

Wall Street's Bad Deal — Drug Addiction

Substance abuse, anxiety are undercurrents to recent boom

Reuters

NEW YORK - Wall Street's push for record profits is ruining careers, tearing apart families and keeping drug dealers busy, mental health experts say.

While record bonuses make some Wall Street bankers feel invincible, others become emotional wrecks from pressure to perform and some hit rock bottom.

Harris Stratyner, a psychologist at Caron's New York Recovery Center, said some executives he treats are experimenting with cocaine, opiate-based drugs, Ecstasy and marijuana, as well as abusing alcohol.

Alden Cass, a clinical psychologist who counsels Wall Streeters with drug addictions, said drug abuse and high anxiety are undercurrents to the current boom. "When things are really good, they feel invulnerable," Cass said. "That can lead to adultery, substance abuse, problems with the law."

When it comes to profits, things are really good. Six of the largest U.S. investment banks — Goldman Sachs, Lehman Brothers, Citigroup, JPMorgan & Chase Co., Morgan Stanley and Bear Stearns — combined for \$17.6 billion in first-quarter profit this year. That's after shelling out \$28.8 billion for pay and benefits, financial statements show.

Those profit and pay figures are more than double those seen in the first quarter of 2000, the last days before the dot-com bubble burst. New York's comptroller estimates Wall Street's 2006 bonuses will generate \$1.6 billion in state tax revenue.

"To my knowledge, we have not seen an uptick in drug use," Morgan Stanley spokeswoman Jean Marie McFadden said. The other five firms declined comment or did not return telephone calls. But Cass said opiate abuse among his clients is rising and they openly talk about being hooked on prescription drugs like OxyContin, known as "hillbilly heroin." Cass and Stratyner said their clients sometimes conceal their habits by taking prescription drugs they get for back surgery or sports-related injuries. The Internet has also expanded the black market for drugs.

Wall Street professionals in their 20s use Ritalin and Adderall, prescription drugs used to treat attention-deficit disorder and hyperactivity, to enhance their performance as they grind out 100-hour weeks, Cass said.

Big bonuses and the need to blow off steam have helped invigorate demand for cocaine in Manhattan, according to two junior bankers who did not want to be named.

Juan Rodriguez, convicted of selling drugs to investment bankers and other professionals, said his clients never complained about the price of cocaine, even as it escalated. "My customers were all business individuals," Rodriguez said, citing Morgan Stanley bankers as among his clients.

Morgan Stanley said the company has a strong policy against substance abuse and uses random drug testing.

One hiring manager at a major New York bank said new staff must take a urine test, which is typical for the industry. But he said new hires can choose when to schedule the test during a 45-day period before their start date.

"Our drug test is not so much a test of whether you actually take drugs as it is an intelligence test to see if you can figure out how long it takes to get traces of the drug out of your system," said the manager, who asked not to be named.

The hiring manager said his employer also had a policy of random drug tests for employees but that in several years he had never encountered anyone subjected to such a test.

Drugs are not the only reason for executive meltdowns. Overwhelming pressure and anxiety to meet profit goals undid star trader David Becker as he rose the Citigroup ladder.

Nine months after becoming global commodities chief, Becker found himself on the fast track to prison. The largest U.S. bank discovered in 2004 that Becker and others conspired to overstate profits by \$20 million. Becker, 41, pleaded guilty and is serving a 15-month sentence in federal prison. He declined to comment.

One Source Updates

CAP-FUDT and Oklahoma Inspection

One Source Toxicology Laboratory completed another College of American Pathologist laboratory inspection. One Source Toxicology is certified under the sub-discipline of Forensic Urine Drug Testing and is one of approximately 50 laboratories in the United States with this certification.

In addition, the laboratory renewed and retained its certification with the state of Oklahoma.

Oral Fluid Testing Now at One Source

The laboratory launched its oral fluid testing program on June 15, 2007. As a result of One Source's pursuit in oral fluid testing, laboratory personnel have been approved for continuing education at the University of Florida to learn state-of-the-art forensic technology.

Lab Personnel Complete Additional Certifications

Certifying Scientist Ashley Wolfe was awarded a Certificate of Drug Chemistry from the University of Florida. Alternate Responsible Person Tom Freijo was also awarded a Certificate of Forensic Toxicology from the University of Florida. Tom and Ashley will attend a forensic toxicology workshop July 22-27, 2007.

One Source to Present Paper on Steroid Testing

Scientific Director Subbarao V. Kala, Ph.D., is presenting a paper on the Detection and Quantitation of Anabolic Steroids by method of LC/MS/MS at the joint meeting of the International Conference on Alcohol, Drugs and Traffic Safety (ICADTS) and the International Association of Forensic Toxicologists (TIAFT). The meeting is held August 26-30 in Seattle, Washington.

Responsible Person Steve E. Harris, Alternate Responsible Person Tom D. Freijo and One Source Toxicology Laboratory President Stan Gerlich co-authored the paper.