem as there are several different elements involved. Moore uses the studies of Kitsue, Reiss, and Becker to identify three parts to labelling theory<sup>31</sup>. The first he calls Variability; this is the notion that not all people perceive all people in the same way, even if they have observed the individual carrying out the same deviant act.

The second part of the dynamic of labelling is that it is negotiable or reflexive. This refers to the idea that we often change our views and consequently our labels of people, depending on circumstances and contact. For example, a person is often labelled on a first meeting due to the first impression they make and perhaps the clothes they wear or vehicle they drive. Subsequent contact and interaction with the same individual may result in a different perception of them.

Finally, Moore adopts Becker’s term of master status. This refers to the idea that once an individual has gained a label, this label is then used to interpret all of their actions, past and present. For example, if an individual is labelled a thief, their new clothes will be perceived by the labeller as having been stolen.

Three main criticisms of labelling theory exist. First, labelling theory is not arbitrary; differences in socialisation attitudes, and opportunities of individuals influence how far people engage in behaviour particularly susceptible to being labelled deviant. Second, and most obvious, calling someone a deviant or criminal does not necessarily make one so, as people may not be all that susceptible to labelling. Third Giddens says “...we have to investigate the overall development of modern systems of

law judiciary and police if we are to understand how and why different types of labels come to be applied.”<sup>32</sup> Albert Cohen offers a similar comment:<sup>33</sup>“deviance is defined in terms of the application of rules to *particular people* and a labelling of them as outsiders.”<sup>34</sup> Reiss offers similar again: “...while an individual may deviate from norms without any organisation being deviant, there is no individual deviance that does not involve social interaction and organisation.”<sup>35</sup> What is essentially being said is that in order to be deviant one must be taking part in the larger social arena, that is society, and within this society are a number of hierarchies of power. This has particular relevance when looked at with regard to Labelling Theory, as it is for precisely this reason Labelling Theory is said to operate. It is the wider societies view of the individual which is what Giddens, Lemert and Reiss are referring to, and without fully understanding why labels are applied one cannot fully comprehend their full implications.

Cornish and Clarke<sup>36</sup> propose a theory, called, rational choice interpretation. This takes the view that individuals are more responsible for their own actions than society. Rational choice interpretation suggests that individuals make decisions on whether or not to break the law based on rational decision making; individuals will make the decision to engage in deviant behaviour based upon the pros and cons of such an action. They will weigh up the value and benefits of performing an action versus the risk of getting caught.

The idea that an individual who enters a shop, sees an item and then proceeds to procure it without paying, is seen as analogous with an impulse purchase, as the same decision process is gone through. The argument follows that given that an individual is prepared to consider engaging in a criminal activity, many criminal acts

involve quite ordinary decision making processes, even if they are in extraordinary circumstances.

### 2.3 Radical Theory

Radical theories offer the idea that crime is located in the historical development and structure of society's institutions. If interactionist theories offer a microcosmic look at deviance and crime then this is the opposite, the macrocosm. Thus most radical (also referred to as Marxist or critical theory) analysis would suggest that the historical development of capitalism was and is intrinsically linked to the development of our particular criminal law. Criminal law, in turn, is primarily responsible for the origin and development of crime itself. Capitalism, criminal law, and crime are therefore inseparable, as they form a social and historical process. Turk comments that:

...Marxian and Weberian criminologists clearly agree that laws, law breaking, and law enforcement originate in and contribute to patterns of social conflict and of disproportionate power. Both assail and reject any alternative biologicistic, psychological, functionalist, or evolutionist explanations of the phenomena of legality or illegality. Distinctions between the legal and the nonlegal are understood to be primarily the products of effort by more powerful groups to justify and strengthen their dominant positions... The proposition that economic exploration and the political repression that makes it possible account directly and indirectly for most deviant behaviour.<sup>37</sup>

We will divide the arguments of radical criminologists into three separate headings: Socio-economic class, power and authority relationships, and finally new criminology of left realism.

Socio-economic class arguments are most closely associated with Marx, Bonger and Quinney. When Marx's views are applied to crime, it is apparent that crime is a result of class conflict, which in turn is based upon economic inequality. Therefore, Marxists would argue that to reduce the rate of crime, a classless society needs to emerge. Problems associated with this theory are its obviously monodimensional nature and that its dated view of the labour force and market meaning it is hard to apply this to a situation in a contemporary society.

Bonger<sup>38</sup> follows this deterministic Marxist framework in arguing that crimes are committed due to the fact that the economic interests of society are in conflict. Most people are deprived of the means of production and consequently come under the economic control of those who own the means of production. This in turn creates a situation where the workers are disenfranchised. These dispossessed masses commit crimes relating to their economic subjugation (Bourgeois crime is also related to the economy). Huff had this to say in summarising Bonger's theory "...it must be said that Bonger's theory of crime causation was basically a global, unidimensional one based on classical Marxist theory."<sup>39</sup>

The traditional functionalist perspective has also been challenged by Walter Millar in his publication on subcultural delinquency<sup>40</sup>. Millar postulated that lower class subcultures in American society were not criminally deviant due to striving for material success that they could not achieve, nor were they disorganised. Instead, it is

the socialisation process in these subcultures that emphasises different (criminally deviant) values. This differential socialisation process was a result of heterogeneous culture, due to the in-migration of various cultural groups.

Millar argued that deviance occurred due to differential conduct norms and differential socialisation. In other words, a subculture may instil values or socialise behaviour amongst its members, which are considered consistent with the subculture, yet viewed as deviant by the larger society. As a consequence these lower class values bring the subculture into conflict with the dominant classes in society.

With regard to power and authority relationships, Weber added the two variables of power and prestige to the unidimensional Marxist notion of property to help explain social stratification. When this is taken from a Weberian criminologist point of view, it is said that the differential distribution of power and prestige, coupled with the notion of social stratification, are crucial variables in the analysis of crime and crime control. This notion of crime is defined by Weber as the ability to secure compliance against someone's will to do otherwise. The Weberian view sees deviance as pervasive in all societies and subcultures, and as indicative of the political struggle subcultures engage in, in order to achieve power, prestige, and status in a stratified society.

Dahrendorf and Turk both follow this basic Weberian theory, centering on the relationships between authorities and their subjects. Dahrendorf sees Marx's concept of class as better served by the concept of authority. Turk also uses this notion of authority to explain criminal deviance as being defined by those in authority and not by the "subjects" who must accept or resist "such law creating, interpreting, and enforcing

decisions”<sup>41</sup>. Deviance is therefore seen as the outlet for subjects (sub-cultures) conflict with those in power.

Finally the New Criminology Of Left Realism starts from the observation that high crime rates of the “working class” are a reflection of the fact that these people actually commit the majority of crime. New Left realists do not argue, as Marxists would, that this is due to overt bourgeois oppression towards these people causing more proletarians to be prosecuted and convicted than their higher earning counterparts. The New Left focuses on the following elements; subculture, relative deprivation and marginalisation.

Subculture is seen as a response to problems. Those who are criminally deviant exist in subcultures as a response to their particular problems and position in society. Members of a subculture are not necessarily aware of this.

Structurally speaking, the problems members of a subculture face are a direct result of the political and economic system they are part of. In other words, capitalism ensures that some people are less powerful and wealthy than others, and this causes problems for members of less well off subcultures.

The values of the subculture are those of wider society and because of this the “marginalised” subculture feels they must act in a criminally deviant manner to succeed.

The subculture’s criminal deviance is not socially fostered through the generations, it is recreated by each generation according to their subjective experiences and the context in which they live.

Unlike what Millar suggests, New Left theorists Lea and Young<sup>42</sup> contend that the working class does not have an alternative set of values from the dominant class. Instead their values are constantly changing, reflecting the broader changes in society. Lea and Young contend that unemployment and poverty are not directly the cause of crime. Instead people measure their situation against others, and so their deprivation is relative. Therefore a materially poor person may not feel deprived if all around them are in a similar financial situation. Conversely, if such a person was surrounded and constantly aware of objectively rich individuals, they would feel more aggrieved. Lea and Young argue that contemporary youth feel frustrated and bitter due to the disparity between their high expectations and the reality of what they can actually achieve, which in turn means some of them turn to crime to enable them to solve their problems.

Marginalisation occurs primarily to the youth, because they have no voice or avenues with which to vent their opinions and concerns. Workers are at least able to picket and strike in order to gain attention to their plight.

Three main criticisms of new left theory exist:

- 1) Too much emphasis is placed upon working class crime and its causes.

Marxists would argue that more attention needs to be turned towards white collar crime and law creation.

- 2) It is no radical breakthrough to say that the crime statistics are a reflection of the true situation.

- 3) It is not really a new approach to criminal and social theory, as it follows a traditionalist approach, such as Merton's anomie and places it in a more radical perspective.

In conclusion, we can see that traditional theories explain deviance as a consequence of individual socialisation and interactionist and radical theories explain deviance as a consequence of the distribution of power in society. As is the case when dealing with individuals within society, all these theories offer useful guidance to the study of deviance, within the appropriate circumstance. When taken as a theoretical whole, they give a large frame of reference with which to work and so are particularly useful to this study, with reference to the following analysis of the participants.

If we were to look at all these theories, premises and conclusions, what could we expect a criminally deviant individual to be, what characteristics would be evident? The individual would be a member of an objectively viewed deviant sub-culture, which had lost sight of the majority societies values, yet still wished to achieve in a materiel world. They would be engaged in criminally deviant activity within their sub-culture. They would be viewed by the powerful in society as deviants, and would believe it themselves, and act accordingly. They would feel that the criminally deviant career they were involved with was both the result of their own interpretation of the world, and consequently a rational choice, and also the result of pressure exerted by capitalist society which had marginalised them into this position. They would be male, young (16-24 years old), violent, unemployed, unqualified and a habitual drug user, with an unstable family life.



### 3. History

“The dialectical method allows us to comprehend the world as a complex of processes, in which all things go through a continuous process of coming into being and passing away. All things are studied in the context of their historical development.”<sup>43</sup> As this quote illustrates it is appropriate to examine the contemporary social situation relative to its historical foundation. This contextual method is employed in order to maintain a reflexive approach towards the topic of criminal deviance and the underground economy, and in keeping with a radical theoretical approach.

There is no debate in New Zealand that the rate of criminal deviance is on the increase, and this is certainly the case with the black-market economy. With regard to New Zealand’s recent history, the further we travel back in time, the less deviance is recorded as occurring.<sup>44</sup> This is partly because of the subjective, relative nature of the definition of deviance and the consequent constraints placed upon it by those in positions of power, but it is also largely due to the dynamic nature of society. We will see that this is due in part to a process whereby New Zealand society has changed from a society where everyone worked for the good of the country, to one where everyone must achieve what they can from the country’s economy for their own good. One of the consequences of this would seem to be a surge in criminal deviance, and specifically the growth of the underground economy.

The argument that we will pursue in this, the historical part of the thesis, is that within New Zealand we have a historical environment that includes increased urbanism, a decrease in the relative wealth of the average earner, an increase in the polarisation of wealth distribution, and a reduction in state social welfare benefits

combined with a dubious corporate attitude to its welfare recipients (based in part on a notion that all beneficiaries are bludging off the state because they are too lazy to work). We will see that this produces a situation, where crime and deviant activity are seen as increasingly obvious avenues suitable for exploitation for financial gain.

In examining this argument with reference to New Zealand's historical process toward deviance and black market enterprise, we will ascertain that in the past New Zealand was not necessarily in a political, economic, or social situation that would both encourage certain individuals and conversely marginalise others (such as the participants later in this research) to act within the socially defined criminal deviance of the black market.

This chapter will draw heavily upon the work, research, and abstractions of other scholars in the field of economics, history, anthropology, sociology, and criminology. There is a relative lack of information regarding the history of the underground economy in New Zealand, although Greg Newbold's publications *Crime and Deviance* (1991), and *Crime in New Zealand* (2000) are both helpful in this area. For this reason much of the following chapter is not necessarily subject specific. However, due to the reasons for individuals engaging in criminal deviance (as explained in the previous chapter) being relatively similar, can be inferred that if the total criminal activity increases so does black market activity.

Growing urbanisation in New Zealand is explained by historian Steven Eldred-Grigg as a process where "(w)orking people, uprooted from old city districts and the small holdings of the country, were dropped into new suburbs."<sup>45</sup> The increase in deviant activity was attributed to this growing, new suburbia. Armstrong, commenting

on the impact and implications of urbanisation says; "Rapid growth and size itself are imposing greater constraints on the way of life. Rapid growth and size itself are creating conditions in which crime, loneliness and neurosis are becoming integral features of urban and suburban existence."<sup>46</sup> The Department of Justice in a report in 1968 reiterated this position, stating: "There is no justification for thinking that New Zealanders possess any special virtues to immunise them against evils prevalent in other lands. Indeed, as urbanisation extends - and Auckland already has a population of nearly 600,000 and continues to expand at a rate of 20,000 a year - we must expect at least some of these ugly trades to gain a foothold unless they can be restrained by the dedicated work of the police."<sup>47</sup>

Armstrong attributes an increase in crime to urbanisation in the Auckland region during the late 1960's and early 1970's. "Recent statements by the chairman of the Auckland Regional Authority, and a senior police officer in the city indicate the rising incidence of crime when people cannot walk in safety in Auckland's streets and parks, without running the risk of attack by thugs, gangs, hooligans, and rapists..."<sup>48</sup> Armstrong goes on to discuss the urbanisation of Pacific Islanders and Maori and the accompanying cultural isolation that is experienced, as a possible reason for the increase in crime.

The current situation in New Zealand does seem to have its roots in the urbanisation of the sixties, but were there more fundamental changes to New Zealand society than just shifting demographics? It is with this question in mind we will determine that economics are largely regarded as one of the fundamental catalysts behind criminal deviance. It would therefore be useful to continue with an examination of

politics, and policies that contribute to the New Zealand economy and the increase in deviant criminal activity.

Dalziel and Lattimore state; “Historically New Zealand’s wealth rose out of its special trading partnership with the United Kingdom, which allowed it to export large quantities of agriculture products to that country at favourable prices...”<sup>49</sup> New Zealand also took a leading role in introducing the ‘welfare state’ in the 1930’s. From this position New Zealand criminal deviance (in the form of black-market enterprise) has risen dramatically. This is part of a consequence of recent economic and political decisions being made based upon rising oil prices, a weak New Zealand dollar, tariff reduction, freemarket policies<sup>50</sup>, and the relative strength of the American economy.

How did New Zealand come to this? Colin James in his book *New Territory* refers to the “prosperity consensus” that existed in New Zealand, by which he is referring to New Zealand’s egalitarian economic society and the perception that everyone is equally able to achieve, in this case wealth. James comments: “In ensuring jobs, which constituted the central pillar of the welfare state, New Zealand was unsurpassed until the late 1970’s. New Zealand was also a highly homogeneous society with a secure place in the world, culturally, politically, and economically. It was a society made for consensus. And the welfare state worked particularly well in New Zealand; the prosperity consensus was more pervasive and was accorded special reverence... In the eyes of its inhabitants New Zealand was “God’s own country” - Godzone for short.”<sup>51</sup> Dalziel and Lattimore confirm the state of the New Zealand economy “...with New Zealand’s economy performing reasonably well. After the experience of the Great Depression of the 1930s, successive New Zealand governments assumed control over an increasingly large

proportion of economic activity through state ownership of industry and resources, and through the regulation of what individuals and firms could and could not do...”<sup>52</sup>

In the 1960's the principal economic objective was the promotion of full employment by encouraging diverse domestic production. A system of general wage orders was established with the intent to ensure that a man could earn a fair wage to support his family (the Department of Statistics did not even collect data on female wages before 1978)<sup>53</sup>. The government, through general taxation, made health, education, and social welfare universally affordable.

Following this period, the main benefactor from New Zealand's primary exports from the dairy and sheep industry, the United Kingdom, began to move towards a greater affiliation with the then European Economic Community (now the European Union (EU)). In 1973, the United Kingdom joined the European Economic Community. This coupled with the oil shock in the same year, had significant repercussions for New Zealand's economy and consequently its society. Imported raw materials rose in price by up to 300 per cent and New Zealand's primary export market had to push for sales in new regions.

James tells of the change that was taking place, he claims that the idea of the “prosperity consensus” was now being challenged by the emergence of the strong East Asian societies, coupled with the collapse of communism. This intensified assaults upon the prosperity consensus' social fairness element, as these countries became indebted to the North Atlantic countries, which were seen as inducing their demise in the first instance. James goes on to explain that: “A rival idea gained credibility, which insisted that there could not be such a thing as a social entity but only autonomous

individuals and that the individual alone could be the basis for workable public policy (especially if the path to prosperity was to be regained). For many of those whose past was one of too much security and certainty for comfort, this idea had strong appeal.”<sup>54</sup> This gave strength to an argument that stated that the prosperity consensus was unworkable economically, and that in conjunction with socially inherent flaws this meant that over time it could not work, and consequently the economic structures of New Zealand had to be deregulated. This derivative argument appealed to many who argued that the economic crisis was not a result of New Zealand’s welfare state, but the holistic result of capitalism. The argument was that; “the welfare state had not failed but, merely stalled, that solving capitalism’s crisis would allow a return to enhancing the welfare state and the pursuit of the perfectible, fair society.”<sup>55</sup>

If we take a closer look at our historical analysis and examine this important political change (we can see that Rational Choice Interpretation fits in well with this individualist argument) we are essentially seeing a swing from the idea of operating within society as part of a nation and thus ones self, to the idea that individuals are themselves responsible for becoming successful and are thus autonomous entities. Socially, it could be argued, this is significant for both the conventional and the underground economy.

As will be seen shortly, by moving on to a further reason for the emergence of a strong underground economy, rising unemployment, we are not leaving the previous subject hanging. Here we see that unemployment is, of course, intimately related to poverty, and poverty, in turn appears to influence directly and indirectly the incidence of crime; as relative poverty increases crime increases. This is true at both the

aggregate and individual levels, as is made clear in a study by Berk Lenitian and Rossi. They found “for ex-offenders at least, unemployment and poverty do cause crime on the microlevel. Modest amounts of financial aid can reduce recidivism among ex-felons...”<sup>56</sup>

Greg Newbold adds weight to this argument when he makes the following comments on increasing poverty: “When economic times bleaken, when more businesses fail and more people lose their livelihoods, the pressure to break the law intensifies. As a society becomes progressively less equal and the ranks of the poor increase, popular rejection of conventional definitions might be expected to grow.”<sup>57</sup>

The New Zealand government emphasised the change from focusing on society as a whole to an individualist economic philosophy when, following the unemployment jump to over one per cent and climbing unemployment into the early nineteen eighties, it announced a change in economic focus. In June 1982, the government supplanted their former economic goal of reducing unemployment with the more fashionable idea of reducing the rate of inflation. Socially this had repercussions, as it acknowledged that the workers no longer control the economy. It is the economy that controls the workers<sup>58</sup>. The consequence for the New Zealand worker was grim, and at the culmination of the 1970s the average worker took home less than s/he had a decade earlier: “...an average wage...(was) worth not much more than nine dollars for every ten they had brought home at the peak of the boom.”<sup>59</sup>

This change in focus was accompanied by further unemployment. In 1989 it soared from four per cent to seven per cent, and in 1991 it rose to nine per cent and then into double figures. Dalziel and Lattimore explain that “...it is clear that poverty levels rose sharply during the reform programme, particularly in the early 1990s when the



rate of employment reached double figures and the level of income support provided through social welfare was reduced by up to 24.7 per cent. The result was an enormous increase in the number of people seeking aid from private charities and food banks.<sup>60</sup> The real income of most wage and salary earners was worth substantially less than ten years earlier<sup>61</sup>. Newbold again adds to this saying that between 1980 and 1989 “there was a 160 percent increase in the Consumer Price Index (CPI). Registered unemployment grew fivefold between 1981 and 1991, when it peaked at 10.5 percent of the workforce. This had an apparent effect on crime.”<sup>62</sup> Newbold goes on to cite a prison census carried out in 1987 that found that “two-thirds of inmates were unemployed at the time they were sentenced and about half had been out of work for over twelve months.”<sup>63</sup>

In February 1996 Douglas Myers of the business round table commented that “(a)t present some 360,000 working age people and their dependants are receiving income support... A total of 255,000 children are growing up in benefit dependant households, and welfare dependency in some families is into its third generation... Welfare dependency is to the nineties what economic problems were to the seventies and eighties.”<sup>64</sup> He was clearly using this as an argument which followed along the lines of handing employment issues back to “civil society.” Aside from this, it suggests that the number of potential blackmarketeers has grown, assuming (and in my experience it was the case) that all those engaged heavily in the underground economy were not in full time work.

Eldred-Grigg tells of the change that took place in the New Zealand working environment, whilst offering a rationale for many who may wish, ironically, for



the less cut throat black market economic environment. “Two economic systems, the formal and the informal, the capitalist and the working class, remained in opposition. In many ways the gap between them widened. While life in the back yard remained loose, casual, and informal, the world of money, wage work, profits, and hard sell grew harsher and more competitive than ever.”<sup>65</sup>

This increase in unemployment, decline in welfare benefits, and increased urbanism, seemed to join forces to make New Zealand a society with a thick wedge driven between the poverty of the poor and the wealth of the rich. The poorest forty per cent of New Zealanders got less than their statistical equivalent in Australia, Britain and the United States. Even more surprising is the statistic that the wealthiest New Zealanders controlled a bigger share of the national income than their counterparts in Australia, Britain and the United States<sup>66</sup>. Eldred-Grigg goes on to show that “the richest tenth of households in 1985 controlled about a fifth of total disposable income in New Zealand... The rich and middle class together, however, took more than their fair share and left thinner and thinner pickings for workers.”<sup>67</sup>

The situation between rich and poor has got dramatically more polarised since then. In 1988 the richest one percent of New Zealanders owned 9.5 percent of the country's total wealth, and the richest 11 percent owned close to half of the countries wealth<sup>68</sup>. It is obvious that there is a pattern of increasing wealth polarisation. This dichotomy between rich and poor is even more likely to cause criminal deviance, than a poor society on its own. This is due to an increase of anomie, in an environment where material aspirations are still prevalent.

A final illustration of the changing nature of New Zealand society and the correlation between poverty and criminal deviance are the following statistics; "in 1997 there were 34 times as many proven charges of robbery as there were in 1960. The fastest rises occurred after 1975, possibly as a result of economic decline spurred by the 1970s oil shocks."<sup>69</sup>

In summary the situation we have in New Zealand at present has gone from that of a country with an excellent welfare system and almost no unemployment, to that of a country with relatively high unemployment, low poorly paid job opportunities and an environment of reduced and grudging welfare support. Unemployment has now become a long-term burden involving financial hardship, psychological trauma, marital tension, and interpersonal disharmony. Unemployment is disproportionately experienced by young potential workers, especially those who make up ethnic minorities and semi/unskilled workers, in both urban and rural settings.

It is interesting to see that New Zealand is also pursuing a hard line approach to people accused of committing crimes, both serious and minor<sup>70</sup>. It could be argued<sup>71</sup> that this tougher sentencing is being used as a political tool, as high unemployment in New Zealand cannot be blamed on high labour costs. The government must be aware that the current economic policies, placing the market before the people, will result in a further divergence of an already large wealth difference. This in turn will see some of these disenfranchised people turn to deviant and criminal means. Consequently the New Zealand government, mindful of these possibilities, needs to quash any potential disorder, crime, and deviance. For this reason there has been an increased push for tougher penalties for crimes, the providing of more resources and

power to criminal justice personnel, and indirectly by ideological communication, in which the ideas of tough sentencing, more deference, more punishment, more police efficiency, and more social defence against those labelled as criminals are supported.

It is therefore small wonder that individuals and sub-cultures exist within the black market economy, preferring this method of business to that of the conventional economy. But, more importantly, what does this situation mean for the individual engaged in the black-market? Probably they are more likely to get caught, and they face tougher penalties if they are. Yet more and more people are engaging in tax free enterprise, so competition is tougher than ever and so just like conventional business only the wise survive.

## 4. Ethnography.

### 4.1 Introduction

The following chapter is the culmination of a year's ethnographic study, although a lot of the information is derived from personal association with individuals involved in underground activities which have indeed existed for many years. Consequently a lot of the specific information contained in the following passages has been gained by talking to many (I estimate in the region of one hundred) different people, ranging from doctors of medicine and chemistry through to fourteen year old street kids in Remuera. Due to the limiting factors of this thesis, length and subject, and more particularly the largely self imposed, time management and my limited writing ability, it is neither practical nor plausible to go into great depth concerning all these people. Subsequent to this, I would not do many of these people credit if I tried to generalise their activities, and as much of the information gained was preceding this thesis, it was not subject specific or necessarily recorded in such strict fashion as to be of precise use here. This rationalisation is included to show that although I have only showcased four individuals and their specific talents, the information and background for this is gained from a large variety of people and sources. It is also of the highest importance to realise that, for obvious ethical and legal reasons, **all names are pseudonyms**. To all intents and purposes I neither know these people's real names nor do I know where they live.

### 4.2 Ethics.

It is worth taking the time to discuss the ethical aspects of my research, as it functions as both a disclaimer and as an insight to how I went about my research. Ethics (or morality) obviously primarily concerns my research methodology and concepts

of trust between myself and individuals involved in the underground economy, and my stance with regard to the legality of the situations I could potentially become embroiled in. I proceeded to delve into philosophical ethics, and felt that Emmanuel Kant provided a fine foundation stone with the following comment: "Whatever one wishes to do, one should be prepared for everyone else to do as well."<sup>72</sup> Applying this to the current context I took it to mean that the depth with which my research should go should be no more than that with which I would be happy for someone to scrutinise myself, given that any information gained would nevertheless be produced in an anonymous manner.

Due to this I decided I must make decisions regarding my information gathering techniques based upon two notions; 1) participants rights and wishes, and 2) legal considerations. Thus I came up with the following rationale: My primary source of information would be unstructured interviewing, with particular questions and direction of inquiry in mind<sup>73</sup>. I chose not to use direct surveys and questionnaires, because of the "superficiality of the information that could be obtained."<sup>74</sup> With regard to my topic I believe that as the interviewee has no control over where or to what use their information may be put, they may be more inclined to conceal or (less likely) exaggerate information.

The following anthropologists offer further emphasis on utilising participant observation and unstructured interviewing techniques when faced with criminal or deviant subjects. Fleisher states "...qualitative research can give... information. This ethnographic research provides detailed information about the actual behaviour of street criminals in natural social circumstances and about their distinctive world view."<sup>75</sup> Adler adds that "investigative field research... with emphasis on direct personal observation, interaction and experience, is the only way to acquire accurate

knowledge about deviant behaviour.”<sup>76</sup> In the well known deviancy research of Becker’s *Outsiders* he tells “I gathered the material by participant observation, by participating with the musicians in the variety of situations that made up their work and leisure lives... I seldom did any formal interviewing.”<sup>77</sup> Other possible ethical pitfalls with this topic of research, and participant observation in general, were considered, including situational, confidentiality, harm, privacy, and identification issues. I identified myself and my intentions to those being observed. As regards the second problem of legality, as a researcher it was important that I strove to never place myself in a position where the law was compromised.

#### 4.3 Participant one “Agar”

The first participant is Agar, and he is perhaps the most stereotypically deviant, in appearance, demeanour and action. Agar participates in the underground economy to a large extent, by growing and selling (dealing) cannabis, and selling stolen electrical goods, primarily procured by paying teenagers to steal goods, or more often by buying goods off teenagers who offer them, and then selling them on or swapping them for other items. He also does the reprehensibly regarded, stealing of cannabis from other growers and then selling on the contraband.

Agar is from a ‘broken’ home, he told me that his parents were together only periodically up until he was about six or seven. From that age he was sent off to stay with an ‘auntie’. This was the beginning of a number of guardian changes he experienced as a boy. These changes generally took place within the same locality, and he had continued, although sporadic contact with his mother and siblings. He claims that when he was growing up he was able to spend most of his free time doing as he wished.

Consequently he spent a large amount of his time “hanging around with my mates, after school.”

At fourteen Agar stopped attending school, an act he claims “probably wasn’t even noticed” by the school, due to his highly erratic attendance record before he left. I asked him why he had left, and he replied that it was a gradual leaving process, and that he was not achieving at school. At the stage where academic differences amongst his peers were becoming more evident he felt no desire, and received little encouragement from home to continue attending, so he stopped to pursue a career. His career choice happened to be in criminal deviance.

Agar said he began engaging in the black market economy in earnest soon after he left school, although he had gained shoplifting (this is discussed with reference to another participant later in this thesis) expertise from a young age, engaging in it with his peers.

Agar has held several jobs, but has either stopped attending them or has been asked to leave due to his lateness and behaviour towards other workers. He had an obvious dislike for work; he told me “who wants to make some cunt rich, fuck that... it’s a joke... make more money than before this way (engaging in under ground activities)... and no nine to five (*laughs*).”<sup>78</sup> Agar also maintained that he is too “bad” for conventional work. He claimed no remorse or guilt at what he now does. He laughs at the implications his actions may have for others and points out that “some other cunt would be doing it if I didn’t get there first, they (the victims of burglary) can afford it anyway.” Agar is a quick, astute thinker and his ability to perform mathematical

calculations quickly and accurately are a bonus in a business environment where people dislike taking the risk of leaving a paper trail.

Agar also appears to be highly untrustworthy if many of his stories are to be believed, and based on the evidence they are. Idle conversation among other blackmarketeers could well result in Agar pocketing the proceeds from their crop, as I will show later. Although a quiet-spoken character, his imposing physique, constantly bloodied, scarred and scabbed knuckles, and facial injuries attested to his enthusiasm for fighting. He claimed he often got paid to “do over” someone, and he said he did a good job. “Smack ‘em in the face a few times, bom bom... They (the clients) said not too much, but once I’m started I’ll do a proper job...”

His black market operations took him all around the country and he was generally willing to try anything for a tax free dollar. He was very careful to move any drugs or stolen items from his possession or property the day he receives them. This was for two purposes; firstly he was less likely to be caught by a chance police search if illicit items were not in his possession for long. Secondly, he had learnt from experience that a quick turn over of stock is crucial for a good income. He would not touch an item that had not been pre-sold, for it had the potential to jeopardise the above rules.

For an individual who claimed to have no need for a conscience “what’s that (*laughs*)” his attitude to others trustworthiness reflected his own trustworthiness. In order to initially ascertain whether or not I was to be trusted not to nark, I was put to the following test. It was inquired of me if perhaps I would care to purchase a sawn-off shotgun. I, of course, explained that in my line of ‘work’ I had no call for a gun of any sort much less an illegal shotgun. The afore mentioned gun was then produced



regardless, both barrels loaded, and I then found myself examining the smooth inside of the barrels from one end of what suddenly seemed an alarmingly small table. “You never know when you’re going to need a gun,” I was informed. It was here that I pointed out, in understandably meek fashion, that I had a fine Swiss army knife, and it usually did the trick. It seems that I passed the test, for Agar laughed and placed the gun on the table, whereupon I was invited to examine it. I asked for directions to his toilet, instead.

#### 4.3.a Manufacturing Cannabis Oil (1)

When ‘buds’ are scarce, Agar engages in the manufacture of the ‘B’ classed cannabis oil, or hash(ish) oil as it was formerly called (and still often is by police). This is frequently made around the time of year that the male plants are stripped out from a crop, as the result is a lot of leaf and unsmokable plant material. Although it can also be made at any time of year out of any leaf and plant material (called cabbage) that is unsuitable for smoking in joints due to the low levels of the active ingredient Delta-9-tetrahydrocannabinol (THC). I also came across cannabis oil that had been made from the potent buds of the female plant, but in both instances this was because they had been damaged to make them unsellable as they were. In the first case it was because of toxic dye sprayed from police helicopters, and in the second case the buds had been incorrectly dried and had become mouldy. Other than this it is rare to encounter oil made from buds. This is due to the fact that, from a business perspective, the general time to make oil is when buds are scarce, as the vast majority of people prefer smoking joints as opposed to spotting oil.<sup>79</sup> In fact, many people feel the social stigma of the ‘stoner’ or drug addict is more personified in spotting, and not with the far more ‘cultured’ and social joint smoking. Another reason many people prefer not to spot, is due to the

toxicity of the chemicals used to extract the oil from the plant. This time is usually around Christmas and leading up into the new season, that is until April, May, and June. Cannabis oil is made by one of several methods, the method outlined below is one of the safest and in my observational experience the most popular. It was certainly the one Agar preferred.

Step one entails gathering all the plant material, usually a pound at a time, and packing it tightly into a porous cloth bag (often a corner of a pillow has to suffice, although a looser weave is more desirable). This bag is then placed into a pressure cooker, approximately two litres of isopropyl is then poured into the pressure cooker with the bag of cannabis. The lid of the pressure cooker is then placed on and locked into place. It is usually the practice of experienced makers to gather the 'iso' back by a method of evapotranspiration. This involves attaching a tube over the valve where the pressure weight usually sits on the pressure cooker lid, and running this tube through a water bath of some sort (such as a sink). This in turn transforms the evaporated 'iso' back into a liquid, and it can drain into a waiting receptacle and be stored for next time. This method not only has the benefit of recycling the isopropyl, but has the advantage of reducing the amount of flammable isopropyl fumes in the air, consequently reducing the potential fire hazard<sup>80</sup>. The pressure cooker is then heated on an electric stove top until almost all the isopropyl is evaporated. The process is then repeated, usually twice more. Each time the process is repeated, the cannabis is said to have been "washed". The more washes, the greater the yield of oil, but the lower the quality.

'Gold' oil is traditionally made by dipping the bag of cannabis into the isopropyl for ten seconds, it is then removed the isopropyl is evaporated off. The

resulting oil is of the best quality, and is gold in colour, hence its name<sup>81</sup>. The gold colour is due to only the resin being stripped from the plants. Conversely 'washed' oil is of an exceedingly dark green (it actually appears black until spread thinly), due to the fact long washes strip the chlorophyll from the plant.

Well made oil is of a very thick consistency, as all the isopropyl has been removed, runny oil is indicative of a poorly made batch, where there is still isopropyl diluting the cannabis resin. If there is too high (no pun intended) a quantity of isopropyl left in the oil, it may combust on contact with the heated spotting utensil.

A pound of cannabis leaf yields between 10 and 60 capsules of oil, depending on the amount of resin in the plant and the method used. Caps of oil sell for between 10 and 50 dollars depending on the time of year, the quality of the oil, the local market and the customer. The cost of processing a pound of cabbage into oil depends on whether the cannabis has been grown personally or purchased on the black market (this could cost between fifty and two hundred dollars per pound of cabbage). The cost of the isopropyl can also vary greatly, it is usually readily available on the black market for around five dollars a litre. To buy it conventionally costs around ten dollars a litre. Therefore, the production cost per cap of cannabis oil can range from fifty cents to thirteen dollars.

#### 4.3.b Growing Cannabis Outdoors

The following section covers how to grow a cannabis plant outdoors, starting from seed. It is derived from observing many different growers habits and assimilating their knowledge. It is included under the participant Agar, for two reasons. Firstly, the majority of the information was derived from him, and this is a method he

uses to grow his own cannabis. Secondly, as several other participants also grow cannabis outdoors, it is included here so that it does not need to be repeated. It should be noted that the information supplied here is to some extent repeated in the "growing indoors" section, although where possible I have directed the readers attention to the appropriate passages here, rather than repeat myself.

Obviously the first step is obtaining seeds. These are usually easy to come by, as any grower or smoker usually has some lying around as they have no potency when smoked and cause small explosions when smoked in joints, which at best does nothing but amuse, and at worst blows some of the bud out of the joint. The best option is to procure some from a good strain of plant; this is often done by letting a bud from a particularly prolific plant go to seed the season before, so that the seeds can be used in the next season.

Once the seeds have been selected it is time to germinate them, this is usually done in September. There are several methods used for this, but the most popular and successful seems to be germinating the seeds on wet cottonwool in a hot water cupboard. This method usually results in an 80 to 100 percent germination rate. Another method employed is placing the seeds in punnets or Jiffy pots containing regularly watered potting mix, or even better, seed raising mix (soil types and mixtures are discussed in the "growing indoors" section), and then placing the punnets somewhere warm. This method usually has a higher attrition rate, but has the advantage that the sprouted seed is not handled as much, as it can grow straight into the soil provided. Jiffy pots are made of compressed peat moss, and have the added advantage of allowing the

roots of the plant to grow through them, meaning the plant can be put straight into the ground when it is ready, without having to remove it from its punnet.

Seedlings only require water, soil to grow in, and sunlight. If all these requirements are fulfilled, they will grow rapidly.

Most growers like to have their plants “in the ground” by October (this may vary depending on which part of the country, and the corresponding climate). The plants are not usually sex identifiable at this stage; this means that they must be checked regularly for signs of sexing (the importance of this will be discussed later).

The plants also require regular watering, at least once a week in sunny weather. Growers will often put water crystals in the soil around the plant to ensure they stay hydrated. These crystals absorb water and grow up to three hundred times in size. If fertiliser has been mixed in with the water it is an excellent way to ensure the plants receive both water and nutrients.

Many growers do not plant the Cannabis directly into the ground, instead it is the practice to put the plants in large potting bags. The advantage of this method is the poor soil type of a given locality is no longer a problem, as the grower can place formulated compost suited to optimum plant growth into the potting bags. The disadvantage is that plants in a potting bag require more frequent watering and periodic fertilisation with plant nutrients. The root growth is also inhibited to a greater or lesser extent, depending on the bag size. This has the effect of reducing the potential size of the plant.

Almost all parts of New Zealand suffer from pot crazed possums, and consequently all plants must be fully caged to keep these beasts out. It is rumoured that

possums were first fed on cannabis by the police, and then released into the Northland and Far North bush so they would cull the plant numbers. Wanaka and other parts of Central Otago are the only places I know of in New Zealand where plants can be placed uncaged outside without fear of them being eaten by the local wildlife. Possums and humans are not the only creatures that like cannabis, everything from snails to pigs love the stuff and will go to great lengths to push aside cages to get at it. I've seen a drug crazed heard of snails demolish a chicken wire fence in seconds just to get at the stuff.

Once the crop of cannabis has sexed it is time to eradicate all the male plants, as they do not produce any smokable buds and leaving them in the vicinity of the female plants will result in the female flower buds being fertilised by the male and consequently going to seed. The male and female plants are easily distinguishable, as the female plant produces small white 'hairs', which in time turn into the buds. The male plant produces seed sacks, or what is often referred to as 'balls'. If it is a sizeable crop the male plants will be dried and then used to produce cannabis oil (as discussed previously).

The remaining female plants are ready to harvest when two thirds of the 'hairs' on the 'buds' have turned from white to reddish brown (various varieties of cannabis plant change different colours, such as purplish or yellow, but all are a distinctively darker colour than the initial white). Harvesting is usually undertaken in late March through to June, depending on when the plants were initially seeded and under what conditions they were grown and how paranoid the grower is about his crop being discovered and/or ripped off. As the THC crystals are the most potent and only produced by the bud (although there is THC present in all parts of the cannabis plant, it is

at such mild levels, it is not considered worth smoking), it is better to uproot the whole plant, rather than trying to harvest individual buds, as this disturbs the crystals. THC is also broken down by both heat and sunlight, so drying is ideally done by hanging the plant(s) upside down in a dark and warm (not hot) place. A garage is often used, as the plants have a distinctive pungent aroma (although generally regarded as pleasant), which can quickly stink out a house.

Once the female plants are dried the job of separating the smokable portion of the plant from the cabbage is undertaken. If it is a large harvest, for example hundreds of plants, then this task may take days or even weeks. It is a lot of boring, hard work, and within minutes your fingers are black with the resin (this is sometimes rubbed off the fingers and made into hash balls, which are very potent, although not widely sold in New Zealand). The left over cabbage suffers the same fate as its male counterpart, it is 'boiled up' to produce oil.

The buds are then weighed up into pounds, or ounces, depending on the yield, and marketing desires of the individual. Pounds are usually sold for between 1500 and 5000 dollars, ounces for between one hundred and fifty and three hundred dollars. The price is highly dependant on the time of year and the availability of the product. During harvest time, due to a flooded market, the price usually plummets, especially for those wishing to purchase large quantities. Conversely, over the Christmas and New Year period, the price reaches a premium, as people wish to have cannabis during their holidays and festive season, yet it is also the time buds are most scarce.

#### 4.3.c "Ripping Off" a Cannabis Crop



This is regarded by many, even those who do not grow or smoke cannabis, as a highly dubious thing to do. This probably shows the relatively high tolerance certain sectors of the New Zealand populace have for cannabis smoking and consequently growing. It also helps explain why people get so pissed off at the police for stealing their crop, as it is seen as taking a legitimate right off people.

Initially Agar gained information as to the whereabouts of a 'crop' through listening to other people within his social circle talking of their own or others growing cannabis. The crop is then sighted, often a task requiring a lot of stealth and hard work, as many crops are grown deep in the bush. Following location, an assessment of its risk versus worth is undertaken. A crop would be deemed unsuitable for ripping off if it is very difficult to get to, because it would mean the plants or buds would be difficult to get out, or if the risk of being caught was high. On the other hand a crop would be suitable if it was easy to get to (for example someone's back yard) and easy to get away from. If it is deemed suitable it is left until the 'buds' are almost ready, then the individual goes in and hacks off all the best looking buds. This is done as it dispenses with the need of disposing of a lot of plant matter, as the individual is usually among those of the social circle of the participant and may have their suspicions as to his involvement. The second reason for not taking all the plant is that this cannabis must be moved on quickly, often before it is properly dried, so as to defer any suspicion from the participant, and it is easier to sell if there is a small amount of relatively low value leaf attached to the buds. Consequently a potential buyer is less likely to complain over weight problems, as the fully dried plant is usually about a quarter of the weight of the



green plant. Therefore the less leaf and stalk, the less difficulty there is in defining an estimate of the total monetary value of the plant.

The advantage with pulling up someone else's crop, aside from the obvious fact that you do not have to put in the labour to grow it yourself, lies in the fact you can often pre-empt the general market product which usually begins appearing in April to June. This means a guaranteed sale, as the dollar price of cannabis is inversely related to its availability. Therefore if you 'harvest' a crop in, for example, March, there is not likely to be much around (except in the case of cannabis grown hydroponically or indoors) and you can sell it quickly. This method of gaining cannabis is widely frowned upon, due to the fact that although people growing are breaking the law, the values of wider conventional society are still held by these people (which is probably a social indicator of how pervasive cannabis is in New Zealand). They felt it is morally wrong for someone else to profit from their hard work. As Bob Dylan sang "to live outside the law you must be honest.." It is evidently not the case with all blackmarketeers, and people have been known to be shot and even killed over ripping off other peoples crops in New Zealand.

#### 4.3.d Stolen Goods (1)

Electrical appliances, such as televisions, stereos, video recorders, kitchen appliances, and even washing machines and dryers are all available for the discrete black market bargain hunter. The monetary worth of these items generally bears strong correlation to how difficult they are/were to obtain. For example a new washing machine, worth one thousand dollars in an appliance store, may be sold for four or five hundred dollars on the black market, whereas a thousand dollar stereo may be worth

only one or two hundred. The reason for this is simple; it is a much easier and less risky proposition to steal a stereo from a private home than it is a washing machine. To quote Agar on this business, "It takes a few people to rip a washing machine, but anyone can get a stereo or vid. I charge the same as the next business, for the labour (laughs)".

The business that Agar had going was based upon a hierarchy not too dissimilar to that of an ordinary business. The people at the top, in this case himself, gaining the best return by exploiting others (usually teenagers) for doing the donkey work. For example, a situation similar to this arose, where two stereos were required. Agar spoke to several individuals in order to see if there were any already available, ones that had been previously stolen, in the hope they could be sold. When it became clear there were not any available, Agar discussed his problem with several teenage males. Later that night Agar bought two stereos off two separate groups of teenagers for five caps of cannabis oil each. As he had made the oil himself, it would have cost him approximately fifty dollars for both stereos. He then sold them on twenty minutes later for one hundred dollars each.

In many instances just asking around the deviant community will result in the desired item being procured from underneath somebody's bed or from their garage, where it had been stored since it had been stolen. Agar seemed to have high contempt for these people, who to his mind and experience seemed to be asking to get "busted."

I was initially quite surprised at the relatively low level of order filling that took place, by this I mean the act of a customer requesting a television, for example, and then the client going and stealing one and selling it to them. It then became apparent to me that while a fair amount of this went on, it was a higher risk proposition, due to

several factors. Initially the client had a time limit in order to fulfil the customer request, which in turn means unnecessary risk may have to be taken. Once the television (or other article) has been appropriated, it may not be the exact item the customer was looking for, which can lead to conflict between client and customer. This conflict is exasperated as the seller may wish to get rid of the item quickly, due to his dubious methods of gaining it in the first instance. He may have left a trail leading the police to believe he committed the crime, especially if he has had prior contact with the police for this sort of offence and they suspect him. Police suspicion is obviously not a problem if the seller no longer has the item and the police cannot locate it (as he denies everything, if questioned by the police). If, on the other hand, he cannot sell it, then he must dump it. Which leads to several more problems, the first being the obvious lack of return for all effort gone into obtaining the article in the first place. Secondly the method of disposal is important, due to the fact that if the police do manage to find the item it may be traced back to the perpetrator through finger printing.

#### 4.4 Participant 2 "Beja"

Beja, in contrast to Agar, is an out going character, although far less embroiled in the underground economy. Where for Agar the underground economy defines his life and actions, for Beja it is merely a part of his life. Being a Polytechnic student he maintains it is an important part of his life as it helps him "live the way I'm accustomed."

He primarily sells cannabis, televisions, video recorders, Digital Video Disk players (DVD's), and home and car stereos. He touches very little else as he says "there's always a market for TV's and VCR's, easy to get, easy to get rid of. Other shit

can just be a problem. I just make twenty or forty bucks on each (item), that's enough if you've got the turn over. I'm happy if I make fifty on each oz<sup>82</sup> (ounce of cannabis), that way I'm giving people a good deal, they're happy and I'm happy. They keep coming back too."

The previous year he experimented in growing cannabis plants under lights, but came to the conclusion; "it's not really a worthwhile proposition, okay if you're just growing for your own stash, but you'd have to do a whole room if you wanted a cash crop. And the power bill goes way up. I just buy off the grower - he gives me a good deal, less stress and less risk."

Beja appears to be a connoisseur of fine cannabis, as he was constantly showing me various strains of cannabis buds. With different names, such as Afghani skunk, AK47 and Mungamuka madness.

Beja constantly maintained he was only participating in the underground economy whilst he was attending polytechnic, as once he had completed his course, he was going over to Australia to get a "real" job. Unlike Agar, Beja had what could be considered a conventional work ethic, and appeared to work hard and do well at his polytechnic course. He did not have any trouble reconciling his work ethic with his current illegal activities; "these guys are going to steal this shit anyway, if I don't buy someone else does. I give a better deal (than other buyers) so they're stealing less anyway. You could argue that I'm reducing crime!"<sup>83</sup>

Beja claims he got involved in dealing cannabis because when he was growing up his father did a small amount of cannabis growing in the "vege garden, out the back (of my house)." If his father had a good yield, he would often sell some to his

friends. Beja says “he’d never weigh it or nothing, just a handful of buds in a bag, was worth fifty (dollars).”

#### 4.4.a Manufacturing Cannabis Oil (2)

Beja’s progressive and inquisitive mind is well illustrated when he outlined the following method for extracting cannabis oil from cabbage. I was unaware if he had ever tried it or if in fact it worked, but it sounds great in theory.

First acquire a foot long piece of PVC down piping, or something similar, with a screw thread at each end. Also required are two end pieces that can screw onto the thread at the top and bottom of the pipe. A camping style (primus) butane canister is the final product needed, aside from the cannabis. On the PVC pipe choose one end to be the base and the other the top. On the base end lid, puncture five or six holes, on the top lid puncture a hole sufficient for the butane gas canisters valve to enter (it may be easier to make this hole big enough to take a camping cooker element?) Inside the PVC cylinder pack in the required amount of cabbage. Screw the base and top lids on to the tube, placing a Pyrex or similar bowl under the base, in order to catch the oil. Puncture the butane valve (or turn on the cooker element) making sure it is securely inside the previously made top lid hole. The idea is that the butane will strip the resin off the cabbage and drain through into the Pyrex bowl. As butane has a very low boiling temperature (30 degrees Celsius?) it will evaporate off quickly and easily; the heat from ones hands on the Pyrex bowl should be sufficient to boil the butane off. The resulting product would be high quality gold oil.

The advantages of this method over the traditional pressure cooker method are several. It is much quicker, easier, and a lot less messy to set up. Although

butane is highly flammable, if one takes sensible precautions, such as performing this extraction outside, and not smoking around the butane, these risk should be negligible, and in fact the butane method provides for less fire risk than the isopropyl method, as there is no heating required for the butane. The disadvantages is it is not possible to do such a large quantity of cabbage at one time and the butane gas can be expensive to buy, as there were no black-market items that Beja was aware of.

#### 4.4.b Stolen Goods (2)

Beja gains all his stolen property from acquaintances. He never actively steals anything personally, although he claims he used to when he was still at school. He maintains that the people he gets the “hot gear” off never have any money and as he does he can always get a good deal. He usually pays them a good price to ensure they come to him first with any newly acquired items. His method of coming up with a price is to go around the local appliance stores and check the prices of new items, he then offers about a third of their worth for the stolen goods. Of all the individuals I talked to about obtaining stolen goods, Beja paid the most by far. This seemed to be for two reasons, first, as previously mentioned, he wanted first option on the goods, and secondly, also previously mentioned, he seemed to feel he had a moral obligation to give people a good deal, as he was still making money off appliances by selling them on.

The reason that Beja could still make a decent profit from stolen appliances, despite the relatively high prices he insisted on paying was due to three factors. The first being the old cliché, “it’s not what you know, it’s who you know,” in other words, Beja knew people with conventional jobs, who otherwise had no contact with the underground economy, or at least not the stolen goods department. This meant

they would pay what would be considered a premium price for electrical items (up to two thirds of their shelf value) and still feel they had got themselves a bargain. The second factor centred around the type of goods Beja primarily sold, they were all of excellent quality, such as Sony, Pioneer, B&W and Denon. As Beja said “I don’t deal in any Warehouse crap, it might shit itself, and I’ve got no money back guarantee!” The third and final reason was again centred around the type of appliance sold, in many cases it was new technology. When I last saw Beja he had just received three Sony DVD players, and a 33 inch flat screen television, all items which are relatively hard to obtain on the black-market and consequently can still command a high price.

#### 4.5 Participant 3 “Chaos”

Chaos, like Agar will turn his hand to nearly anything, if there is tax free money to be made in it. This consists of dealing cannabis, LSD and Ecstasy. Selling stolen goods, usually electrical items, such as televisions and stereos, also items of clothing, such as motorcycle leathers, and manufacturing cannabis oil (he uses the traditional method). Chaos came into the black market economy through quite different channels than his deviant counterparts. Having had very little contact with the black market before he left his self-confessed suburban middle class family home at seventeen, he then, through his own cannabis use, began to see the benefits and profit that could potentially be made on the black market. Initially this took the form of dealing in foils (a quantity of cannabis enough for between one and four joints, traditional wrapped in tin foil, usually sold for twenty dollars). He comments “I see heaps of people trying to do it, but the majority smoke their profits. I knew that if I didn’t smoke it, it would have a number of benefits. I’d have more weed to sell. I’d be able to make clear decisions,



many people seem to make decisions when they're stoned that they otherwise wouldn't, like giving people pot on tick (credit)<sup>84</sup>. Not being a user I don't have any drug paraphernalia lying around, so I'm less likely to get busted... There's not huge money to be made in the pot business, unless you manage to grow a mega crop and even then it's only tens of thousands. If you want a real money spinner, try dealing addictive drugs, crack would be the one, then you've got a niche market... But that's a different story from a moral perspective."

From his early days of drug dealing, Chaos began to meet people who offered other items in exchange for money or cannabis and he says his business progressed from there. Chaos claimed his career choice to be his own, as he says he had all the opportunity to get a good job and education, but preferred his present lifestyle of living well without the "stress" of a job. He cited the dissatisfaction of many who are "lining someone else's pocket" as reason for not gaining more conventional employment.

Chaos was a semi-transient individual who was constantly moving location. He claimed it was easier to remain on the "dole" (Community wage/Unemployment benefit) if you moved around, because every time you moved "you get three months or so, before they harass you, if you move constantly they can't keep up, and leave you alone. If I have to stay somewhere for a while I just tell them I've moved and enrol in the next city, works real well."

Having covered the cannabis growing, selling and oil manufacture when discussing Agar and Beja, it is not worth repeating it here, suffice to say that Chaos was not as heavily embroiled in dealing as Agar, although he estimated that he sold between three and eight pounds of "pot" each year depending on where he was living.



#### 4.5.a Ecstasy

Aside from cannabis Chaos, also deals in LSD and Ecstasy (E) although he manufactures neither of them himself and claims that locally made E “is shit.” It is the case that traditional Ecstasy is the chemical compound MDMA (3,4-Methylenedioxyamphetamine). Two other similar compounds exist MDA (3,4-Methylenedioxyamphetamine) and MDEA (3,4-Methylenedioxyethylamphetamine, also called MDE or Eve). All three are psychedelic amphetamines with fairly similar effects, although connoisseurs invariably prefer MDMA because of its empathetic quality. MDA lasts twice as long (8-12 hours) and has a rather more amphetamine-like effect. MDEA, lasts for a shorter time (3-5 hours) than MDMA (4-6 hours) and is nearer to MDMA in effect, but still lacks its communicative qualities and is consequently less desirable.

Chaos made it clear that he felt that all locally made E was MDA and most MDMA that was imported into New Zealand (the majority of it on the market) was then crushed and cut when it arrived, to dilute it and it is then made back into tablets. The resulting product being somewhat weaker than its original overseas counterpart.

Chaos sold his ecstasy tablets for between 90 and 100 dollars each, depending on how much he paid for them (usually around 60 dollars) He said most of his ecstasy came from Sydney and was unadulterated, consequently he had a huge market when his shipments came in. It was my observation (and obviously his) that outside of Auckland high quality ecstasy was hard to get on a regular basis, so a reliable source commanded both a good price and large market share.

#### 4.5.b LSD

Chaos also deals in the hallucinogen LSD (Lysergic Acid Diethylamide 25) or “trips”, which hardly needs any more introduction than cannabis. The advantage with dealing LSD is that, as it has been on the New Zealand market for some thirty years or more, there are some good local supply networks and although weak trips are relatively common, I never encountered anyone who had been ripped off when buying LSD.

Chaos again did not produce his own, instead preferring to purchase 100 tabs for 1500 dollars. these came from and were made in Auckland. He consequently sold them on for 35 dollars each, or three hundred dollars for ten. He maintained that the relatively low price and consistent quality of the LSD meant they were still a more popular choice with his clients than ecstasy.

#### 4.6 Participant 4 “Devo”

Devo would not let me write anything of a personal nature or even divulge his own history to me, he was, however quite happy for the following section to appear in this thesis.

##### 4.6.a Shoplifting

It seems that every week the district court section in the nation’s papers are devoted to drunk drivers, cannabis offences and shoplifting. It would seem a lot of people do these things, and obviously some shoplift with more skill than others. A recent television story on “60 minutes” highlighted this. Yet in typical “current affair” style, it

managed to sensationalise it into a drama. My exploration on the subject gives a rather different picture.

I was initially amazed at the skill and ease with which Devo could obtain almost any item from almost any shop. This individual would not steal a single chocolate bar, he would take the entire box! Supermarkets were always a popular choice, and porterhouse steak and liquorice were always in plentiful supply in Devo's flat.

The supermarket method is simple - find a supermarket and cruise around it until you are familiar with its layout, where the cameras are, (they are often located in the bread section for some bazaar reason) and if there appears to be any obvious security. Also ascertain whether or not you can be observed from above, as many supermarkets employ security or staff to observe customers from the lofty heights of second story mirrored-glass lined offices. Although, Devo points out, if you do shoplifting well they never even catch the action. This is because they are often watching one monitor which is sequentially wired up to several different cameras, and is therefore changing its picture all the time. Alternatively one person is employed to look at multiple screens, which are often small and of a wide aperture, showing more of the room but not enough detail to adequately show what the shoplifter is up to.

A good shoplifter has several different "lifts" depending on the store they are operating in. This is because, increasingly in supermarkets and other stores, bags are checked by security when you leave. Although Devo maintained that many places, especially department stores such as the Warehouse and K-mart, generally overlook merchandise stolen from their stores, if it is first taken out of its packet. It should also be noted that many security guards are not that interested in the drama of apprehending a

shoplifter, and so just go through the motions in order that they may collect their weekly pay.

Returning to our initial supermarket shoplifter, it is important to dress well, but casually, no need for a suit and tie, unless you are going to hit Wellington. This is because most security people are suckers for stereotypes - so filthy people will get harassed regardless, whilst the well dressed shoplifter sidles off. Constitution is another contributing success factor; if the mere thought of stealing a peanut from the pick'n'mix starts heart palpitations, then perhaps shoplifting is not for you, as nervous people tend to display nervous signs which, increasingly, security have been trained to watch out for. Once the decision has been made to embark on this deviant form of food harvesting, enter the pre-selected supermarket. It was often the practise of Devo to get a trolley and proceed to load it with regular food items, taking special care to load the items he wished to procure on the top child seat or shelf of the trolley. It is important, I was informed, to never "grab and stuff" the desired item in the same place. It is much better to place it in the trolley then move from one aisle into another. This served two main purposes:

- 1) It made Devo seem like a regular shopper and anyone observing would likely pay little attention.

- 2) It meant that Devo knew the likelihood of who may follow him into the next aisle and could get a clean, clear view of who is in the aisle he had just entered. If the situation appears good, the desired item is casually picked up and placed down one's pants, or in the case of a whole ham or bottle of champagne into a school bag. The "shopping" continues until all desired items are stashed away. The trolley is then left to its own devices and the offender wanders out of the supermarket, often audaciously

strolling through a check out. Department stores are hit in a similar fashion, minus the trolley.

#### 4.7 Growing Cannabis Indoors

The following information is presented in a slightly differing format to that of the other deviant activities, this is because much of the information was gained from people who, whilst more than happy to impart their botanical knowledge, did not wish to be part of my research. Consequently a lot of the following information is not assigned to any individual.

The reasons for growing cannabis indoors are varied. Among other things it provides for an increased ability for the grower to experiment with the plant and keep an eye on it. It was also suggested to me that many of those who occasionally like to light up a joint may find it difficult to locate a source or are hesitant to deal with a perhaps unsavoury element of society in procuring their cannabis. There is, of course, the criminal aspect of buying or selling cannabis; Growing cannabis is just as illegal as buying, selling, or smoking it, but growing is something you can do in the privacy of your own home without having to deal with someone you do not know or trust. Despite all this from what I observed growing indoors basically comes down to risk versus benefit. The big risk with growing indoors, is that if it is done on an appropriately large scale to reap a large amount of cannabis, and the police discover it, it is likely that the grower will be charged with cultivation for supply. The risk of being discovered depends very much on the individual grower. I found that many were quite proud of their set up and happy to show it off. Other factors, such as excessive power consumption, regular extractor fan noise and pungent cannabis sativa aroma are also factors that may lead to

individuals being ‘busted’. The benefits are ironically security; that is the plant is not likely to be discovered by others and ripped off, or in the case of possums and other animals, eaten. It is also easier to care for the plants with fertiliser and water, and if the grower is that way inclined, pesticide. There is also a reduced risk of males growing unchecked and fertilising the female plants.

If when the pros and cons are weighted up an individual chooses this method for growing, from what I observed growing a cannabis plant indoors involves these four basic steps:

1. Get the seeds (see outdoor cultivation).
2. Germinate the seeds. You can simply drop a seed into moist soil, but by germinating the seeds first you can then use only the germinated seeds. (To germinate seeds see outdoor cultivation).
3. Plant the sprouts. As soon as a seed cracks open and begins to sprout, place it on some moist soil and sprinkle a little soil over the top of it.
4. Supply the plants with light. Fluorescent lights are the best at this stage as they are less likely to ‘burn’ the seedlings. Fluorescent lights are available as “grow tubes” or “Gro Lux” lights from most lighting shops, and will fit one to eight foot light fittings. An added advantage of fluorescent light is that it uses relatively little power for the light it emits. The disadvantage being they only emit a narrow spectrum of light and are of only supplementary use once the plant gets bigger<sup>85</sup>. The lights are then hung within five centimetres of the soil and after the plants appear above the ground, the lights are continually raised to keep them within five centimetres of the plants. To

ensure prime quality and the highest yield in the shortest time period the following details are necessary.

**Soil** - Obviously one must use the best soil one can get. Indoor growers usually purchase potting mix at plant shops or nurseries, K-Mart, or The Warehouse. The other cheaper option is for a grower to make up their own soil from existing compost. Either way, the soil used should have these properties for the best possible results:

1. It should drain well. That is, it should have some sand in it and also some sponge rock, perlite or pumice.
2. The pH should be between 6.5 and 7.5 since cannabis does not do well in acidic soil. High acidity in soil encourages the plant to be predominantly male, an undesirable trait, as discussed earlier in the outdoor section.
3. The soil should also contain humus for retaining moisture and nutrients, or water crystals, which expand on absorbing water and release the water to the roots as they find the crystals (discussed in outdoor section).

The following is a mixture that Agar used for his own soil:

Two parts moss with one part sand and one part crushed pumice to fifteen litres of soil, to make up twenty litres of potting mix. The soil pH is then tested with a soil testing kit. To raise the pH of the soil Agar added 500 grams of lime to every cubic meter of soil, which would raise the pH by one point.

**Plant containers** - The containers for the plants should be sterilised, especially if they have been used previously for growing other plants. The size of the container has a great deal to do with the rate of growth and overall size of the plant. The

cannabis plant should not be transplanted more than once, since the process of transplanting can be a shock to the plant and it will have to undergo a recovery period in which growth is slowed or even stopped for a short while. The first container should be no larger than fifteen centimetres in diameter and can be made of clay or plastic (jiffy pots are discussed in the outdoor growing section and are ideal). To transplant the larger pot is prepared by filling it with soil and scooping out a little hole about the size of the smaller pot that the plant is in. The plant is then turned upside down, pot and all, and the rim of the pot is tapped sharply on a counter or the edge of the sink. The soil and root ball come out of the pot cleanly with the soil retaining the shape of the pot and with no disturbances to the root ball. The second container should have a volume of at least fifteen litres. The Cannabis plant does not like to have its roots bound or cramped for space. The small plants will be ready to transplant into their permanent homes in about two to four weeks. The plants never seem to do as well once they have been stunted by being root bound.

**Fertiliser** - Cannabis likes lots of food, but being over zealous can damage the plants. Some fertilisers can burn a plant and damage its roots if used in too high a concentration. Most commercial potting mix will have enough nutrients in it to sustain the plant for about three weeks of growth, so the plant only needs feeding at the end of the third week. The most important thing to remember is to introduce the fertiliser concentration to the plant gradually. Growers start with a fairly diluted fertiliser solution and gradually increase the dosage. There are several good cannabis fertilisers on the commercial market, one of which is Rapid-Gro. I observed that Rapid-Gro has had widespread use in cannabis cultivation and seems to be very effective.



It is important to note that most fertilisers cause a pH change in the soil. Adding fertiliser to the soil almost always results in a more acidic pH. level. As time goes on, the amount of salts produced by the breakdown of fertilisers in the soil causes the soil to become increasingly acidic and eventually the concentration of these salts in the soil will stunt the plant and cause browning out of the foliage. Also, as the plant gets older its roots become less effective in bringing food to the leaves. To avoid the accumulation of these salts in the soil and to ensure that plants are getting all of the food they need, leaf feeding is often undertaken, when the plant is about 1.5 months old. This is done by dissolving the fertiliser in warm water and spraying the mixture directly onto the foliage. The leaves absorb the fertiliser into their veins.

Cannabis seems to be able to take as much fertiliser as it is given, as long as it is introduced over a period of time. During the first three months or so, plants are fertilised every few days. As the rate of foliage growth slows down in the plant's preparation for blooming and seed production, the fertiliser intake of the plant is slowed down as well. A plant is never fertilised just before it will be harvested since the fertiliser will encourage foliage production and slow down resin production.

**Organic fertiliser** - Many growers prefer not to use fertilisers, such as blood and bone or Miracle Gro, as they feel that if they are consuming the end product (smoking it) they wish for as 'pure' a product is possible. Hence many organic growers use worm castings. Worms are raised commercially for sale to gardeners. The breeders put the worms in organic compost mixtures and while the worms are reproducing they eat the organic matter and expel some of the best cannabis food around. After the worms have eaten all the organic matter in the compost, they are removed and sold and the

remains are then sold as worm castings. These castings are so rich that you can grow cannabis in straight worm castings. Alternatively growers blend worm castings in with their soil and this also makes a very good organic base for cannabis growing.

**Light** - Without light, the plants cannot grow. The answer to the problem of lack of sun (especially in the winter months), shortness of the growing season, and other problems is to grow indoors under simulated conditions. The rule of thumb seems to be the more light, the better. There are many types of artificial light and all of them do different things to your plants. There are several brands of bulb type. Gro-Lux lights are probably the most common fluorescent lights for growing with. There are two types of Gro-Lux lights, the standard and wide spectrum. They can be used in conjunction with one another, but the wide spectrum lights are not sufficient on their own. The wide spectrum lights were designed as a supplementary light source and are cheaper than the standard lights. Wide spectrum lights emit the same bands of light as the standard but the standard emit higher concentrations of the red and blue bands that the plants need to grow. The wide spectrum lights also emit infra-red, which elongates stem growth. Fluorescent tubes have their limitations, largely due to their relatively low wattage output. The better indoor set-ups that I observed used sodium bulbs, usually 400 watts. This is due to the ballast for a 400 watt bulb being the easiest to obtain (the ballast consists of a transformer core, cooling capacitor, containing box, wire and fitting<sup>86</sup> which essentially regulates the power to the bulb). The reason 400 watt ballasts are the easiest to obtain, is that supermarkets use them in their produce departments (to help shelf ripen fruit and vegetables, although they often use a mercury vapour bulbs to slowly ripen, and therefore prolong shelf-life). As supermarkets are often being expanded, refurbished, or

having maintenance done, and many workers know the value of second hand ballast (several hundred dollars, to the right person) they will often be removed for sale. A HP (High Pressure) Sodium bulb can be purchased for these ballasts, as the existing mercury vapour bulb is next to no good for growing with. The HP Sodium lamp emits a colour spectrum that is highest in the yellow orange and red end, promoting flower (bud) and stem growth. Cervantes, comments in his book *Gardening Indoors* that "When using an HP sodium lamp, flower volume and weight may increase 20 percent or more."<sup>87</sup>

The lights must be managed on a timed scale in order to get the cannabis plant to bud. During the first six to sixteen weeks (depending on preference, plants and lights) the plants are subjected to up to eighteen hours of light, as this promotes plant growth. This is termed the plants vegetative cycle. After the plant has been grown to the desired size the amount of light is reduced to not more than twelve hours, this promotes plants to bud. It is important not to accidentally give the plants any light when they are in their twelve hours of darkness, as this can shock the plants back into a vegetative cycle. After six to twelve weeks of this the plants are ready to harvest (see outdoor growing for sexing and harvest details).

**Temperature and Humidity** - The ideal temperature for the light hours is 20 to 26 degrees Celsius and for the dark hours there should be about a 5 degree drop in temperature. The growing room should be relatively dry if possible. What growers want is a resinous coating on the leaves and to get the plant to do this, they convince it that it needs the resinous coating on its leaves to protect itself from drying out. In an extremely humid room, the plants develop wide leaves and do not produce as much resin. Growers take care not to let the temperature in a dry room become too hot, however, since the

plant cannot assimilate water fast enough through its roots and its foliage will begin to brown out.

**Ventilation** - Proper ventilation in a growing room is fairly important. The more plants you have in one room, the more important good ventilation becomes. Plants breathe through their leaves. They also rid themselves of poisons through their leaves. If proper ventilation is not maintained, the pores of the leaves will become clogged and the leaves will die. If there is a free movement of air, the poisons can evaporate off the leaves and the plant can breathe and remain healthy.

**Dehumidifying Your Growing Room** - Cannabis that grows in a hot, dry climate will have narrower leaves than cannabis grown in a humid atmosphere. The reason is that in a dry atmosphere the plant can respire easier because the moisture on the leaves evaporates faster. In a humid atmosphere, the moisture cannot evaporate as fast. Consequently, the leaves have to be broader with more surface area in order to expel the wastes that the plant puts out. Since the broad leaves produce less resin per leaf than the narrow there will be more resin in an ounce of narrow leaves than in one ounce of broad leaves.

Since the resin in the cannabis plant serves the purpose of keeping the leaves from drying out, there is more apt to be a lot of resin produced in a dry room than in a humid one. Therefore some growers use dehumidifiers to simulate a dry environment.

#### 4.8 Conclusions

It could be argued that this ethnography focuses as much on botany as it does on anthropology. This is largely due to the fact that I wished to show in some detail

the abilities of the participants, and the level of understanding I was able to gain from them on their career choices.

The most immediate and obvious conclusion one can draw from the participants and their involvement in the underground economy, is that none of them do all the work. For example none of the participants engage in burglary of private homes personally, yet most of them profit from this. Some of them grow cannabis for sale, whereas others buy in bulk from a grower and then sell on smaller parts for a profit. This can be seen as analogous with a conventional business. For example, if a car mechanic were to replace worn compression and oil rings in a car he would not make the parts, he orders them from another source. This is for the same reasons, he either does not have the time or the skill to make the rings. This simple fact is illustrative of the somewhat ironic yet large similarities the underground economy has with the conventional economy. They are essentially built upon the same premise, business is engaged in for the purpose of gaining monetary profit.

Without exception all the participants enjoyed the relative freedom they perceived their lifestyle choice as giving them. The restrictions they encountered due to the illegality of their occupations was viewed as an inconvenience at most, although I suspect their views may have been changed if they had been apprehended.

## 5 Theoretical Analysis.

This theoretical application will be presented with each theory, as discussed in the chapter on Theory, being applied to the participants. To avoid repetition I will deal with all the participants under the three different headings; traditional, interactionist and radical theories.

In an attempt to maintain a cohesive and consistent application, the theoretical application to the participants will be kept concise, without elaborating the theory, as the theories have already been presented and the reader may refer back to the chapter on Theory if they so require.

It should be noted that it is not the purpose of this chapter to critically analyse these theories, as criticisms have already been considered in the Theory chapter. It is, on the other hand, the object of this chapter to try and ascertain why the participants engage in the underground economy and continue to do so.

I have discussed the content of this chapter with each participant, in an attempt to gain some further insights relative to the presented theories. Although all the participants were quite happy for me to engage in this activity, when the theories were presented to them their reactions ranged from being interested to incredulous. Chaos commented "Hey man, this is where you do your work. I don't want to know if I'm an oppressed worker!" With this information in mind, I have analysed the existing information on the participants, as contained in the Participants chapter, with regard to the theory. In concluding this chapter I will summarise the reasons for the participants engaging in the underground economy.

### 5.1 Traditional Theory (Differential Association, Anomie and Illegitimate Opportunity Structure)

Agar is a self-professed product of a deviant environment. Consequently he is a fine example of both Differential Association and Strain Theory (Anomie), as he engaged in deviant activity (shoplifting) at a young age with his peers. The frequency with which his deviant activities occurred were high, over a long period of time (duration), and occurred at a relatively young age (priority).

Agar is easily placed in Merton's 'Typology of modes of individual adaptation' as type two, 'The Innovator,' as are all the participants in this research. This is due to the fact that all the participants accept generally held values, such as gaining money and material items, yet use deviant methods to achieve them.

The participants all fall into the 'Criminal subcultural' section of Cloward and Ohlin's 'Illegitimate Opportunity Structure.' In fact probably any participants in the underground economy would fall into this category, as this is said to exist where there is a stable, cohesive community with contact with both the mainstream conventional community and the deviant one. Due to Chaos' constant moving around he drifts in and out of this criminal subculture.

Beja is also a good candidate for Differential Association, having been in an environment (sub-culture) of deviance as he was growing up (his fathers cannabis growing and selling). Thus, the duration and priority sections of Differential Association are particularly applicable and relevant.

Chaos, on the other hand, confesses to his late coming on to the underground economy and deviant scene. Therefore he is not particularly susceptible to the theory of Differential Association.

## 5.2 Interactionist Theory

Both Agar and Chaos admit to being criminals, Agar also claims to be a “bad” individual. Chaos particularly likes the idea of being a “deviant.” It is therefore easy to argue that both represent a strong case for Labelling Theory. Particularly as they both had criminal convictions relating to their underground activities, which could be seen as reinforcing the “bad” and “deviant” labels.

Beja also has a criminal conviction, but refused to believe his engagement in the black market meant that he was able to be labelled as a deviant or criminal person. He felt very strongly that he was merely acting out and achieving in life, via the means that were available to him. Anyone else who so chose to follow that path could do so as well, just as with any other career decision.

All three participants adhered to a notion that their lifestyles were their own choice (Rational Choice Interpretation), although Agar did admit to having trouble gaining, and/or holding down a conventional job due to his personality and criminal convictions. Chaos also maintained he was not a good employment prospect, due to his lack of qualifications and experience, yet pointed out that there was nothing stopping him gaining qualifications, except he did not wish to.

## 5.3 Radical Theory



Marxist socio-economic arguments could be applied to Agar and Beja, as both come from relatively poor economic backgrounds, and are engaging in the underground economy because they see it as a valid way to earn a living. Agar especially is a candidate for the notion of a marginalised person engaging in the black market because he is unable to make sufficient money out of a conventional job, or even gain one, and finds the Community Wage (“dole”) difficult to survive on.

Beja is marginalised in a different sense, as he finds it hard living on a student allowance, and cannot earn more than eighty taxed dollars or he will lose his student allowance (this essentially means he cannot obtain a conventional job). He does not have time to both work and go to polytechnic, so he is marginalised into utilising the black market to gain tax free cash.

Chaos, through his own admission has marginalised himself, as he says he could have got a job, but chooses to deal in drugs and stolen goods instead. Besides, he cheerfully claims he is no longer a good employment prospect, as he has been on the “dole” for so long and has no qualifications or job experience.

Due to the above reasons, it is easy to see that all three participants are in fact using their position (marginalised as it is) to in fact gain back some power and prestige (Weberian view) over those in positions of authority in society. This is because they know they are engaging in illegal activity, but are essentially saying “Fuck You” to those people in authority who say they cannot engage in this sort of activity. They are consequently defying those in positions of power.

## 6. Conclusion

Hopefully this thesis, through its analysis of theory, history and the participants, has given at the least an example or slice of what I consider constitutes criminal deviance with regard to the underground economy in New Zealand.

We have seen that the underground economy consists of informal tax free transactions which involve either money or the barter of goods to obtain other goods or money.

Through examining theories on deviance, we have seen that traditional theories show that anomie exists where there is a gap between individuals aspirations and their ability to achieve them. This can lead to a situation where deviant sub-cultures provide environments that encourage associated members of these sub-cultures to engage in illegal activities. Interactionist theories explain deviance as a consequence of societies ability to marginalise individuals by labelling them as deviant, thus these individuals will be treated accordingly, this in turn increases their chances of acting out the role they have been labelled with. Radical theories contend that deviant activities are a result of the distribution of power in contemporary society, where the rich and powerful get to control the masses. Consequently we have seen that the influence of social setting, the motives of the individual, and the way society is structured all influence deviant activity.

By examining the historical and economic foundation with which the underground economy operates in we have seen that the combination of a demographic shift of people towards the city, the decline in the welfare system, relatively high unemployment, poor lowly paid conventional job opportunities, and a large dichotomy in wealth distribution have provided a setting for the underground economy to emerge. We

have also seen the passing of the “prosperity consensus” and the emergence of deregulation, combined with an idea that individuals are themselves responsible for becoming successful. Conventional and deviant society have both been forced to embrace this ethos, which has provided a rationale for increased underground economic activity. As Agar commented, “some other cunt would be doing it if I didn’t get there first.”

Through applying both these theories and understanding some of the economic and socio-historical factors leading up to the current situation in New Zealand, whilst concurrently examining the behaviour and actions of four participants we have gone some way to answering the initial questions postulated. We now know both how the participants operate in a deviant fashion with regard to the underground economy, why the participants became involved in and continue to utilise the underground economy.

In conclusion, we can identify seven different aspects of how the participants engage in the underground economy, these are:

- 1) Manufacturing cannabis oil and selling it.
- 2) Growing cannabis and selling it.
- 3) “Ripping off” cannabis crops and selling it.
- 4) Acquiring and selling stolen goods.
- 5) Selling Ecstasy.
- 6) Selling LSD.
- 7) Shoplifting.

We can also identify five reasons why Agar, Beja and Chaos chose to engage in criminal deviance specific to the underground economy. These reasons are surprisingly similar, given their somewhat differing backgrounds. It would be fair to summarise their situation as a generalised whole by answering the why questions thus: The participants in this piece of research engage in black-market, criminal deviance for a number of reasons, these are:

1) To gain money in order that they may live and have surplus cash to enjoy that living.

2) They utilise the black market because they cannot for various reasons gain decent pay or obtain conventional jobs.

3) They feel that the black market gives them both freedom and power over traditional conventional capitalist job structures, as they are free to work as they please and the money they gain (earn) is their own.

4) They have been socialised into using the black market, so they know how it works and have contacts to utilise it to their own advantage.

5) It makes them feel as though they fulfil an important place in society, as the consumption of cannabis in New Zealand is high(!) and pervades all social strata. Without the cannabis grower and seller, many people would not be able to engage in this pleasant pastime. The selling of stolen goods also boosts moral for sellers as customers are generally enthusiastic about getting quality appliances for a low price, consequently they treat the seller with both respect and gratitude.

The underground economy exists in parallel to that of the conventional economy. The underground economy offers the participants the same commodities and

substance as the conventional economy, as it provides income, resources, social interaction and feelings of social worthiness and belonging. In an environment where the state is seen as providing less health, education, and social services to the individual, and more opportunities for corporations to impose their will, it is easy to rationalise tax free enterprise and see the benefits from it.

Bourgois provides a fine summary; "Why should these young men and women take the subway to work minimum wage jobs - or even double minimum wage jobs - in downtown offices when they can usually earn more, at least in the short run, by selling drugs... In fact, I am always surprised that so many... remain in the legal economy and work nine to five plus overtime, barely making ends meet."<sup>88</sup> I find it surprising too.

<sup>1</sup>Department of Justice 1964: 35 states "When we study offenders we look only at those who have been discovered, almost two in five of reported offences in New Zealand remain unsolved, and no estimate is possible of the number unreported."

<sup>2</sup>It should also be noted that for the purposes of this research the argument from biology is disregarded as unsound, suffice to say that it is possible that individuals may have a genetic predisposition to anger and aggressiveness (see also Delgard and Kringlen, 1979: 71-74)

<sup>3</sup>Polsky 1967: 115

<sup>4</sup>Box (1971) highlights two problems with field research 1) respondents knowledge and 2) respondents honesty

<sup>5</sup>For this reason the underground economy is sometimes referred to as the "informal economy."

<sup>6</sup>Giddens 1989: 117

<sup>7</sup>Newbold 2000: 9

<sup>8</sup>Giddens 1989: 119

<sup>9</sup>Hirschi 1972: 16-34

<sup>10</sup>This was the notion that urban society could be seen as analogous to an ecological system. For further information see Park 1952; Wirth 1938; Mckenzie 1933.

<sup>11</sup>Moore 1991: 31

<sup>12</sup>Giddens 1989: 750

<sup>13</sup>many scholars content that Merton and Durkheim's notions of anomie are in fact quite different. Marco Orru in *Robert K. Merton*, 1990: 16 says "Durkheim considered anomie as an abnormal social phenomenon... Merton, on the contrary, labels anomie a *normal response*..."

<sup>14</sup>Merton 1957: 255

<sup>15</sup>Biological due to the "nature" argument, which contends that people are born with certain attributes and vices.

<sup>16</sup>Merton 1957: 255

<sup>17</sup>Cloward and Ohlin 1960: 50

<sup>18</sup>Moore 1988: 34

<sup>19</sup>Cloward and Ohlin 1960: 43

<sup>20</sup>Cohen 1955

<sup>21</sup>Lemert 1967: 3-26

<sup>22</sup>Lemert 1967: 26

<sup>23</sup>Eitzen and Timmer 1985: 34

- <sup>24</sup>Newbold 1991: 4 (although it would be fair to say that this book follows a more radical, than interactionist framework).
- <sup>25</sup>Blumer 1969
- <sup>26</sup>Becker 1963: 9
- ✕ <sup>28</sup>Dienstien in Lefton et al 1968: 91
- <sup>29</sup>Lemert 1972
- <sup>30</sup>Giddens 1989: 130
- <sup>31</sup>Moore 1988: 46-47
- <sup>32</sup>Giddens 1989: 131
- <sup>33</sup>Cohen 1966: 10
- <sup>34</sup>Reiss 1965: 5
- <sup>35</sup>ibid.: 11
- ✕ <sup>36</sup>Cornish and Clark 1986
- <sup>37</sup>Turk 1969: 19
- <sup>38</sup>Huff 1980
- <sup>39</sup>ibid.: 160
- ✕ <sup>40</sup>Millar cited in Turk 1969
- <sup>41</sup>Turk 1969: 35
- <sup>42</sup>Lea and Young 1984
- <sup>43</sup>Quinney 1977: 32
- <sup>44</sup>This, of course, can be due to the reflexive notion of deviance in an increasingly urban society.
- <sup>45</sup>Eldrid-Grigg 1990: 132
- ✕ <sup>46</sup>Armstrong cited in Thomson and Trlin 1973: 101-102
- <sup>47</sup>Department of Justice 1968: 12
- <sup>48</sup>Armstrong cited in Thomson and Trlin 1973: 101
- <sup>49</sup><sup>49</sup> Dalziel and Lattimore 1996: 7
- <sup>50</sup>Dalziel and Lattimore 1996: 9
- <sup>51</sup>James 1992: 6-7
- <sup>52</sup>Dalziel and Lattimore 1996: 11
- <sup>53</sup>ibid.: 12
- <sup>54</sup>James 1992: 6-7
- <sup>55</sup>James 1992: 7
- <sup>56</sup>Berk et al 1980: 784
- <sup>57</sup>Newbold 2000: 26
- <sup>58</sup>For an expanded discussion on this see Giddens (1990).
- <sup>59</sup>Eldrid-Grigg 1990: 156
- <sup>60</sup>Dalziel and Lattimore 1996: 97
- <sup>61</sup>Eldrid-Grigg 1990: 160
- <sup>62</sup>Newbold 2000: 26
- <sup>63</sup>Newbold 2000: 26 (citing Braybrook and O'Niell 1988: 119)
- <sup>64</sup>Douglas Myer's speech at Park Royal Hotel Dinner, Wellington, 1 April 1996. Parentheses mine
- <sup>65</sup>Eldred-Grigg 1990: 138
- <sup>66</sup>ibid.
- <sup>67</sup>ibid.: 157
- ✕ <sup>68</sup>New Zealand Planning Council 1990: 105
- <sup>69</sup>Newbold 2000: 267
- <sup>70</sup>Dominion 11 September 2000 'War declared on shoplifters'
- <sup>71</sup>As Box (1971) has in *Deviance Reality and Society*.
- <sup>72</sup>Beauchamp 1991: 182
- <sup>73</sup>Ferrell and Hamm 1998
- <sup>74</sup>Davis in Ferrell and Hamm 1998: 46
- <sup>75</sup>Fleisher 1995: 7

---

<sup>76</sup>Adler 1993: 11

<sup>77</sup>Becker 1963: 23

<sup>78</sup>non italicised parenthesis mine

<sup>79</sup>“Spotting” is the most common way of smoking cannabis oil. It consists of heating up a knife on a stove element (a gas ring is much better than an electrical stove top, as it is faster) until it is nearly red hot and then applying a small amount of oil, usually taken from the cap with a paper clip, to the knife. The resulting smoke is then inhaled through either a bottle with the bottom cut out, or through a tube, such as a empty felt-tip pen.

<sup>80</sup>In July 2000 a house in Auckland was burnt to the ground when the isopropyl fumes from an open electric frying pan, being used to make cannabis oil, caught fire (National Radio News, 16 July.)

<sup>81</sup>There are many varying methods of making oil. Some people prefer to leave the cannabis in the isopropyl, and others do not, some do many washes, others only one.

<sup>82</sup>pronounced O-ZEE

<sup>83</sup>Many people I met grow using only fluorescent lights, but their plants were always inferior to those using sodium lights.

<sup>83</sup>Cervantes 1986: 42

<sup>83</sup>Cervantes 1986: 58

<sup>83</sup>Bourgeois 1995: 4

## BIBLIOGRAPHY

Adler, Patricia A. 1993. *Wheeling and Dealing: An Ethnography of Upper-Level Drug Dealing and Smuggling Community*. New York: Columbia University Press.

Beauchamp, T. L. 1991. *Philosophical Ethics*. New York: McGraw-Hill, Inc.

Becker Howard, S. 1963. *Outsiders*. New York: The Free Press.

Berk, R. A., K. J. Lenihan, and P. H. Rossi. 1980. "Crime and Poverty: Some Experimental Evidence from Ex-Offenders," *American Sociological Review*. 45, October: 766-786.

Bourgois, P. "Confronting Anthropology, Education, and Inner-City Apartheid," *American Anthropologist*. 98, 1996: 249-258.

Bourgois, P. 1995. *In Search of Respect: Selling Crack in El Barrio*. Cambridge: Cambridge University Press.

Box, S. 1971. *Deviance, Reality and Society*. London: Holt, Rinehart & Wilson.

Brybrook, B. and O'Neill, R. 1988. *A Census of Prime Inmates*, Wellington: Department of Justice.

Cervantes, G. 1986. *Gardening Indoors*. Portland: Interport USA Inc.

Clark, Jon., Celia Modgil and Sohan Modgil (eds.). 1990. *Robert K. Merton, Consensus and Controversy*. New York: The Falmer Press.

Cloward, R. and L. Ohlin 1960. *Delinquency and Opportunity*. New York: Free Press.



Cohen, A. K. "The Sociology of the Deviant Act: Anomie Theory and Beyond," *The American Sociological Review*, 30 ((Feb., 1965): 5-15)

Cohen, A. K. 1966. *Deviance and Control*. New Jersey: Prentice-Hall.

Crothers, C. 1992. *Studies on Crime and Violence in New Zealand*. A Preliminary Bibliography. University of Auckland: Department of Sociology.

Dalziel, Paul and Ralph Lattimore. 1996. *The New Zealand Macroeconomy: A briefing on the reforms*. Melbourne: Oxford University Press.

Davey, J. 1998. *Tracking Social Change in New Zealand*. Wellington: The Printing Press.

Delgard, P. and E. Kringlen. 1976. 'A Norwegian twin study of criminality', *British Journal of Criminology*, 29.

Department of Justice New Zealand. 1964. *Crime and the Community*. Wellington: Government Printer.

Department of Justice New Zealand. 1968. *Crime in New Zealand*. Wellington: Government Printer.

*Dominion*. 11 September 2000. 'War declared on shoplifters.'

Eitzen, S. D. and D. A. Timmer. 1985. *Criminology*. New York: John Wiley and Sons.

Eldred-Grigg, S. 1990. *New Zealand Working People 1890 - 1990*. Palmerston North: Simon Print.

- Ferrell, J. and M. S. Hamm (eds.). 1998. *Ethnography at the Edge*. Boston: Northeastern University Press.
- Farrington, D. P., L. E. Ohlin and J. Q. Wilson. 1986. *Understanding and Controlling Crime*. New York: Springer-Verlag.
- Fleisher, M. S. 1995. *Beggars and Thieves: Lives of Urban Street Criminals*. Madison: University of Wisconsin Press.
- Giddens, A. 1989. *Sociology*. Cambridge: Polity Press.
- Giddens, A. 1990. *The Consequences of Modernity*. Cambridge: Polity Press.
- Hirschi, T. 1974. *Causes of Delinquency* (third printing). Berkeley: University of California Press.
- Huff, C. R. 1980. "Historical Explanations of Crime: From Demons to Politics." In D. Kelly (ed.), *Criminal Behaviour: Readings in Criminology*. New York: St. Martin's Press: 155-174.
- Inciardi, James A. (ed.). 1980. *Radical Criminology*. Beverly Hills: Sage Publications.
- James, C. 1992. *New Territory*. Wellington: Bridget Williams Books Limited.
- Lea, J. and J. Young. 1984. *What Is To Be Done About Law and Order?* London: Penguin.
- Lefton, Mark., James K. Skipper, Jr., Charles H. McCaghy (eds.). 1968. *Approaches to Deviance: Theories, Concepts and Research Findings*. New York: Appleton-Century-Crofts.

Lemert, E. 1967. *Human Deviance, Social Problems, and Social Control*. New Jersey: Prentice-Hall.

Mckenzie, R. D. 1933. *The Metropolitan Community*. New York: Russell and Russell.

Merton Robert K. 1957. *Social Theory and Social Structure*. Revised edn, Glencoe: Free Press.

Ministry of Justice. 1997. *Directory of Criminal Justice Research*. Wellington: Ministry of Justice.

Moore, S. 1991. *Investigating Deviance*. London: Harper Collins.

Mulgan, R. 1994. *Politics in New Zealand*. Auckland: Auckland University Press.

New Zealand Business Roundtable. August 1996. *Why Not Simply The Best?* Wellington: New Zealand Business Roundtable.

Newbold, G. 1991. *Crime and Deviance*.

Newbold, G. 2000. *Crime in New Zealand*. Palmerston North: Dunmore Press Limited.

Park, Robert E. 1952. *Human Communities: The City and Human Ecology*. New York: Free Press.

Polsky, N. 1967. *Hustlers, Beats and Others*. Harmondsworth: Penguin Books Ltd.

Quinney, R. 1980. *Class, State and Crime*. London: Longman.

Reiss Albert, J. 1965. *Crime and Delinquency*. London: Penguin

Rice, G. W. (ed.). 1992. *Oxford History of New Zealand* (second edition). Auckland: Oxford University Press.

Statistics New Zealand. August 1996. *Crime*. Wellington: Statistics New Zealand.

Sutherland, E. H. and D. R. Cressey. 1978. *Criminology* (tenth edition). New York: Harper & Row.

Thomson, K. W. and A. D. Trlin (eds.). 1973. *Contemporary New Zealand*. Wellington: Hicks Smith and Sons Limited.

Turk, Austin T. 1969. *Criminality and the Legal Order*. Chicago: Rand McNally.

Wirth, Louis. 1938. 'Urbanism as a way of life', *American Journal of Sociology*, 44.