This chapter will enable you to:

• Understand the various definitions of organized crime
• Contrast the roles of presidential organized crime commissions
• Learn about the Sicilian heritage as it relates to the understanding of the Mafia
• Learn how official investigations into organized crime have contributed to an understanding of the Mafia
• Compare the various theories that have been developed to explain the structure of organized crime groups
• See how organizational constraints affect organized crime groups

INTRODUCTION

On three separate occasions between 1986 and 1991, reputed New York mob boss John Gotti stood trial facing federal racketeering charges. To the surprise and dismay of prosecutors, however, he was acquitted each time. Some say that the acquittals resulted from the furtive trial techniques of Bruce Cuttler, Gotti’s attorney; some contend that the government’s case, based on plea-bargained testimony, was fatally flawed; others speculate that there had been jury tampering. Whatever the reason, on each occasion the charges against Gotti failed to stick, earning him the nickname “Teflon don.” Finally, in 1992, the flamboyant Gotti was convicted and sent to prison for racketeering and for the 1985 murder of his own crime boss, Paul Castellano. This case not only captivated the American people but also helped perpetuate the public’s perception of organized crime in America. Indeed, in many ways the image and impression we have of organized crime, whether accurate or not, has been shaped by American “pop” culture.

For example, in 1972 The Godfather, starring Marlon Brando, depicted organized crime. Decades earlier movie stars such as Edward G. Robinson, Humphrey Bogart, and James Cagney portrayed tough and cunning gangsters, resulting in an ongoing public fascination with stories about organized crime. Another movie sensation, The Untouchables, portrayed Treasury agent Eliot Ness and his nemesis, Al Capone, in the streets of Chicago during Prohibition. The television series of the same name aired for years and is still rerun on many channels around the country. The Untouchables provides one example of how Hollywood has managed
to keep many of the old gangsters alive in movie reruns and syndicated television, and new ones are being created every year. This fascination with crime, cops, and gangsters still exists and sparks the interest of many people.

Part of the recent concern about organized crime is that it is becoming more and more transnational and, as we will see in Chapter 7, in some cases poses a global threat. This threat is especially evident in the breakdown of the former Soviet Union and the emerging role of opportunist Russian Mafia members. Furthermore, the 1990s and the early twenty-first century, witnessed an increased sophistication in the crimes associated with the global drug trade, an increase in computer-related crime, and the smuggling of radioactive nuclear material.

In addition to those created by the entertainment industry, sensational images portrayed by the electronic and print media tend to present confusing views of organized crime. Consequently, study of this all-important area of criminal justice is laden with misperceptions, distortions, and outright inaccurate information. What is organized crime? How does it relate to other types of crime? In an effort to present the true meaning of the term and clarify the organized crime phenomenon in this chapter, we begin the discussion of organized crime by defining the term and presenting the various theories that are believed to represent contemporary organized crime systems. In subsequent chapters we offer a more specific examination of various aspects of the organized crime problem.

Despite a plethora of literature on organized crime, controversies regarding its definition, structure, functions, and how best to control it continue (Kelly 1986; Bynum 1986; Abadinsky 1994; Potter 1994). The fact that organized crime represents a serious social problem that continues to survive despite aggressive efforts by law enforcement agencies to solve it is certain, however.
Many issues surround the understanding of organized crime, and many experts and scholars who have studied the topic have interpreted its meaning and social significance differently. Although we have endeavored to present these different views throughout the book, we have chosen to focus on two parallel themes: (1) in addition to widely publicized Italian and Italian American criminal groups, organized crime consists of many other groups for which race or ethnicity may not necessarily play a role, but whose organizational affiliation is based on the special needs of the group, and (2) without the support and assistance of corrupt government officials, legitimate businesspeople, and politicians, organized crime as we know it today would cease to exist.

WHAT IS ORGANIZED CRIME?

For almost 100 years, speculation has flourished regarding the true nature of organized crime in the United States. During that time, countless investigations and governmental studies convinced some members of law enforcement and the media that organized crime is dominated by (but is not exclusively) a single, monolithic criminal organization made up of criminals of Italian descent—the Mafia. In contrast to this view, academics and scholars who have studied the phenomenon have countered that there is no single, dominant crime organization (Italian or otherwise) and that organized crime is composed of numerous ethnic and transnational groups operating together or apart and in conjunction with legitimate businesses and political entities.

In addition to depictions by the entertainment industry and the media, much of the public's understanding of organized crime stems from televised congressional hearings and presidential task forces during the 1950s, 1970s, and 1980s (discussed later). In these hearings, for the most part, organized crime was identified as the Mafia and characterized as a predominantly Italian American phenomenon. This official view was first expounded by Cressey (1969) in an influential work based largely on official data collected by federal agencies. Cressey, who held the view that "if one understands the Cosa Nostra, he understands organized crime in the United States," was criticized sharply for his overreliance on official data, which tended to misrepresent the nature, structure, and function of criminal groups. Both his theory of organized crime and the methodology he employed are still criticized.

In fact, much to his credit, Cressey himself raised questions about his work, pointing out that in exchange for the data he was allowed to use he had to compromise his role as a scientific investigator and become something of a publicist for the federal law enforcement agencies with which he was working. Cressey also pointed to some difficult research issues with regard to organized crime. For example, he noted that the most dangerous hurdle to understanding organized crime is the secrecy surrounding it. Organized crime groups are difficult to identify and harder to scrutinize by virtue of their covert nature. Also, the more violent or well organized a group is, the more difficult it is to examine.

Smith (1990) criticizes Cressey's view of organized crime by suggesting that in understanding only Italian American crime families, one understands only part of the problem—and not necessarily the most important part. He argues that the Mafia mystique was created by headlines crediting law enforcement with
crippling many organized crime organizations through the successful prosecutions of its elderly Mafia leaders. According to Smith (1990), “We could almost sleep well, except for the two concurrent crime stories that command our attention: (1) our national failure to control a drug trade in which the major traffickers are not Italian; and (2) the rise in exorbitant white-collar crimes, either proven or still under investigation on Wall Street and the defense industry. Put them next to the Mafia and ask yourself: What is organized crime—really?” Smith summarizes his hypothesis of organized crime by suggesting that the phenomenon be looked on as enterprises occurring along a spectrum of legitimacy. In Smith’s view, illicit enterprise, or illegal business, should be the focus of organized crime studies and research. Such focus would avoid stereotypes and emphasize similarities between criminal groups and legitimate enterprises.

Compounding the task of defining organized crime is the serious problem concerning evidence (Morris and Hawkins 1970). Authors of these studies often have little or no direct experience with organized crime, and they focus on events visible to outsiders, such as murders of reputed mob leaders, or material made available by law enforcement agencies, such as transcripts of wiretapped conversations between organized criminals (Best and Luckenbill 1994). Although such evidence is of considerable value in understanding organized crime’s activities, it also can be subject to different interpretations. In an effort to clarify the issue, we consider in this chapter both historical and empirical interpretations of what constitutes organized crime.

Media accounts of organized crime can be helpful, but the tendency of journalists to oversimplify the issues and to emphasize the sensational creates problems for criminal justice students who are attempting to understand this phenomenon. Often, the press prepares reports that are not independent in nature, but merely summarize government reports.

Autobiographies by former mobsters suffer from some of the same shortcomings, in addition to questions of reliability. Studies of such works reveal numerous contradictions, a tendency for authors to vindicate themselves, and an inclination for self-glorification (Potter 1994).

In addition, there is no guarantee that government reports, court files, and data collected by regulatory bodies are free of bias or concentrate on the most important problems relating to organized crime. Furthermore, access to such information is not always possible, and law enforcement agents do not always cooperate with researchers seeking information. After all, the primary goal of law enforcement agents is to prosecute offenders, rather than to assist theorists and researchers. In addition, it is highly unlikely that an official law enforcement agency would give researchers information contradicting its official position on organized crime. As a solution, Cressey (1969) has recommended borrowing methods from intelligence sources, geographers, and anthropologists who attempt to understand the present by looking at the past.

Perhaps the greatest problem in understanding organized crime is not the word crime but the word organized. In fact, although the public, criminologists, and the research literature often agree as to what constitutes criminal behavior, little agreement exists regarding what constitutes organized criminal activity. To illustrate this point, we consider a group of shoplifters who systematically steal merchandise from a particular department store on a regular basis. Can this be considered organized crime? In another case, does a murder spree by two psychopathic killers that takes place over a three-month period constitute organized crime? What about a well-planned bank robbery involving robbers, a
professional auto thief to secure the getaway car, a wheelman to drive the get-
away car, and a money mover to get rid of the cash? After all, it could be argued
that in all these examples the crimes are not only organized, but also well
thought out and committed with the explicit intention of avoiding detection.

REDEFINING ORGANIZED CRIME

Traditional arguments about the structure, attributes and characteristics of
organized crime have come under even greater criticism in the twenty-first
century as the economic, political and social conditions within which organ-
ized crime operates are undergoing radical changes. The globalization of the
world’s economy, the declining importance of nation-states and national sov-
ereignty, along with massively expanded networks of communication and
media, have affected organized crime in significant ways.

Letizia Paoli, an Italian sociologist doing some of the most important con-
temporary research on organized crime, has suggested that the globalization of
international markets strongly mitigates against the utility of large hierarchical
organizations like the Sicilian Madia, the Yakuza, or Chinese Triads. Paoli argues
that these traditional forms of organization seriously hinder successful participa-
tion in modern global markets. She suggests that these organizations, whose
structure is often predicated on social relations other than market dynamics are
no longer efficient structures for the organization of crime (Paoli 2002).

This view is amplified by Manuel Castells who suggests that, in a world of
globalized commerce and instant communication, smaller network organizations
become the norm for both legitimate and illegitimate business. Castells argues:

The technological and organizational opportunity to set up global net-
works has transformed, and empowered, organized crime. For a long
time, its fundamental strategy was to penetrate national and local state
institutions in its home country, in order to protect its activities. . . .
This is still an important element in the operational procedures of
organized crime: it can only survive on the basis of corruption and
intimidation of state personnel and, sometimes, state institutions.
However, in recent times, globalization has added a decisive twist to the
institutional strategy of organized crime . . . the high mobility and
extreme flexibility of the networks make it possible to evade national
regulations and the rigid procedures of international police
cooperation. (Castells 1998: 202)

American law enforcement agencies have been very slow to respond to
the profound changes in organized crime brought about by globalization. On
the other hand, their European counterparts have radically altered their
views of organized crime and its structure. In the United Kingdom the
National Criminal Intelligence Service (NCIS) has the primary responsibility
for analyzing intelligence on organized crime. The NCIS (2005) describes
organized crime as having four salient attributes:

1. An organized crime group contains at least three people;
2. The criminal activity the group engages in is ongoing and indefinite in
duration;
3. The group is motivated by a desire for profit or power; and,
4. The group commits serious criminal offenses.

This is a very different view of organized crime than the one traditionally employed by law enforcement agencies. But it is a view that reflects the realities of changing illicit markets. Before we explore the elements of this new definition of organized crime, it is important to understand how the globalization of world markets has affected organized crime.

GLOBALIZATION AND ORGANIZED CRIME

Globalization is an immensely complex topic. But, in looking at organized crime, we can discern two major impacts on its activities and structures. First, rather than discrete local markets for goods and services, we now have a single global market. With new computer and communications technology, massively expanded air transportation services, and instantaneous electronic banking services, illegal goods and services can be provided anywhere in the world. The illegal production of these goods and services can also take place anywhere in the world. The legal market provides a good example of this. Today, when you call your bank, telephone company, or credit card company, you are as likely to be talking to a customer service representative in an office in India as to one in the United States. The cost of providing the service is considerably less in India. The same dynamics of cost and profit apply to organized crime.

Second, it is important to understand that the impact of globalization is not the same everywhere. The growth of the globalized economy is uneven. For example, many countries who depend heavily on agricultural exports have been badly hurt by falling prices as their economies have globalized. Similarly, the production of raw materials for manufacturing is much cheaper in some areas of the world than it is in others. Thus organized crime and legitimate business can produce their goods and services more cheaply if they have a wider international reach. At the same time, economic growth is also not stable in the industrialized nations. Inner cities and regions wedded to older forms of industrial production have seen high unemployment, growing poverty, and economic isolation. Good-paying jobs move out of the country and are replaced by low-wage service sector jobs. On the other hand, incomes and wealth are expanding enormously in other parts of these countries, drastically increasing the demand for organized crime’s illegal goods and services, particularly in the drug and sex industries.

In accommodating these economic changes, organized crime has moved from traditional criminal activities like extortion to newer forms and has reinforced its role in other activities. For example, there is a massive demand in the globalized world for humans as a commodity. People from areas of the world where globalization has devastated their economies or war has plagued their lives seek to move into more promising social climates in Europe and the United States. Immigrants move from Mexico to the United States, from North Africa to Spain and France, from Eastern Europe to Germany, and so on. Much of this immigration is illegal. Organized crime profits in many ways. It provides smuggling services to illegal immigrants. It supplies illegal labor to sweat shops and factories. It uses immigrants as
smugglers. And it provides women and children for the illegal sex trade. Women are trafficked across international borders for prostitution and are often used as mules in the drug trade during transit. Tourists are trafficked across international borders for child sex.

An unstable political world created in the wake of globalization has also created massive markets for illegal arms sales. Organized crime provides small arms and large weapons systems for conflicts in Eastern Europe, the Middle East, Africa, and Asia, often supplying both sides of the conflicts and sometimes taking their remuneration in the form of drugs. Drug smuggling itself has become more lucrative as international borders weaken and modes of transportation become cheaper. In the new globalized economy, organized crime can purchase raw materials (coca leaves, opium poppies, etc.) more cheaply and sell the finished product (cocaine and heroin) to more affluent populations at higher prices and in greater quantity than ever before. Business in a globalized economy is very good for organized crime. It is estimated that illegal commerce accounts for about 10 percent of all international trade. But, to take advantage of these opportunities, organized crime must structure itself for the globalized marketplace.

Returning to the issue of redefining organized crime, we must ask what structure best accommodates the realities of a globalized market? We can start our analysis by looking at the criminal group itself.

**THE CRIMINAL GROUP**

Unlike street criminals or even professional criminals, organized criminals work together on a continuous basis in illegal enterprises. There is a core group of criminals and a much larger group of individuals who work with them, performing specific tasks and providing specific services, but who are primarily legitimate economic and political actors. In the globalized economy, computer experts and financial advisors are every bit as important to organized crime groups as are drug pushers, bookies, and prostitutes. These individuals are brought into a crime network as their services are needed. This kind of peripheral association is highly utilitarian. It makes it extremely difficult for law enforcement to trace specific activities back to a core group of criminals.

A nagging and persistent issue with regard to the structure of the criminal group has been the unfortunate corporate analogy utilized to describe organized crime’s decision-making structure. The impression left by the corporate analogy is that organized crime has some kind of board of directors and hierarchical structure that control the operation and transmit orders to line personnel. This traditional definition stresses the role of bosses, analogous to corporate CEOs; a commission, roughly equivalent to a corporate board of directors; capos, who would make up the middle management level of a bureaucracy; and soldiers, who are the workers actually carrying out illegal activity. As we have seen, such a traditional view of organized crime is fundamentally flawed.

The newer view of organized crime put forward by European law enforcement agencies totally rejects this view of organized crime. In moving
toward this newer conceptualization, we recognize the fact that the older traditional forms of organized crime, such as Mafia-type organizations, if they ever existed, are now an endangered species, no longer useful in a globalized world economy. Just like legitimate corporations, organized crime groups today are actually loose networks of entrepreneurs. In a time of instant communications, the cumbersome forms of hierarchical organization not only are no longer needed, but they also impede the ability to do illegal business, and they are much more susceptible to police infiltration than loose associations of criminal networkers. With instant cash transfers, cellular phones, and the Internet, any small group can purchase and distribute illegal drugs almost instantaneously. The need for a boss is long gone.

Organizing for Profit

In the same fashion as for legitimate enterprises, organized crime exists for one primary purpose: to make a profit. Just like legitimate enterprises, organized crime acquires and makes use of economic and political power to achieve this goal. What has traditionally differentiated organized crime from legitimate enterprises has been the use of illegal means and methods to enhance the accumulation of power and profit. While many scholars argue that this distinction is less important today than in the past, especially in the wake of Enron, Global Crossing, and various banking scandals, the use of criminal means to achieve conventional goals (profit) is still an important definitional attribute of organized crime. These criminal means can range from extortion and corruption to acts of violence, although it should be noted that violence is primarily limited to the lower-level street activities of organized crime groups (e.g., retail drug sales).

Profit-Making Enterprises of Organized Crime

One of the most profound ways in which a globalized economy has changed organized crime is that it has vastly increased the number and types of enterprises from which organized crime may profit. Traditionally, we have thought of organized crime groups as offering vice and racketeering services at a local level. The production and distribution of pornography and drugs, the provision of prostitution and gambling services, loan-sharking, and traditional protection services were seen as the core of organized crime activities.

Globalization has changed all of that. In a worldwide market, organized crime can become involved in virtually any enterprise. Of course, criminal organizations still dominate the sex industry and the drug trade. But even these enterprises have changed dramatically in the past two decades. Immigrants are smuggled across international borders to work in the brothels, strip clubs, and massage parlors owned by the mob, but they are also trafficked to work in manufacturing, agriculture, and personal service industries. Diversification in the drug trade has become possible because of vastly enhanced modalities of transportation and finance. The illegal trade in guns and weapons closely parallels the drug trade and is a worldwide money-maker for organized crime. Luxury automobiles are stolen and transported around the world for resale. Ivory, gems, rare plants, and wildlife are sold in a global marketplace. Even relatively simple and crude forms of organized crime enterprise, such as extortion and protection rackets, have taken on a new importance in a global economy. Instead of shaking down neighborhood bars and restaurants, organized crime in now hired by legitimate businesses to harass competitors, conduct industrial espionage, and intimidate underpaid illegal workers.
In a globalized economy, organized crime’s profit-making potential is limited only by the imagination of the actors involved. Geographic scope, dangers associated with long-distance communication, and problems of moving vast sums of money and material no longer limit organized crime to neighborhood rackets.

**ORGANIZED CRIME NETWORKS OR GLOBAL MAFIAS?**

As we have seen, the issue of the size and complexity of the organization of criminal groups dominated scholarly debate about organized crime through the 1970s and 1980s. Many of the concepts, definitions, and attributes attached to organized crime in this debate were simply wrong and severely impeded our ability to comprehend the vast changes that were occurring in criminal enterprise. For much of the twentieth century, we were thinking like cops and prosecutors, asking who are these people, what did they do, and how do we bust them. These were the wrong questions. The important questions that should have been addressed were these: How does the illegal economy affect organizational size, communications, and coordination of activities? How is organized crime affected by the complex relationships it must maintain with the upperworld (legitimate businesses, politics, the criminal justice system)? What environmental factors impinge on criminal organizations?

In asking the wrong questions we also focused on the wrong issues, often highlighting the most sensational aspects of organized crime, while ignoring the more mundane and far more important day to day activities of organized crime groups. For example, when we looked at the Prohibition Era, we highlighted the relatively brief period of violence at the beginning of that failed social experiment, never looking at the massive and relatively peaceful period of cooperation and profit taking that followed. In looking at the cocaine trade, we focused on the early violence of Cuban, Colombian, and Jamaican traffickers, neglecting the massive, peaceful expansion of the drug trade that dominated the 1980s and 1990s. As the drug trade developed, extensive networks of exchange and trade were created among criminal groups worldwide. Rather than global Mafias, this international trade has stimulated small, flexible, discrete networks. This makes perfect sense. First, smaller networks enhance profitability by reducing production and corruption costs. Second, smaller networks better control the flow of information about what a criminal group is doing and how it is doing it, reducing the risk of law enforcement interference in the daily business of organized crime.

The transition to a globalized economy, as discussed earlier, has made smaller, flexible networks of criminals the preferred method of doing business. A criminal network is better positioned to take advantage of instantaneous communications and financial transactions.

**THE FORMS OF ORGANIZED CRIME**

In 2002 the United Nations (UN) published the results of a major international study attempting to delineate the various organizational forms utilized by organized crime groups worldwide. The UN research looked at organized crime groups in sixteen separate countries and came up with an
organizational typology that defines the various organizational forms found in these countries.

The UN research delineated five ideal types of criminal organization, ranging from the most traditional forms of organized crime to newer, modern organized networks (United Nations 2002):

1. Standard hierarchy
2. Regional hierarchy
3. Clustered hierarchy
4. Core group
5. Criminal network

These are, of course, ideal types. Not all criminal organizations will conform precisely to a specific type, but most will have the predominant characteristics of one of these types. The first three types, delineating hierarchical structures, are closest to the traditional forms of organized crime we have been discussing, and the last two, core groups and networks, are closest to the forms of organization we can expect to be most prevalent in an emerging global economy.

**Standard Hierarchy**

A standard hierarchy is a single organized crime group, usually led by a single powerful individual. These organizations have clearly defined roles, a readily identified chain of command, and a hierarchy that is designed to provide a strong system of internal discipline. Standard hierarchies usually have a name by which they are known and often have a strong ethnic or social identity. For example, members usually come from the same ethnic background (e.g., Albanians, Russians, Italians, etc.) or a similar background experience (e.g., prison gangs). Violence is an integral tool of both legal and illegal businesses and these groups usually operate in clearly defined geographical areas.

A particularly good example of a standard hierarchy is an organized crime group in Lithuania referred to by law enforcement officials as the Cock Group. This organization has a well-defined hierarchy and common social identity (prison experience). It is primarily engaged in extortion, but also trafficks in heroin, operates prostitution outlets, and engages in motor vehicle theft. The Cock Group engages in the extensive use of violence. It has created a network of corruption that gives it strong local and regional political influence. And it has heavily penetrated into legitimate businesses in the area. In addition to its major criminal enterprises, the Cock Group is also involved in counterfeiting, forgery, fraud, embezzlement, money laundering, armed robbery, trafficking in women and children for prostitution, loan-sharking, arms trafficking, and to a limited degree gambling.

The Cock Group came into existence in 1990 when it was organized by a small group of former prison inmates. The original organization grew quickly, and by 1993 it had splintered into a number of smaller groups operating in competition with each other. A short, but relatively intense period of violent conflict between these smaller groups resulted in the eventual reorganization of the syndicate into two dominant organizations. These organizations have a tight hierarchical structure with a single leader and two deputy leaders. The deputies are in charge of illegal activities. One deputy is responsible for drug trafficking; the other is responsible for other smuggling operations.
In addition, a designated group of members are in charge of security and serve as bodyguards for the group’s leader. All members of the Cock Group are Lithuanian or Russian. They are all male and all are former prisoners. The group has an unwritten code of conduct and an initiation test for new members, which usually entails the commission of an act of violence.

At least until 1997, violations of their code of conduct resulted in severe physical punishment, although recently the organization has tried to resolve internal conflicts through means less likely to draw law enforcement attention. Conflicts with other criminal organizations, however, are still resolved by the use of considerable violence, especially bombings and murder.

The Cock Group was able to take advantage of the rapid economic privatization in Lithuania by using its economic resources to penetrate new business enterprises, thereby giving it considerable economic power in that country. In addition, a pervasive system of corruption involving customs and border officials and local police has been put in place. Today this group operates in Germany, Russia, and Spain, as well as in Lithuania.

Regional hierarchies are also tightly controlled groups with strong systems of internal discipline and clearly defined roles and lines of authority. The major difference between these groups and standard hierarchies is that considerable autonomy and independence are granted to local organizations operating within the criminal organization. They have a single leadership structure and a clear line of command. They tend to be regional in their geographic scope and engage in multiple illegal activities. Like standard hierarchies, regional hierarchies have a strong social or ethnic identity and employ violence as a primary means of maintaining discipline and resolving disputes.

An excellent example of a regional hierarchy is the activities of the Hell’s Angels in Canada. The Hell’s Angels is a very large, very structured outlaw motorcycle gang (OMG) that derives much of its income from the manufacture and trafficking of illegal drugs. As an outlaw motorcycle gang, the Hell’s Angels’ members share a strong sense of social identity. Traditionally, this group has been noted for its extensive use of violence. There is strong evidence of localized corruption emanating from Hell’s Angels activities, and the group was invested heavily in the legal economy, at least at local levels.

Hell’s Angels manufacture a wide range of synthetic drugs and also distribute heroin, cocaine, and marijuana. In addition, at least at the local level, Hell’s Angels has been involved in prostitution, money laundering, vehicle theft, and gunrunning.

Like other OMGs, Hell’s Angels has an intricate structure based on a national organization subdivided into local chapters. A national president is technically in charge of all chapters, although day to day activities are the responsibility of the chapters themselves. Each chapter has its own president, who has almost absolute power over the chapter; a secretary, who manages financial and organizational details and posts bail for arrested members; a sergeant-at-arms, who is responsible for chapter security and who maintains an arsenal of firearms and other weapons; and a road captain, who is in charge of chapter runs and other motorcycle-related activities. Other criminal organization participants include chapter members; hangarounds, who are persons loosely associated with the gang; and prospects, who are individuals being considered for potential membership in the gang. Hell’s Angels’ members are all made with women participating only on the periphery of the gang.
In Canada there are an estimated 280 Hell's Angels gangs. These local chapters cooperate with other OMGs in the area and often absorb smaller clubs into the organization. The Canadian Hell's Angels also cooperate with other Hell's Angels organizations around the world and with other organized crime groups. Hell's Angels members are required to be loyal to the gang, to defer to the president's power, to follow orders, and to avoid drug addiction.

Traditionally, violence has been a key component in maintaining internal and external order for this organization. Deviation from organizational rules can result in death. Canadian law enforcement officials regard Hell's Angels as one of the most violent groups active in Canada, attributing to them 103 homicides in the period from 1994 to 2002.

Hell's Angels chapters and individual members are involved in a variety of legitimate business enterprises, including strip clubs, bars, restaurants, motorcycle shops, and the like. Some organizational members spend most of their time working in legitimate commercial enterprises. Hell's Angels chapters seek to dominate or monopolize drug trafficking and prostitution in their local areas, eliminating or absorbing rival criminal organizations.

The Hell's Angels has been particularly adept at infiltrating and corrupting local law enforcement and government officials. The group has a sophisticated and highly successful intelligence-gathering component that keeps them informed of ongoing investigation by police. In recent years, Hell's Angels chapters have tried to increase their level of social participation in the community by engaging in charitable activities and adopting more conventional dress and appearance codes.

**Clustered Hierarchy**

A clustered hierarchy is an organized crime group that involves a number of smaller organized crime groups that coordinate their activities and enterprises. Clustered hierarchies consist of a number of criminal groups who have established an arrangement of managing their respective activities in a coordinated manner. As the organization develops, the cluster develops a stronger identity for members than the smaller groups in which they are actual participants.

Mexico's Arellano-Felix Organization, operating out of Tijuana, is a prime example of a successful clustered hierarchy. This group exhibits four major tendencies: (1) it cooperates with a large number of other criminal organizations, (2) it is highly penetrated into the legitimate economy, (3) it exercises enormous political influence through corruption, and (4) it has a well-developed reputation for the use of violence. The Arellano-Felix Organization dominated the drug market, particularly cocaine, heroin, and methamphetamines, along the Tijuana–San Diego nexus for much of the 1980s and 1990s. Today it is one of the seven largest drug-trafficking organizations in Mexico and is regarded by many law enforcement agencies as the most powerful and dangerous of these organizations.

The transformation of the Arellano-Felix Organization from a localized drug group into a major cartel came with the abolition of the pyramidal structure so often found in traditional organized crime groups. Today the organization is composed of a series of small cells, each protected by the corruption generated by the larger organization, but also independent and autonomous with regard to its own drug-trafficking enterprises and criminal finances. This new form of organization has reduced violence among competitors, increased cooperation in drug trafficking, enabled the
sharing of both territories and transportation modalities, and created an intricate system of money laundering and political corruption. All of this is accomplished by organizations who have no direct contact with each other, but who rely on the larger cluster to manage shared activities.

The strength of the organization is found in the fact that it is virtually impervious to law enforcement activities. The arrest of any leader would have no impact on the organization. A large number of individuals referred to as narco-juniors exist in the Arellano-Felix Organization who are ready to take on leadership roles at a moment’s notice. These are younger, better educated sons of upper-class Mexican families living on both sides of the United States–Mexico border and holding dual citizenship. Everyone in the organization, from drug runners to hitmen, are educated professionals. For day to day high-risk operations, the Arellano-Felix Organization hires local Hispanic gang members.

The organization has a reputation for the extensive use of violence, with several hundred deaths attributed to its activities. The primary reason for the success of the organization, however, is the extensive network of corrupt law enforcement officials it has working for it. In addition, the organization has a sophisticated countersurveillance and intelligence operation in place aimed at police officials in both the United States and Mexico.

Core Group

One of the most important emerging forms of organized crime readily adapted to conducting enterprise in a global economy is the core group. A core group is an unstructured group of organized criminals surrounded by a larger network of individuals engaged in serious criminal activity. Unlike hierarchies, a core group has a flat organizational structure in which power is shared by all participants. It consists of a small number of individuals, which makes it much easier to avoid law enforcement interference and maintain internal security. Group identity is maintained through their illegal activities, but no strong social or ethnic identities are associated with core group organizations. Rarely is a such an organization known by a specific name or, for that matter, known to the general public or law enforcement at all.

One of the most successful drug trafficking organizations in the world is a perfect example of a core group form of organization. The Juvenal Group operates in Cali, Medellin, and Bogota, Colombia, and is primarily engaged in the trafficking of cocaine to the United States. The Juvenal Group has no shared ethnic or social identity and makes almost no use of violence. Rather it relies on massive political corruption and cooperative ties with other criminal organizations to conduct its illegal activities. In recent years the Juvenal group has expanded its illegal enterprises to include human trafficking and money laundering.

The organization has a horizontal rather than vertical structure, although Alejandro Bernal Madrigal, because of his extensive political connections and financial success, appears to be the most influential of the group’s members. Although some participants had previous experience in other Colombian drug-trafficking organizations, the vast majority have no prior criminal records, are professionals or businessmen in their daily lives, and come from Colombia’s upper-middle class. It is estimated that the Juvenal Group consists of about 200 members of Colombian, Mexican, Guatemalan, and Ecuadorian descent. The Juvenal group makes extensive use of satellite phones, mobile phones, e-mails, and highly sophisticated
encryption software to conduct its business. It also maintains a support network of bankers, lawyers, and other professionals to head off any difficulties with state or law enforcement officials.

The Juvenal Group operates under the cover of its extensive legitimate commercial activities; members avoid conspicuous displays of wealth and exercise great discretion to avoid calling attention to themselves and their activities. The use of violence is strongly discouraged. In addition, the group subcontracts many of its riskier activities to other groups. It makes no attempt to control territories or markets and attempts to avoid conflicts with other criminal organizations. Today the Juvenal Group has extensive cooperative arrangements with organized crime groups in Mexico, Venezuela, and Ecuador. Drugs are purchased in Colombia and then exported to Venezuela, Nicaragua, Guatemala, Mexico, Australia, and Ghana. Drug shipments are usually concealed in bulk exports of fruit concentrate. It is estimated that the Juvenal Group moves 30 tons of cocaine a year, resulting in annual profits of $300 million. This money is then reinvested into legitimate enterprises in Colombia’s legal economy.

The criminal network represents the cutting edge of organized crime in the twenty-first Century. Although localized crime networks have existed throughout history, their utility in a global economy makes them, along with core groups, the most efficient forms of criminal organizations for the new millennium. Criminal networks are loosely organized, highly adaptable, very fluid networks of individual participants who organize themselves around an ongoing criminal enterprise. The membership, shape, and organization of a network is defined by those individuals’ participation in it at any given time. Individual attributes, such as specific skills, financial resources, political connections, and the like, determine the importance of network participants. There is no sense of ethnic or social identity—only personal loyalties to the enterprise itself. Networks are created, re-formed, and initiated around a series of continuing criminal projects. Individuals come and go from the network, so the organization is constantly re-forming itself from project to project. Criminal networks maintain a very low public profile and almost never identify themselves by any name or attribution other than the participation of the individuals in the network itself.

A good example of a crime network is the Verhagen Group, which operated in Amsterdam, the Hague, Rotterdam, and Utrecht in the Netherlands. The primary business of the Verhagen Group was the trafficking of hashish, but it also engaged in large-scale business crimes, including fraud and embezzlement, real estate fraud, and theft.

The Verhagen Group imported hashish from Morocco, Lebanon, and Pakistan and then redistributed it to retail sellers in Switzerland, Belgium, Great Britain, Denmark, and the Netherlands. About 30,000 kilograms of hashish a year was trafficked by this group.

The Verhagen Group had a core membership of only five people, with about forty-five associates engaged in performing contract services for the core group. Associates handled smuggling, transportation, and storage of the hashish, meaning that the core group members were insulated and removed from the actual criminal activities of the organization. All core group members were Dutch and male, and their participation was based on personal relationships and friendships. Associates of the group included German, British, African, Asian, and American participants. The Verhagen Group relied heavily
on connections with other criminal organizations to conduct its business. There was no formal code of conduct for group's participants and no violence associated with the group's criminal enterprises.

The organization was built around legitimate automobile sales enterprises and these business contacts throughout Europe were used to create contacts for the criminal enterprise. In addition, the Verhagen group collected intelligence on the activities of law enforcement agencies and personnel, strongly suggesting the existence of a complex system of corruption that operated across transnational borders.

**PROBLEMS CAUSED BY ORGANIZED CRIME**

Organized crime is more insidious than the preceding examples indicate. Its members are calculating and sophisticated and realize that their actions not only have criminal consequences, but also are constantly under the scrutiny of law enforcement agencies. This scrutiny causes the criminals to be secretive, cautious, and furtive.

If we can assume that every crime has a victim, who are the victims of organized crime activities? After all, crimes such as prostitution, drug trafficking, and gambling involve a buyer and a seller, each of whom is a willing participant. So who is the victim? It could be argued that the public is the most visible victim of organized crime. Whenever the organized criminal makes money through thievery, violence, or swindling, the public loses. Clearly, criminal associates are often victimized by organized crime members, but law-abiding citizens are also victimized in a number of ways. First, citizens are sometimes the direct victims of organized crime enterprises (violence, extortion, intimidation, etc.). Second, billions of dollars of tax revenue from organized crime go uncollected (estimated at $37 billion in lost taxes every year), resulting in higher tax rates for law-abiding citizens. Third, expenses related to law enforcement, criminal prosecution, and imprisonment of convicted members create a substantial drain on the economy of any community.

Organized crime’s participation in the realm of legitimate business, which has occurred since the early 1930s, has resulted in an additional economic impact. For example, if the owner of a small business must pay insurance to an organized crime member, this cost is passed on to the legitimate consumer. If organized crime is successful in monopolizing a business or product, the consumer once again must help pay the price. Furthermore, if organized crime members are successful in corrupting public officials, the citizenry’s tax dollars support a less effective and less efficient government. These factors suggest the importance of identifying and understanding organized crime. We now consider some common characteristics of many organized crime groups.

**UNDERSTANDING THE MAFIA**

The organization most commonly associated with organized crime is the Mafia, which writers, filmmakers, historians, and others often use as a benchmark for understanding the phenomenon of organized crime. In an effort to appreciate the organizational aspects of what has become known as the Mafia, it is logical first to consider the meaning of the word. By most
accounts, the word Mafia did not appear in print until the mid-1860s and was thought to be understood by most Sicilians. Part of the dialect used in the poorer districts of Palermo, Sicily, Mafia and mafioso commonly referred to beauty, perfection, grace, and excellence, but when applied to a man, mafioso “connotes pride, self-confidence, and vainglorious behavior” (Hess 1973).

By the mid-nineteenth century, the term mafioso had become synonymous not only with crime, but also with a certain type of criminal behavior and attitude. When putting the word to use, Sicilians refer to a “man of honor” or “man of respect” who embodies not only criminal, but also other personality characteristics. These include those of the village strong-arm man, the boss, and the mediator of many conflicts (Hess 1973). Rather than using the term Mafia directly, people speak of the amici degli amici, or “friends of friends,” to characterize organized patron-client relationships typically controlled by a mafioso. The mafioso was brave and self-reliant: a man of action, one not to be taken lightly. Most important, the mafioso was prepared to become a law unto himself if necessary.

Although there is considerable consensus about the meaning of the word Mafia, its origins are not as clear. Some historians trace it to the Sicilian struggle in the thirteenth century against French rule, “Morte alla Francia, Italia anela!” (“death to France, Italy groans”) was their cry, forming the acronym MAFIA. Others suggest that the term originated in 1282 as a battle cry of rebels who slaughtered thousands of Frenchmen after a French soldier raped a Palermo maiden on her wedding day. Whatever the source, the term has become familiar throughout much of the world and is often synonymous with such criminal activities as drug trafficking, gambling, extortion, and murder.

Organized crime is much more, however, than is conjured by the word Mafia. Although experts in the field are somewhat divided regarding components of the organized crime phenomenon, there is a degree of consensus regarding the aspects of an organized crime group. For example, many experts agree that organized crime represents a continuing, profit-motivated, criminal enterprise that employs the use of fear, violence, intimidation, and public corruption to achieve organizational goals and remain immune to law enforcement. In addition, criminal activity is probably restricted to the provision of illegal goods and services (Hagan 1989; Albanese 1983). Debate among experts continues, however, as to the extent to which organized crime is successful in monopolizing any given illegal market.

**CATEGORIES OF ORGANIZED CRIMINAL BEHAVIOR**

Organized crime is a unique and dynamic phenomenon that permeates virtually all segments of society. It differs from other types of criminal activity, however, in several important ways. These categories of behavior most commonly associated with organized crime activities include the provision of illicit services and illicit goods, conspiracy to commit crimes, penetration of legitimate business, extortion, and corruption. An understanding of these categories enables the reader to comprehend the numerous definitions and theories of organized crime that are discussed later in the chapter.
The offering of illicit services represents one of the main enterprises of organized crime organizations. Illicit services are those that legitimate businesses do not provide and are proscribed by law. Included are (1) gambling operations that act outside the law and offer a financial tax incentive for those who use this service; (2) protection rackets, a form of extortion by which organized crime members approach owners of small businesses and offer them protection for the business in case of "unforeseen" misfortune, such as fire or vandalism; (3) loan-sharking, the illegal lending of money at usurious rates, whose repayment is enforced through violence and intimidation; and (4) prostitution, the sale of sex acts by persons acting as part of a larger organization.

The provision of illicit services is a criminal enterprise that generates money to further the organization's goals. Also, in many cases illicit services are provided in conjunction with illegal goods.

Like illicit services, a second hallmark of organized crime is the provision of illicit goods, which are not available from legitimate businesses. In particular, illegal drugs represent a primary product in considerable demand on the black market. Illicit drugs include marijuana, cocaine, and heroin, to name a few, and the sale of these drugs provides organized crime organizations billions of tax-free dollars every year. Pornography is another black market commodity that generates billions of dollars annually. Unregistered guns and stolen goods are other products in considerable demand that illicit dealers can sell at lower prices and with more ease than can legitimate distributors.

Another vital category of organized criminal behavior is conspiracy, an agreement between two or more people to violate the law. In most cases, organized crime members work with each other for the purpose of selling drugs or stolen property, loan-sharking, gambling, and other activities. Very seldom is a criminal act committed without the knowledge or approval of the heads of the criminal group. Consequently, managers who authorize criminal acts are guilty of conspiring to commit these acts.

Because organized crime members have no legal way to spend their illicit profits, they must hide as much of their revenue as possible. The ability to penetrate legitimate business gives the organized crime unit both the chance to conceal illicit revenues and an opportunity to hide behind a cloak of legitimacy in the community to avoid the suspicion of citizens and detection by police. An example of organized crime involvement in legitimate business is the well-documented relationship between construction locals, contractors, and the Italian American crime syndicates in New York. In 1986, the President's Commission on Organized Crime concluded that more than a dozen important construction locals in New York had documented relationships with known members of organized crime. The commission observed that organized crime members rely on such relationships for routine extortion of contractors and on elaborate collusive activities within some segments of the construction industry. These relationships are commonly used to benefit contractors and suppliers owned by organized crime groups (President's Commission on Organized Crime 1986a: 226).
Extortion

Organized crime often infiltrates legitimate business through extortion. In its most elementary parlance, extortion is a form of theft and is defined as the use or threatened use of violence or force to achieve a criminal end. For example, organized crime group members could insist that a restaurant subscribe to their linen service by subjecting those who refuse to being attacked. Although extortionate practices may be used in virtually all aspects of organized crime, it has most commonly been associated with loan-sharking and the threat of violence against those who fail to repay debts to the organized crime unit on a timely basis.

Corruption

As discussed in more detail in Chapter 4, corruption is another category of organized criminal behavior. Indeed, without the surreptitious aid of public and private figures such as law enforcement officers, judges, prosecutors, mayors, bankers, attorneys, accountants, and elected and appointed political persons at all levels of government, the organized crime unit could not flourish.

DEFINITIONS BY CRIME COMMISSIONS

Over the years, several important commissions have attempted to study organized crime and to offer insight into it.

Chicago Crime Commission

One of the first efforts to explore organized crime in the United States was conducted by the Chicago Commission of Inquiry in 1915. The commission noted that certain traits of criminal groups could be distinguished from other forms of criminality. These traits included special traditions, systematized practices, and a specialized language (criminal argot). Because there was no national focus on organized crime during that time, the commission’s findings had limited impact.

The Wickersham Commission

In 1929, the Wickersham Commission studied the impact of Prohibition on criminal activity. It found that organized crime activity prospered around bootlegging activities and that there was a need for a more in-depth national study of organized crime, which did not occur until many years later.

After the highly publicized investigations, arrests, and prosecutions of underworld figures such as Al Capone from Chicago and Lepke Buchalter and Lucky Luciano from New York, the public believed that law enforcement and the entire criminal justice system were effective in combating organized crime. Unhappily, these organizations were not effective. While the country focused nationally on the Great Depression and then World War II, organized crime flourished. By the time Prohibition ended in 1933, gangsters had become more and more involved in gambling, prostitution, and loan-sharking activities.

The Kefauver Committee

In 1950, the Kefauver Committee was formed to investigate organized crime involvement in interstate gambling. In addition to recognizing organized crime’s connection to gambling, the committee also noted organized crime’s involvement in prostitution, drug trafficking, extortion, and public corruption.
CHAPTER 1  UNDERSTANDING ORGANIZED CRIME

You Decide

Does the Mafia Really Exist?

Despite nearly a century’s worth of investigations by federal and state law enforcement organizations and the findings of several important national commissions, some people still question whether the multinational Italian criminal organization known as the Mafia really exists. For decades, however, high-level criminal conspiracy trials have resulted in the successful prosecution of high-ranking mob bosses such as Al Capone, Frank Erikson, Sam Giancana (not convicted, but jailed for contempt for one year), “Lucky” Luciano, Louis “Lepke” Buchalter, Vito Genovese, Joe Bonanno (jailed for not answering questions about his autobiography), and John Gotti. Police haranguing of suspected mobsters has also had positive outcomes. For example, in the late 1930s “Bugsy” Siegel moved from New York to Los Angeles to avoid capture and prosecution and eventually was killed by fellow mobsters for squandering mob funds. Government prosecutors targeted Dutch Schultz so many times that media exposure and public notoriety resulted in his being killed; and Joe Colombo, the subject of extensive media scrutiny, was shot at the behest of mob superiors.

These are only a few of what could be characterized as successful efforts on the part of law enforcement to dismantle or hinder the mob. Although none of these cases resulted in the total disbanding of organized crime, each case (and hundreds more like them) afforded law enforcement countless opportunities to surveil, monitor, arrest, interview, and work with turncoat members of the Mafia and other organized crime groups (obviously, Erickson, Siegel, and Schultz were not of Italian origin and therefore could not have been members of the alleged Mafia). Some argue that since Joe Valachi’s revelations in 1963 about the structure of the Mafia, law enforcement officials have learned that the twenty-five or so Italian gangs throughout the United States known as families do indeed work together, communicate regularly, and share many of the same goals, objectives, structures, and rules.

Others claim that there is no single organization known as the Mafia, but a loosely structured consortium of criminal gangs, some of whom happen to be of Italian descent. Pundants reject the notion of a uniform criminal organization known as the Mafia, but adhere to the premise that Italian gangs (or families) do exist, but are not nearly as organized and structured as law enforcement and the media believe. Critics say that popular views of the Mafia are skewed by erroneous police reports that could be attempts to justify the police agencies’ existence, to broaden their powers, and to increase their operating budgets.

Is it really important whether we believe in the Mafia? From a policy standpoint, it is always worthwhile to understand the nature and structure of any criminal entity so that appropriate application of laws or the development of new legislation can be considered to eliminate criminal activity. After all, laws addressing conspiracy, such as Racketeer Influenced and Corrupt Organizations Act (RICO), and continuing criminal enterprise are designed to prosecute associates, rank and file members, and management of a criminal organization. If criminal agreements exist between families, if one family aids another in the execution of a criminal enterprise, if there is a national commission whose function it is to arbitrate disputes between families (clearly a management function), if legitimate businesses are involved as fronts or money movers, and if public officials are in the employ of such groups, law enforcement officials, lawmakers, and prosecutors should know this. Is more than 100 years sufficient time to learn of a criminal organization’s existence? Is there really a Mafia? If there is a Mafia, is it really the only organized crime group of major importance in the United States? You decide!

Critical Thinking Project

Describe your own perceptions of organized crime as you read this chapter. Give specific examples of how your perceptions change. If they remain the same, explain why.
The McClellan Committee

During the early 1960s, the Senate Permanent Subcommittee on Investigations, headed by Senator John McClellan, investigated the organized crime phenomenon. The McClellan Committee convinced a low-level gangster, Joseph Valachi, to testify about life in organized crime.

Through Valachi’s testimony, the committee gleaned much information about an alleged organized crime group called La Cosa Nostra (Italian for “this thing of ours”). Valachi testified about some mob leaders and the mob’s organizational structure, rules, and rackets, which included loan-sharking, labor racketeering, extortion, and infiltration into legitimate business. The McClellan Committee proceedings made great contributions to a general understanding of the immense criminal phenomenon of organized crime.

The President’s Commission on Law Enforcement and the Administration of Justice

The President’s Commission on Law Enforcement and the Administration of Justice offered a definition of organized crime in 1967: “a society that seeks to operate outside the control of the American people and their government. It involves thousands of criminals, working within structures as large as those of any corporation.”

In 1968, Congress passed the first comprehensive organized crime bill, the Omnibus Crime Control and Safe Streets Act, which contained the first specific definition of organized crime: “[Organized crime includes] the unlawful activities of the members of a highly organized, disciplined association engaged in supplying illegal goods and services including but not limited to gambling, prostitution, loan-sharking, narcotics, labor racketeering, and other unlawful activities.”

These commissions indicated that awareness of the extent of the organized crime problem in the United States was increasing. Effective action against organized crime was blunted, however, by a continuing controversy between those who believed organized crime was dominated by a Mafia or Cosa Nostra and those who thought that its organization was less well defined, less bureaucratic, far more pervasive, and rooted in public corruption, not ethnic heritage.

Pennsylvania Crime Commission

In 1978, the Pennsylvania Crime Commission (1978) was formed to study organized crime. The statute discussing the commission’s powers included this definition of organized crime:

Organized crime: The unlawful activity of an association trafficking in illegal goods or services, including but not limited to gambling, prostitution, loan-sharking, controlled substances, labor racketeering, or other unlawful activities or any continuing criminal conspiracy or other unlawful practice which has as its objective large economic gain through the fraudulent or coercive practices or improper governmental influence.

In one of its earlier reports, the Pennsylvania Crime Commission (1980: 2) described organized crime follows:

a society that seeks to operate outside the control of the American people and their governments. It involves thousands of individuals working within structures as complex as any large corporation, subject to laws
more rigidly enforced than those of legitimate governments. Its actions are not impulsive but rather the result of intricate conspiracies, carried on over many years and aimed at gaining control of whole fields of activity in order to amass huge profits.

**THE SICILIAN SEED**

One view of the Mafia states that violent crime, organized and ruthless, was transplanted to the United States from Sicily. Much of the research on the Sicilian Mafia is highly speculative, but some compelling research has been conducted during the last two decades to expand our understanding of this organization. Considerable dispute about the basic structure of organized crime in Sicilian society from a historical perspective continues to exist. The official version of organized crime rests on an argument that the Mafia in Sicily was and is a more or less unified group of families operating within a highly organized structure and has dominated the political and social lives of Sicily for at least the last century. The contrary view is that the Mafia as a criminal society never really existed at all, but was and is an apparition created to explain the pervasive corruption and inequity in Sicilian political and social life (Blok 1974).

One of the most comprehensive examinations of the Sicilian Mafia comes from Anton Blok (1974), an anthropologist who studied the Mafia of a Sicilian village for the period from 1860 to 1960. He suggests that what we often call the Mafia is in reality an entity that developed from an association between Sicilian bandits and violent peasant entrepreneurs, the *gabellotti*, who had responsibility for the maintenance of order and security on the large estates of absentee landlords. Hiring other local men, they formed something akin to the vigilante groups of the American West.

The *gabellotti* performed several vital roles in the feudal society of Sicily. One role was as an effective medium of communication among the peasants, the government, and the landlords. Second, *gabellotti* provided land and jobs to the peasants, thus making themselves vital to economic survival. As mentioned, they also managed estates, thereby providing income for the landlords. Fourth, they in reality provided the only social control on the island, acting as unofficial agents of the state to maintain order.

The final role was to provide the only real official power in Sicily in the absence of an effective police force and military (Hobsbawn 1959: 30–56; Blok 1974). In a very real sense, all elements of Sicilian society depended on the *gabellotti*. In its genesis from the *gabellotti*, the Mafia became less a criminal organization and more a business and police organization, providing jobs, social control, and dispute settlements on an island with a poorly organized and ineffective government. In his study, Blok also notes a most important historical and social trend. He suggests, using the Mafia as his prime example, that organized criminals are more often than not allies of the aristocracy to whom they pose no real threat and as a result are inherently conservative and often a reactionary force in society (Blok 1974: 102). Blok's suggestion is supported by the long history of violent conflict between the Mafia and left of center political parties in southern Italy.
Throughout the nineteenth century no single organization monopolized Italian American crime. Along with the Sicilian Mafia, other criminal societies sprang up in various parts of Italy. In Naples in the province of Campania on the Italian mainland, a powerful criminal brotherhood called the **Camorra** also operated. Stemming from a Spanish word meaning *dispute* or *fight*, the Camorra developed during the 1820s as a self-protection society for inmates in the Spanish-dominated prisons of Naples. The organization soon expanded its operations and influence beyond the prison walls in Italy, and bands of criminals implemented extortion schemes. Although Camorra was once thought to be strictly an Italian phenomenon, some evidence indicates that its members also operated in the United States and even warred over turf with Mafia factions in the late nineteenth and early twentieth centuries. These disputes centered on immigrant-smuggling schemes and control of extortion rackets in the poverty-wracked, segregated immigrant Italian communities of early urban America.

Camorra members were much more structured and organized than their Mafia counterparts from Sicily. In Naples, twelve Camorra families existed, with a boss as the supreme leader of each family. In addition, each family was subdivided into groups known as *paranze*, which authorized *capos*, or lieutenants, to assign specific tasks, such as robbery, murder, blackmail, and kidnapping, to its members. In Italy, the Camorra and what we now call the Mafia shared two characteristics: (1) total disdain for governmental and official authority and (2) regard for traditional codes of silence, honor, and respect. Over time, Italian criminals in the Camorra and Mafia, despite their differences, learned to cooperate.
INVESTIGATIONS INTO ORGANIZED CRIME

Much of what we now know about organized crime has been gleaned over the years from a series of official investigations by agencies of the Justice and Treasury departments, as well as state and local law enforcement organizations. Although these organizations had different concerns and agendas, they provided invaluable insight into the inner workings, politics, structure, and behavior of organized crime. To understand this criminal enigma further, we now examine notable investigations into organized crime and consider the results of each.

The Italian Mafia grew and developed during the reign of fascist dictator Benito Mussolini in the 1920s. As the legend goes, however, local mafioso Mayor Don Ciccio, during the dictator’s visit to Sicily in 1924, publicly embarrassed Mussolini. After arriving in the small town of Piana del Greci, Mussolini, who was surrounded by an assembly of his leather-jacketed motorcycle guards, was gently teased by the local Mafia mayor, who exclaimed that “there is no need for so many police . . . your Excellency has nothing to fear in this district when you are with me” (Lewis 1964). It became instantly clear that in Sicily the local mayor had more political and social power than the dictator himself. So Mussolini, a man who saw room for only one absolute power in Italy, was outraged.

Less than one year later, Mussolini installed Cesare Mori as the new prefect of Palermo. Mori’s job was to rid the government of all bureaucrats under Mafia control and replace them with loyal Fascists. In doing so, Mori and his small band of agents were granted almost absolute police power in Sicily.

This assignment was not without its problems, however, for Mori soon found many of his new appointees murdered, some in broad daylight but
with no witnesses. Such murders actually intensified Mori’s investigation, which began to wreak havoc on the local Mafia in Sicily as hundreds of suspected mafiosi, including Don Ciccio, were arrested. As the Mafia purge continued, Mori used torture to extract confessions, brought suspected mafiosi to trial for nonexistent crimes, and for a period of four years suspended the legal rights of Sicilians. Almost as soon as the purge began, Cascio Ferro organized a secret route to help hundreds of young mafiosi escape. Every night ships carrying escapees sailed for North Africa and Marseilles, France. From there many traveled to the New World. Some went directly to New York; others traveled to Cuba, Canada, or Florida. Once they arrived, they huddled in the Little Italys of America. From these ranks came many important figures in organized crime in the United States, among them Carlo Gambino and Joseph Bonanno.

In 1928, Prefect Mori declared the Mafia purge a success; it was true that some of those mafiosi who had been driven out had been Mafia leaders in Sicily. However, the timing of the purge was a disaster for the United States. Although the authorities were successful in ridding Sicily of many mafiosi, this resulted in the relocation of these outcasts to the United States during the early years of Prohibition, a time ripe with opportunities for an organized crime group. Moreover, Mussolini’s purge of the Mafia failed to provide for economic and social reform in Sicily, so after the fall of fascism, the Mafia reemerged there.

It must be remembered, however, that Mori’s investigation was primarily political and dictated by the needs of Mussolini’s fascist government. Evidence and data generated by Mori and Mussolini’s secret police are highly
suspect because of their methods and political goals. It is therefore disturbing
that many of the early allegations emanating from the Federal Bureau of
Narcotics about the alleged power of the Mafia in the United States were
based directly on Mori’s investigation. We would certainly treat revelations of
criminal wrongdoing by Hitler’s gestapo with great caution. That caution
should be extended to Mori’s findings.

From 1900 to 1914, it has been estimated that about 196,000 Italians, includ-
ing large numbers of Sicilians, immigrated to the United States (Nelli 1976: 22),
primarily for economic reasons. Remember that Sicily was still a society based
on a feudal economy. Subsistence living, an inability to own land, and back-
breaking work in the fields characterized life for the general public in Sicily.
Many of these Italian immigrants chose New York and New Orleans for their
new homes. Although the existence of the Mafia was well known by Sicilian
and Italian authorities, U.S. police were still unaware of this large criminal
organization.

The first indication of possible Mafia activity on U.S. soil occurred in the
late nineteenth century when the police chief of New Orleans, David
Hennessey, began to suspect Mafia infiltration into the already thriving
underworld of New Orleans. He was correct; a large number of Italian immi-
grants had immigrated to the Louisiana city, and the Sicilian American
community was plagued by Black Hand extortion gangs. These gangs, which
directed their activity at newly arrived immigrants, soon gained control of
local vegetable markets and dockside shipping and began to exercise power in
local politics by controlling the vote in Italian-dominated precincts. It should
be made clear, however, that these extortion rings bear no similarity to either
the Mafia in Sicily or to the alleged American Mafia of later years. They were
organizations that flourished only in the poverty, discrimination, and despair
of immigrant ghettos. When these desperate communities of newcomers
ceased to exist, so did the Black Hand.

The New Orleans investigation into Italian organized crime began with
the murder of a police informer. Vincenzo Ottumvo had been cut out of the
organization’s profits and then threatened to go to authorities. As he was
playing cards one night, his throat was slit. Chief David Hennessey, a tough
Irish cop who came from a family of police officers, took particular interest in
the murder. Hennessey investigated the case by questioning Italian and
Sicilian immigrants of the Italian quarter. He allegedly criticized Italians in
general by saying that he had no use for them. Hennessey could have been
motivated in his investigation by either anti-Italian prejudice or more self-
serving interests. Several other brutal murders soon caused intense public
pressure for Hennessey to do something.

Hennessey’s Mafia Pact

During the late 1880s, there was an intense conflict for control of the
extortion rackets in the Italian community in New Orleans between the
Provenzano family and a gang controlled by Anthony and Charles
Matranga. The murders that Hennessey was investigating were part of this
conflict. After Anthony Matranga was wounded by gunfire when he was
driving a horse-drawn wagon, Hennessey investigated and decided that the
Provenzano faction was the lesser of the two evils and chose to pursue the
Matrangas by making a pact with the Provenzanos: If they would help him
stamp out the Matranga gang, he would tolerate Provenzano rackets in New Orleans. A less charitable interpretation was that Hennessey was not an intrepid law enforcer, but merely a corrupt official who engaged with the Provenzanos in alien smuggling. It can be argued from this perspective that the Hennessey investigation was designed to enhance the prospects of one organized crime group at the expense of the others for purely pecuniary reasons.

In any event, Hennessey wrote the police in Palermo, Sicily, requesting names and descriptions of suspected criminals who could be residing in New Orleans. Sicilian authorities complied by sending dossiers on more than 100 Sicilian criminals who had immigrated to the New Orleans area. Hennessey was elated and announced that he would expose this alien organized crime threat at a special upcoming hearing. Unfortunately for him, however, someone had already planned Hennessey’s assassination, which was carried out successfully on October 15, 1890, on a dark, lonely street. As he approached his house, Hennessey was caught in a barrage of shotgun blasts. Although he managed to return fire on the dozen or more gunmen, he was hit at least half a dozen times. Overhearing the gunfire in the next block, police Captain William O’Connor came running to find Hennessey slumped on a curb. As the captain held the chief in his arms, Hennessey said, “The Dagoes . . . Billy . . . oh, Billy, they have given it to me . . . and I gave it back the best I could” (Encyclopedia of Crime 1993).

An Outraged Community

News of the murder shocked and outraged the community, which was already strongly biased against immigrants in general and Italian immigrants in particular. Civic groups and vigilantes gathered on the streets, crying out for Italian blood. Italian organized criminals immediately went into hiding. The repercussions of the assassination were felt almost at once when nineteen Italian immigrants whose names appeared in Hennessey’s files were indicted for his murder. Also indicted was Charles “Millionaire Charlie” Matranga, who, along with several others, had allegedly given the order for Hennessey’s murder. The district attorney claimed to have secured a confession from one of the suspects, who said that he was the lone gunman in the murder. However, police believed that the suspect was acting as a sacrificial lamb to protect others who were also responsible. The confession was not accepted so that all those indicted could stand trial.

Of the eighteen Italians tried in the case, nine were exonerated by the jury and the nine remaining suspects remained in prison while their files were slowly processed. The news of the court decision was spread by posters placed all over the city asking “all good citizens to appear at Clay Statue to remedy the failure of Justice in the Hennessey murder.” On May 14, 1891, thousands of boiling mad citizens heard W. S. Parkerson, a New Orleans lawyer, address the crowd. “When courts fail, the people must act,” he shouted. “What protection or assurance of protection is there left us when the very head of our police department, our chief of police, is assassinated in our very midst by the Mafia society, and its assassins again turned loose on the community?” The citizens of New Orleans were outraged and immediately organized their own brand of justice, dispatching a massive lynch mob to the jail. The lynch mob killed eleven people, some of whom were not connected to the Hennessey murder.
The popular press seized on the assassination and suggested the existence of a secret Italian criminal conspiracy throughout the country. Because no evidence was produced to indicate that such a criminal organization existed and the defendants had not been found culpable in the police chief's murder, why did the press and official police sources so quickly adopt this sinister view of a foreign conspiracy? Smith (1974) provides the following explanation: “Whatever may have been the facts of Hennessey’s murder, the trial, and the lynching, we can see in retrospect that the reality of a Mafia had to be pressed as a justification for the lynch mob’s action.”

The doctrine of necessity, not revenge, became the high-principled defense of the mob’s leaders. “What were they to do?” John Wickliffe, third in command of the mob, asked rhetorically in Truth, two weeks after the lynching: “Submit to this outrage upon justice, and tamely offer their necks to the yoke of alien criminals, or strike in defense of civilization and organized society?” The mob leaders did not “see” the Mafia of other observers; they had been led to see only violent men whose power, according to the Illustrated American, was believed to be dwindling in Italy and who were consequently “transplanting their organization to the United States.”

Based on the facts of the Hennessey case, many researchers have argued that at the turn of the century the Mafia existed in the United States primarily in a lynch mob’s collective imagination. After the New Orleans incident, however, until the Kefauver Committee hearings in 1950, the single most comprehensive and credible exploration of organized crime was John Landesco’s Organized Crime in Chicago. In this work he does not mention an American Mafia and refers only in passing to the Sicilian Mafia (Landesco 1929: 108–109, 120).

The Castellammarese War (also discussed in Chapter 3) is a vital component in understanding the alleged origins of the U.S. Mafia and the important role that the alien conspiracy theory has played in the study of organized crime. This is the juncture at which the modern Cosa Nostra allegedly emerged after the wholesale execution of old-time Sicilian crime leaders. On September 10, 1931, Salvatore Maranzano, “the boss of bosses” in the United States, was assassinated. Cressey (1969: 44) tells us that “on that day and the two days immediately following, some forty Sicilian gang leaders across the country lost their lives in battle.”

Cook (1973: 107–108) relates the story as follows:

Within a few short hours, the old-time crime bosses who had been born and reared in Sicily and were mostly illiterates—the “Moustache Petes,” or the “greasers” as they were sometimes called—were liquidated by the new breed of Americanized, business-oriented gangsters of the Luciano–Costello–Adonis school. Beginning on September 11 and lasting through the next day, some thirty to forty executions were performed across the nation.

In an attempt to verify this information, Block reviewed newspapers published in eight major U.S. cities for a four-week period surrounding Maranzano’s assassination. He reported (1978: 460), “While I found various accounts of the Maranzano murder, I could locate only three other murders that might have been connected.” He added, “It is by no means clear why so
Despite millions of dollars of graft and corruption money spread around the country during the early 1930s, Lucky Luciano, Lepke Buchalter, and other major organized crime figures in New York City were unable to entirely deflect government intervention at high levels. Using a variety of charges, including income tax evasion, some federal prosecutors were successful in incarcerating a few organized crime figures.

One of the earliest gangsters to fall to prosecution for tax problems was Al Capone, who was found guilty of tax evasion in May 1932 and sentenced to eleven years in a federal penitentiary. It should be noted that, according to veteran organized crime reporter Hank Messick (1973), the Capone conviction was realized only after Jake Lansky, Meyer Lansky’s brother, had suggested a tax prosecution to IRS officials and supplied them with at least some of the data necessary to secure a conviction. Messick alleges that Lansky and others thought that Capone was too public, too visible, and too notorious to be allowed to continue as a major organized crime figure. Arranging for him to be jailed was a far neater solution than having him killed.

Dewey's Mafia War Begins

One of these prosecutors, 34-year-old U.S. District Attorney Thomas E. Dewey gained national attention for convicting “Waxy” Gordon on a similar charge in New York. Perhaps only coincidentally, Gordon’s conviction followed his dispute with Lansky, Owie Madden, Lucky Luciano, and other New York crime figures. After this conviction, Dewey focused on famous Bronx gangster Dutch Schultz, a former ally of Lucky Luciano, who was then involved in a major dispute with Lansky and Madden and who was thought to net $20 million annually from extortion rackets (see Chapter 3).

Despite evidence that Schultz owed literally millions of dollars in back taxes, Dewey charged him with failure to pay $92,103.34 between 1929 and
1931. After evading authorities for over a year, Schultz finally gave himself up in Syracuse, New York. Even though Dewey thought he had an airtight case, Schultz’s clever lawyers were able to secure a deadlocked jury in the first trial and, in the second trial, which occurred in the small town of Malone, New York, they obtained a farcical acquittal that shocked the nation. Schultz’s acquittal resulted from his arrival in the town several weeks prior to the trial, during which time he seeded the town with money, clearly influencing the jury’s decision.

Dewey, now acting as a special prosecutor in New York City, was relentless, however, and pursued Schultz again in 1935. The new charge focused on Schultz’s restaurant-protection racket and included the charge of murder. Schultz’s problems with Luciano, Lansky, and Madden were reaching a head, however. They had moved in on some of Schultz’s rackets, and when Schultz tried to reclaim them, he suspected that he had been double-crossed and responded by killing his own lieutenant with his bare hands. Like Capone, Schultz was too much in the public view and too ready to use violence to solve his problems. Such tactics were not good for business, and other organized crime figures became intensely concerned about the Dutchman. Predictably, Schultz responded to Dewey’s investigation in precisely the way his colleagues feared that he might. He asked Albert Anastasia to accept a murder contract on Dewey. Anastasia immediately informed Luciano and Lansky. The only solution to the problem was for the more responsible leaders of organized crime to have Schultz assassinated. Schultz and three of his gang leaders were shot to death while eating dinner at the Palace Chop House in Newark, New Jersey.

With Schultz out of the way, Dewey focused on a new target, Lucky Luciano. After several madams, bonders, and bookers went to Dewey and offered to supply the information necessary to convict Luciano on prostitution charges (discussed later), a special grand jury handed down indictments that carried a maximum penalty of 1,950 years in prison. Dewey’s charges against Luciano consisted of sixty-two counts of compulsory prostitution. Sixty-eight of Luciano’s associates offered testimony against him, and their testimony ultimately brought him down. The jury found Luciano guilty on all counts, resulting in the stiffest sentence ever handed down by the courts for compulsory prostitution: thirty to fifty years. Despite his incarceration, Luciano remained active in organized crime, transmitting messages from the visiting room at Dannemora State Prison in upstate New York. Most communications were sent through Luciano’s trusted ally, Joe Adonis. In his absence, Luciano’s management hierarchy consisted of Frank Costello, Vito Genovese, and Meyer Lansky.

Other problems in the New York underworld surrounded Louis Buchalter. Buchalter and his partner, Jacob Shapiro, had been running rackets associated with the garment and foodstuffs business. Word was out that he was going to expand from labor racketeering into drug trafficking. Soon his ostentatious life-style and prolific use of violence attracted the attention of Tom Dewey, who was then the Manhattan District Attorney. By late 1937, Buchalter realized that his prosecution was imminent. For two years, with help from Lansky, Anastasia, and others, Buchalter hid out in Brooklyn. While in hiding he became more and more paranoid. He dispatched hired killers to murder witnesses who were to testify against him. Once again, the excessive use of violence created problems for Lansky, Siegel, Anastasia, and the other gang leaders in New York. Murdering Buchalter would be difficult at best,
The official, government version of organized crime in the United States begins to emerge most clearly in the report of the Senate’s Special Committee to Investigate Organized Crime in Interstate Commerce, chaired by Senator Estes Kefauver of Tennessee. The committee was impaneled in 1950 and was charged with determining the existence of a national crime syndicate using the wire services to transmit the outcomes of horse races to bookies. The committee went far beyond that, however, when it claimed in its interim report that an international criminal conspiracy known as the Mafia, originating in Sicily, was responsible for organized crime in the United States. During the two years of its operation, the committee called more than 600 witnesses to testify about organized crime. The nation watched the hearings on television, then still a new medium, as details of greed and violence surfaced, interspersed with frequent recitations of the Fifth Amendment.

The Kefauver Committee presented valuable information on organized crime, calling before it luminaries such as Meyer Lansky, Frank Erikson, and Nig Rosen. The committee’s investigation undoubtedly was invaluable to the study of organized crime. But what the committee did not do in any way was to demonstrate the existence of an international Mafia conspiracy. Senator Kefauver and his colleagues never heard any direct or indirect testimony supporting the Mafia model.

Neither the testimony presented to the Senate Special Committee nor Kefauver in his book (1953) presented any real evidence that the Mafia exists as a functioning organization. Police officials asserted before the Kefauver Committee their belief in the Mafia, and the Narcotics Bureau testified to its belief that a worldwide dope ring, allegedly run by Luciano, was part of the Mafia. When nearly all the Italian gangsters asserted that they didn’t know about the Mafia, Senator Kefauver and Rudolph Halley responded incredulously that certain crimes bear “the earmarks of the Mafia” (Bell 1953: 139).

The only information dealing with any national criminal organization presented to the committee came from law enforcement officials. Despite this fact, the committee gave in to the apparently overwhelming temptation to demonstrate that organized crime in the United States could exist only in the context of an alien conspiracy. Even some law enforcement officers found that the Kefauver conclusion strained credibility. Burton B. Turkus, the
prosecutor of the Murder, Inc., cases, discounts the Kefauver conclusions (Turkus and Feder 1951) stating:

If one such unit had all crime in this country under its power, is it not reasonable to assume that somewhere along the line, some law agency—federal, state, county or municipal—would have tripped it up long before this? No single man or group ever was so clever, so completely genius, as to foil all of them forever. . . . In fact, as a factor of power in national crime, the Mafia has been virtually extinct for two decades.

Despite a lack of direct evidence of any kind of national conspiracy such as a Mafia, Senator Kefauver without a doubt had found organized crime and did a valuable job of exposing it to the U.S. public. He made Meyer Lansky, Bugsy Siegel, Frank Erickson, Frank Costello, Nig Rosen, and others household names. As is clear from this list, most of the witnesses, however, were not Mafia members or even Italian. The Kefauver Committee exposed a pervasive network of organized criminals operating in alliances with local politicians, but it never found the Mafia.

Just as the concept of the Mafia began to recede following the sensational disclosures of the Kefauver hearings, new evidence rekindled fears about a national criminal organization. In 1944 Edgar Croswell, a state trooper in New York, arrested an employee of Joseph Barbara, Sr. (“Joe the Barber”), for stealing fuel. When Barbara refused to file charges, Croswell began to suspect that Barbara himself could be a criminal. Accordingly, he began a fourteen-year investigation of Barbara, which included the use of phone taps. On November 14, 1957, Croswell was watching the Barbara home in Apalachin, New York, when he noticed a large number of people arriving there (the Apalachin incident). Because of his long-harbored suspicions of Barbara, Croswell set up a roadblock and instituted a check of license plate numbers. New York state troopers and local police raided Barbara’s home, and Croswell searched each vehicle and occupant, allegedly for possession of illegal firearms. After netting no contraband in the search and because no law appeared to have been broken, Croswell had no choice but to let the suspects go, although the police arrested a few people for disorderly conduct. They eventually “walked” on this minor charge. The license plate check ultimately enabled Croswell to compile a list of names and addresses of the guests, but it took almost a full week for officials to attach any significance to Barbara’s barbecue guests.

Problems with the Apalachin Incident

The significant question of what between twenty and one hundred leading Italian gang figures were doing in Apalachin remains unanswered. By most accounts, the meeting at Apalachin had been the Mafia’s most famous—and most disastrous—summit meeting ever. It was supposedly an assembly of top Mafia dons in the country to anoint Vito Genovese as their new boss of bosses and to cover an agenda of mob business, most notably whether to go into the drug trafficking trade in a major way. Others, including Robert Kennedy, Narcotics Bureau agent Joe Cusack, and later Cressey, described it as a meeting of La Cosa Nostra’s National Commission. Senator McClellan believed that the meeting suggested a “lawless and clandestine army—at war with the government and people of the United States” (Morris and Hawkins 1970: 228).
Very few valid and reliable data about the incident at Apalachin are known, however. The following are discrepancies about the incident:

- **How many attended?** Senator McClellan believed there were fifty-eight guests. Robert F. Kennedy cited more than one hundred, and other estimates ranged from sixty-five to seventy-five (Morris and Hawkins 1970: 225; Albini 1971: 237). However, these estimates included bodyguards, chauffeurs, and casual visitors who happened to be Italian. One unfortunate “master criminal” was there to deliver fish.

- **Different authorities confidently gave widely varying accounts of the weather that day and the attitudes of the guests.** Sondern called it “unusually mild for November” and noted that guests were in “decorous good humor.” Buse used the same source to show that the temperature was “just above freezing” and the men were filled with “awkward discomfort” (Morris and Hawkins 1970: 227).

What is remarkable about Apalachin is what we do not know: Who was there? How many were there? What were they doing? Assuming that we accept the “grand council” view, what had caused such a gathering? Popular theories concerned the future course of narcotics and gambling, the fate of Cuban investments, or the balance of power in the New York underworld. Albert Anastasia had recently been killed, there had been an attempt on the life of Frank Costello, and Vito Genovese appeared to be rising rapidly to a dominant position. Was Apalachin intended to confirm his power and justify his deeds or to condemn him? Much depends on whether we accept the theory that the meeting was called by Genovese himself (Morris and Hawkins 1970: 228).

The wide disparity in possible interpretations should immediately indicate that none of the theorists had any specific information on the matter. Plenty of experts, notably the Narcotics Bureau and, later, Joe Valachi have attempted to prove the importance of Apalachin as it relates to organized crime. We certainly should not reject out of hand the common claim made at the time that the guests were there to visit Barbara during his illness. If more sinister motives are required, possibilities include the McCllellan Committee investigation into the garbage-hauling business (Smith 1974: 12), a jurisdictional appeal from Carmine Lombardozzi over control of jukeboxes, and labor problems in the garment industry of New York and northeastern Pennsylvania (Albini 1971: 248–249). This last suggestion is strengthened by the geographical origins of the participants of the meeting. Thirty-one were from New York, eight from New Jersey, six from Pennsylvania, and twelve from other locations. The list bore no resemblance to the supposed distribution of Mafia families, but as a convention of Italian garment manufacturers, it made excellent sense.

### Impact of the Apalachin Incident on the FBI

The Apalachin meeting caused considerable embarrassment for J. Edgar Hoover’s FBI. Prior to it, Hoover had confidently asserted that there was no such thing as organized crime in the United States, but that the threat of communism was the most important national problem. While the FBI turned out reports on bank robberies, auto thefts, and espionage, it collected virtually no data on organized crime. Once the story of Apalachin surfaced in the news,
the bureau’s neglect ended. While Hoover’s agents were scrambling to collect information on the Mafia, Attorney General Robert Kennedy was demanding access to criminal data dealing with the Apalachin conferees for his McClellan Committee hearings. No such files were available, but, Kennedy received a plethora of information from Harry Anslinger’s Federal Bureau of Narcotics (FBN), which had been tracking alleged mafioso for decades.

The following year, 1958, Hoover’s demand for immediate action resulted in a two-volume FBI report on the Mafia, but it also embarrassed Hoover because it revealed that the Mafia had been in business during the entire time that he had been denying its existence. In any case, to save face, the FBI began an aggressive effort to build its image as the nation’s top Mafia foe. Within days after the Apalachin incident, Hoover initiated the Top Hoodlum Program that asked FBI chiefs to identify the top ten gangsters within their jurisdictions. Next Hoover began an extensive use of wiretaps on suspected mobsters. The technique, which drew considerable criticism from civil libertarians, was an effort to swiftly fill the FBI’s intelligence void. It did just that and proved to be one of the most powerful investigative tools ever used against organized crime.

The final piece required to build a conspiracy theory around the Mafia was found in 1963 when Joseph Valachi testified before the McClellan Committee, which was looking into the relationship between narcotics trafficking and organized crime. While a prisoner at the U.S. penitentiary in Atlanta, Valachi beat another prisoner to death. His prison indiscretion proved to be a major break for Attorney General Robert Kennedy as chief counsel for the McClellan Committee. Valachi offered Kennedy testimony out of fear that New York crime boss Vito Genovese had put out a contract to have Valachi killed. This proved to be a miscalculation on Valachi’s part, for he was never actually marked for assassination by the mob. Valachi provided the information necessary to construct the operational framework of the mob. His testimony shed light on many questions about the inner workings of the Mafia. He introduced the term La Cosa Nostra and made known the existence of the Commission, the mob’s supreme council.

More important, Valachi outlined the mob’s hierarchical structure and discussed the geographic distribution of criminal families across the nation. In all, he named 289 specific individuals as members of the Mafia. He described the mob’s casual use of murder and violence and the particulars of a Mafia initiation ritual for new members. In exchange for his testimony and breaking the Mafia’s code of silence, Valachi was placed in the federal witness protection program. Interestingly, six weeks after Valachi completed his testimony before the McClellan Committee, John F. Kennedy was assassinated in Dallas.

Problems with Valachi’s Testimony

Because so much information was gleaned from the testimony of Joe Valachi, it is important that his performance be reviewed and his credibility tested. Valachi’s testimony, in all its particulars, has been so thoroughly demolished by Smith (1974), Albini (1971), and Morris and Hawkins (1970) that we need only highlight some of the major problems and inconsistencies with his story.

First, Valachi’s testimony must be put into context. Valachi was a small-time, petty hood who, during more than thirty years as an alleged Mafioso,
claimed to have been involved in more than thirty-three murders and to have supervised several different rackets for the Gambino family in New York. During that time, however, none of Valachi’s bosses ever saw fit to promote him in the organization or even go out of their way to protect him. Because Valachi’s testimony was motivated by the need for protection from his fellow criminals and the desire for revenge, he clearly was not presenting his version of organized crime from an unbiased, objective point of view.

The problems with Valachi’s story start with his most basic assertion, the name of the criminal conspiracy of which he claimed to be a part. To this day, it is not clear that the words he actually used in his testimony were La Cosa Nostra. In addition, Valachi denied the use of the word Mafia, saying he knew the organization only by the name La Cosa Nostra (Morris and Hawkins 1970: 213). Beyond the issue of the name, there were other serious problems with Valachi’s testimony:

- He contradicted himself several times on the issue of La Cosa Nostra initiations. First, he claimed that they represented a major socialization process in which new “family” members met the veterans, but later admitted that in his thirty-five years as a Cosa Nostra member, he had attended (or even been invited to) only his own initiation. No committee members pursued this issue despite the fact that much was later made of the initiation process.
- Valachi committed a serious error in discussing the death of Murder, Inc., hitman Abe Reles (Morris and Hawkins 1970: 217–281). Valachi claimed that Reles’s death was a clear indication of how effective La Cosa Nostra was at silencing potentially damaging witnesses, even those under police protection. However, his assertion was contradicted by the record of a grand jury inquiry into the death, which indicated that Reles had died accidentally while trying to escape. We may or may not choose to believe Valachi; it was a common opinion that Reles had been murdered. But the committee did not pursue the issue of who Abe Reles was. It is obvious
that he was not Italian. In fact, he was an associate of Lepke Buchalter. In no way could an assertion be made that he was part of La Cosa Nostra. Valachi clearly had to reach to come up with this example, or his conception of La Cosa Nostra is not as clear as we have been led to believe.

- Valachi seriously contradicted himself on issues of the actual structure and operations of La Cosa Nostra. The prosecution went into great detail asking about the absolute loyalty, obedience, and fidelity to rules that governed the lives of Cosa Nostra members. This concept of a highly disciplined organization was vital to the official theory. However, in the course of his testimony, Valachi identified at least one area in which “absolute obedience and conformity” appeared to become meaningless: the prohibition against dealing in narcotics. Valachi stated that following the death of Albert Anastasia, the bosses decreed that there would be no further trafficking in narcotics. It was a clear-cut, unequivocal proscription against dealing in dope. However, later Valachi said that the narcotics trade was a financial mainstay of La Cosa Nostra and that even the bosses themselves disregarded their own rule (Morris and Hawkins 1970: 219–220).

- Valachi claimed that La Cosa Nostra provided assistance to family members who were in trouble, specifically providing lawyers, bail, and other services. However, he later testified that he had never received such protection or service from his family, no lawyers, and no bail (Morris and Hawkins 1970: 222). The McClellan Committee made a great deal of this contradiction.

Valachi’s testimony was not corroborated by other testimony; it contained serious internal contradictions, and others contradicted it. At the very least, the reliability of some of his recollections and their ex post facto interpretation must be called into question.

Prior to the presidential election of John F. Kennedy in 1960, it was well known that organized crime had long-standing ties to his father, Joseph P. Kennedy, an associate of many well-known criminals and bootleggers of the Prohibition era. Some evidence, much of it from the recollections of alleged Chicago mafioso Sam Giancana, suggests that the mob played a role in the campaign and election of John F. Kennedy. FBI wiretaps from that period have shown that Chicago organized crime figures put large amounts of money into the general election campaign to get out the vote for Richard Daly’s Democratic machine in Chicago. During the 1960 election, one of the more crucial states for the Democratic vote was Illinois, where the Chicago vote had to outweigh the votes from the traditionally Republican rural areas.

Despite allegations of mob assistance to the Kennedy campaign in Chicago and possibly West Virginia, President Kennedy’s brother Robert probably played the most significant role in combating organized crime of any government official in U.S. history. As soon as he was appointed United States attorney general, Robert Kennedy made it clear that he had no intention of changing his long-standing opposition to organized crime. In fact, in his first speech as head of the Justice Department, he vowed to root out organized crime. In doing so, he pressured J. Edgar Hoover to collect more intelligence through the use of bugs and wiretaps. In the meantime, Attorney General Kennedy beefed up the Justice Department’s Organized Crime Section by
adding forty-two lawyers to the staff and opening new field offices in Chicago, New York, Los Angeles, and Miami. Despite his brother John’s friendship with Frank Sinatra, Robert ordered a full report of Sinatra’s mob connections, resulting in a nineteen-page memo connecting Sinatra with ten high-ranking mob bosses.

Robert Kennedy instructed the task force to prosecute organized crime group members aggressively, which it did. At the end of Robert Kennedy’s first year in office, more than 120 mobsters had been prosecuted. This number increased to an impressive 350 during his second year in office. By 1963 the number had soared to 615 organized criminals who had been arrested and prosecuted successfully under Attorney General Kennedy’s lead. In addition to winning much support for numerous laws that criminalized interstate travel in support of illegal gambling or racketeering, Attorney General Kennedy also actively solicited information from other federal agencies, such as the Federal Bureau of Narcotics.

Palermo’s Maxitrial

During the 1970s, New York police broke up the so-called French Connection: the pipeline for heroin shipments to the United States from Marseilles, France. This disruption resulted in a new connection being formed; this time the heroin was traveling to the United States via Palermo, Sicily.

As the fierce competition for dominance of the heroin trade increased in Palermo, Sicily, its crime rate soared, with an average of two murders per week. In 1982, for example, victims of the Mafia included political leaders, two police chiefs, and two judges. According to some estimates, by 1983 approximately 1,000 people had been murdered. As the heroin wars continued, two Mafia dons from Corleone, Salvatore Riina and Bernadardo Provenzano, emerged as victors, and other dons, including Don Masino, otherwise known as Tommaso Buscetta, were marked for extinction by rivals.

Buscetta’s Dilemma

Fearing for his life, Buscetta fled Palermo for South America, where he could resume control of his operations in Brazil. However, in October 1983 he was surprised by Brazilian authorities, who arrested him and held him in custody while U.S. and Italian authorities conferred as to who would try him for his role in international heroin trafficking. It was finally determined that Buscetta would receive the harshest treatment from courts in his native country, and extradition proceedings began. After hearing that he was being extradited back to Italy, Buscetta tried to kill himself by swallowing strychnine, for he knew that to return to Italy meant imminent humiliation and eventual death.

After the failed suicide attempt, Buscetta resolved that he would turn state’s witness against those who had marked him, his family, and loyal followers. Until then, those who had chosen to testify against Mafia figures were merely low-level actors in Italy’s underground. Buscetta’s testimony would mark the first time that a ranking don would openly break the sacred code of omerta. As it turned out, Buscetta testified in two major criminal inquiries, Palermo’s maxitrial and the Pizza Connection case (discussed next) in the United States.

Palermo’s maxitrial was like no other in the history of the country: 474 mafiosi were indicted. Of those, about half were jailed and tried, and those not jailed were tried in absentia. In either case, so numerous were the defendants
that a special maximum security courtroom was constructed, which included thirty steel cages located behind partitions of bulletproof glass. The indictments were compiled in twenty-two volumes of legal documents consisting of 8,607 pages. Defendants, caged in the courtroom, were known to spit on and threaten journalists and courtroom officials. By the conclusion of the lengthy trial, 254 convictions had resulted, carrying sentences totaling 1,576 years in prison.

The testimonial floodgates were now opened, and significant information about the organizational structure became public knowledge. Buscetta detailed rules, tactics, connections in high places, and networks of both illegal and legal enterprises for the court. Of particular importance, Buscetta named other Mafia dons. Adding to the credibility of his testimony was corroborating testimony from at least a dozen other mafiosi from the losing side of the heroin war.

The most important victories of the maxitrial were the life sentences of all members of the Cupola, a twelve-member commission formed to facilitate the smooth running of Palermo's Mafia families. After providing both Italian and U.S. authorities with invaluable testimony, Buscetta was placed in the witness protection program and whisked away, along with his wife and children, by agents of the U.S. Marshal's Service to assume a new identity somewhere in the United States.

### The Pizza Connection

Much of what has been learned about the Italian American crime syndicates and the Sicilian Mafia was gleaned through a major investigation known as the Pizza Connection. It addressed several gangland killings, including that of New York’s Carmine Galante in 1979, but it primarily involved heroin smuggling, which began with Sicilian Mafia drug shipments from the Golden Triangle (Laos, Burma, and Thailand) to Palermo and then to U.S. cities such as New York and Miami. Once safe in the United States, the drugs were trafficked by the Bonanno crime organization. Bonanno wise guys then sold the drugs at pizza parlors, often utilizing the services of illegal immigrants smuggled in from Sicily. The Bonanno faction also used other retail outlets in the Northeast and Midwest. In fact, it was alleged that between 1979 and 1984, pizzerias in the East and Midwest acted as distribution points for at least 330 pounds of heroin per year, worth an estimated $1.6 million on the street.

The two primary defendants in the Pizza Connection case were Gaetano Badalamenti, the sixty-year-old former Mafia boss in Sicily, and Salvatore Catalano, a power boss with the Bonanno organization, who operated a bakery and pizzeria. According to testimony in the case, Badalamenti and his faction acted as the main supplier of heroin, and Catalano’s people were the primary distributors. The prosecution alleged that the Pizza Connection brought massive quantities of morphine base from Turkey to Sicily, where it was refined into heroin and then shipped to the United States. The Sicilian Mafia’s share of the drug sales resulted in millions of dollars of profit over a ten-year period. Most of the estimated $60 million profit was hidden by an elaborate international money-laundering scheme, which involved banks in the United States, Bermuda, the Bahamas, and Switzerland.

A key witness for the prosecution was Joseph D. Pistone, known by mobsters as “Donnie” Brasco, a jewel thief. Pistone was an FBI agent who had been undercover with important New York mob figures for more than five
years. Pistone's testimony helped secure the convictions not only in the Pizza Connection case, but also in trials of an additional hundred mobsters. Most important, the case demonstrated the effectiveness of government efforts to crack down on organized crime.

The success of the Pizza Connection case can be attributed to a unique brand of interagency communication between police in the United States, Canada, Italy, and other European countries. The case resulted in trials in the United States, Brazil, Turkey, Germany, and Switzerland during the mid-1980s.

Although the trial lasted seventeen months, one of the longest in U.S. federal court history, it resulted in the conviction of eighteen American and Sicilian mob bosses involved in the Pizza Connection, all but one of the defendants charged in the case. Among the guilty were Sicilian mob boss Gaetano Badalamenti, sentenced to thirty years in prison, and Salvatore “Toto” Catalano, of Brooklyn, who received forty-five years for his role in the operation.

**Giuliani's Mafia Trials**

During the 1980s a new crime buster appeared on the scene. Rudolph Giuliani, the U.S. attorney for New York's Southern District, relentlessly pursued Italian organized crime syndicates in New York by preparing detailed criminal cases for prosecution. Giuliani’s rise to fame came in the summer of 1986 when, following an eight-month trial, a federal jury convicted Carmine Persico and eight others for operating labor rackets in New York’s Colombo crime family. The case revealed that what is referred to as the Colombo organization controlled several unions, which included the District Council of the Cement and Concrete Workers, and that millions of dollars had been extorted from construction companies in New York. The lengthy trial was successful in showing that even from his cell Persico had been able to direct a pattern of racketeering dating back more than fifteen years. The trial included testimony from more than 100 witnesses and hours of tape recordings of the mob’s attempt to gain control over the city’s construction industry. A long line of contractors testified that they had paid organized crime to get and keep jobs.

Giuliani’s ambition to pursue organized crime was fueled by intimidation suffered by his grandfather, an immigrant from Sicily, who had had occasional run-ins with Italian extortion gangs while trying to run his hot dog stand at Coney Island. Giuliani used two powerful tools in his prosecutions: the Racketeer Influenced and Corrupt Organizations Act (RICO) and electronic surveillance. RICO represented the major legal basis for prosecuting the mob. RICO, mentioned earlier and discussed in greater detail in Chapter 9, enabled the government to prosecute a person simply for being a member of a “criminal enterprise” engaged in a “pattern of racketeering.” Even if specific crimes had been committed by other members, all members of the enterprise were guilty.

The FBI and local police acquired court orders that permitted them to bug mob members’ telephones and places of business. Stacks of evidence soon resulted from these powerful investigative tools. Included in evidence were photographs of individuals associated with organized crime talking in doorways; the photographs were supported by audiotapes of their conversations, which included detailed discussions of murders, extortion demands, payoffs to corrupt officials, and drug trafficking. The tapes recorded the defendants bragging about being tough and powerful, making money, and the respect they were shown by associates.
Another important outcome of Giuliani’s investigations was that, for the first time, dozens of organized crime figures, afraid of being convicted and sent to prison, were coming forward and testifying against their superiors. By 1983 the FBI boasted that since 1979 the government had convicted almost 500 predominantly Italian criminals and their associates as the result of organized crime investigations. In 1993 Giuliani was elected mayor of the city of New York, and as part of his campaign platform, he promised to continue his pursuit of organized crime and its related criminal enterprises.

Sworn in as FBI director in September 1993, Louis Freeh vowed to attack organized crime with “unprecedented dedication of purpose.” Freeh had built a reputation for his role in prosecuting the Pizza Connection. As a result of that case, Freeh became well acquainted with investigators on both sides of the Atlantic. In late 1993, Freeh became the first FBI director to travel to Palermo, Sicily, and meet with Sicilian officials as a gesture of goodwill and cooperation in mounting a modern-day attack on organized crime forces in both Italy and the United States. In his speech there, which was delivered at the grave sites of slain judges in Palermo, Freeh stated: “You are not men of honor but cowardly assassins of children . . . we will root you out from under every rock, from the dark places where you hide” (Meddis 1993).

The Pizza Connection Case

Couriers of the Bonanno family were to transport U.S. currency, usually in denominations of $5, $10, and $20, out of the country by private jet to Bermuda or Switzerland. These funds were then transferred from Bermuda or Switzerland to their criminal recipients in Sicily. The money was used to pay for the raw opium used in manufacturing heroin in Sicilian laboratories and to finance new laboratory operations. One of these couriers was Franco Della Torre, who in March 1982 deposited more than $1 million in the Traex account at the Manhattan office of Merrill Lynch Pierce Fenner and Smith. He then made four additional deposits totaling $3.9 million in the same account the following month. When making these large deposits, Torre always requested that security personnel accompany him to the Merrill Lynch offices. After Torre consistently refused to enter the money room (where there were surveillance cameras) and generally acted suspicious, Merrill Lynch questioned the legitimacy of the transactions and soon closed the account. Torre then moved his laundering operation to the Manhattan office of E. F. Hutton & Company. During the next three months, Torre made seven cash deposits totaling $5.2 million in the Traex account. Eleven additional cash deposits were made by Torre over the following two months, totaling $8.25 million. The last deposit was made in a different account bearing the name Acacias Development Corporation. Torre’s deposits totaled more than $18 million (many of which were gym bags full of cash), most of which was either transferred directly to Switzerland or out of the country via a special holding account under the fictitious name P. G. K. Holding. The heroin network of Torre and his Mafia counterparts is estimated to have laundered a minimum of $24.4 million between October 1980 and September 1982.

Louis Freeh and the New Mafia War

MODELS OF ORGANIZED CRIME

Various theories on organized crime have been presented over the years to help social scientists to better understand this phenomenon. Each theory approaches the topic of organized crime somewhat differently and offers interesting insight for consideration and study.
In 1983, under the Reagan administration, the President’s Commission on Organized Crime (PCOC) was established to study the nature and extent of organized crime in the United States and to develop strategies and recommendations to combat it. Chaired by Judge Irving R. Kaufman, the PCOC was considered the most significant commission of its nature since the Kefauver Committee conducted its hearings on the subject some thirty years earlier. The contribution of the PCOC’s investigation of organized crime is likely more significant than those that preceded it because of the commission’s ability to subpoena witnesses and compel testimony. In April 1986, the PCOC developed its final report that clearly delineates levels of involvement of members and nonmembers of organized crime. These levels include the criminal group, the protectors, specialized support, user support, and social support.

The Criminal Group

Representing the core of the organized crime unit, the criminal group is made up of persons who utilize criminality and violence and are willing to corrupt in order to gain power and profit. The following are characteristics of the criminal group.

- **Continuity.** The group recognizes a specified purpose over a period of time and understands that the organization will continue operating beyond the lifetimes of individual members. This group also realizes that leadership will change over time, that its members work to ensure that the group continues, and that members’ personal interests are subordinate to those of the group.

- **Structure.** The criminal group is structured as hierarchically arranged interdependent offices devoted to the accomplishment of a specific function. This means that the group can be either highly structured, like La Cosa Nostra, or extremely fluid, like the Colombian drug cartels. In any case, it is organized by ranks that are based on power and authority.

- **Membership.** The criminal group membership is based on a common trait, such as ethnicity, race, criminal background, or common interest. Potential members of the group must prove their loyalty to the group. In most instances, membership requires a lifetime commitment. Membership rules include secrecy, a willingness to commit any act for the group, and an intent to protect the group. In return, members receive benefits from the

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**Well-Known Commissions Investigating Organized Crime**

- The Chicago Commission of Inquiry, 1915: attempted to define institutionalized crime
- The Wickersham Commission, 1931: studied the impact of Prohibition on criminal activity
- Senate’s Special Committee to Investigate Organized Crime in Interstate Commerce (The Kefauver Committee), 1950: investigated organized crime involvement in interstate commerce
- The McClellan Committee, 1963: persuaded low-level gangster Joseph Valachi to testify about life in organized crime
- The President’s Commission on Law Enforcement and the Administration of Justice, 1967
- The President’s Commission on Organized Crime, 1983: studied the nature and extent of organized crime in the United States
group, such as protection, prestige, opportunities for economic gain, and the all-important sense of belonging to the group.

- **Criminality.** Like any industry, organized crime is dedicated to the pursuit of profit along well-defined lines. The criminal group relies on continuing criminal activity to generate income. Some activities, such as supplying illegal goods and services, produce revenue directly; other activities, such as murder, extortion, and bribery, are used to ensure the group's ability to make money and gain power. Some groups engage in a number of illicit businesses, and others restrict their efforts to one specific criminal activity, such as drug trafficking. Many criminal groups also engage in legitimate business enterprises that allow the skimming and laundering of money.

- **Violence.** Violence and the threat of violence are integral tools of the criminal group. Both are employed as a means to control and protect members and nonmembers associated with protecting the organization’s interests. Members are expected to commit, condone, or authorize violent acts. When the interests of the organization are threatened, murder is commonplace. Violence can be employed either to silence potential witnesses or to punish people as a warning to others.

- **Power and profit.** Members of the criminal group are united in working for the group's power, which results in its profit. Political power is achieved by corrupting public officials. The group is able to maintain its power through its association with criminal protectors.
Protectors

Protectors include corrupt public officials, businesspersons, judges, attorneys, financial advisors, and others who individually (or collectively) protect the interests of the criminal group by abusing their authority. As a direct result of the protectors’ efforts, the criminal group is insulated from both criminal and civil government actions. This component of organized crime represents what both police and members of the criminal group have called the edge, referring to the advantage that organized crime has over legitimate businesses. Corruption, the central tool of the protectors, relies on a network of corrupt officials who protect the criminal group from the criminal justice system.

An example of this corruption is a law enforcement officer who provides drug traffickers with inside information about police investigations. Another is an attorney who is able to orchestrate the intimidation of government witnesses so that they will change their story. Accountants aid criminal group members by concealing their income in financial institutions, gaming establishments, and other businesses.

Specialized Supporters

The criminal group and the protectors rely heavily on skilled persons known as specialized support. These persons, such as pilots, chemists, arsonists, and hijackers, provide contract services that facilitate organized crime activities. Unlike the members of the criminal group and the protectors, specialized support people do not share a commitment to the group’s goals, but are still considered part of organized crime.

User Supporters

Another vital component in the success of organized crime is user support. This group is composed of persons who purchase organized crime’s illegal goods and services, such as drug users, patrons of bookmakers, and prostitution rings, and people who knowingly purchase stolen goods.

Social Supporters

Persons (and organizations) belonging to the social support group grant power and the perception of legitimacy to organized crime in general and to specific members of the criminal group. Examples are politicians who solicit the support of organized crime figures, business leaders who do business with organized crime, social and community leaders who invite organized crime figures to social gatherings, and people who portray organized crime or its members in a favorable light.

Just as the criminal group is made up of the members of the crime organization, persons belonging to each of the other categories should be considered members and associates of organized crime. Indeed, without the participation of any of those listed, organized crime could not prosper or succeed in society.

The contingency model, offered by the report of the President’s Commission on Organized Crime, provided insight into the hierarchy and physical structure of a crime organization. The following sections present several other perspectives that will help students to consider organized crime as a single comprehensive paradigm.
CHAPTER 1 UNDERSTANDING ORGANIZED CRIME

You Decide

Are Movies a Form of Social Support for Organized Crime?

Like millions of Americans, you may have seen the movie *The Untouchables*, starring Kevin Costner (Elliott Ness) and Robert DeNiro (Al Capone). Although Ness triumphed over Capone, the movie tended to glamorize organized crime. A previous generation flocked to see Marlon Brando in *The Godfather*. If you have seen either of these movies, you could be labeled as a participant in organized crime. Do you qualify as a social supporter of organized crime? You decide!

Cressey (1967) has described organized crime as having a bureaucratic structure not unlike that adopted by governmental bureaucracies, such as police departments and federal law enforcement agencies. According to Cressey, the primary unit of La Cosa Nostra is the family, which embodies male members of Italian ancestry. The family must abide by a code of conduct that prohibits members from revealing organizational secrets and that authorizes violent punishment for those who violate the code. Cressey has suggested the existence of a hierarchy within the Mafia that facilitates the flow of power and expectations of members. Included in the hierarchy are the boss, the consigliere, the underboss, the caporegime, and the soldiers.

- **The Boss.** A supreme leader known as the boss oversees all organizational endeavors and has the final word on decisions involving virtually all aspects of family business. Bosses are typically older members of the family who have proved their allegiance over a number of years during their affiliation with the family.

- **The Consigliere.** A close associate of the boss is the consigliere or counselor, who enjoys considerable influence on and status in the family. The consigliere, often a lawyer, serves the boss as a trusted advisor.

- **The Underboss.** The next highest position in the family is the underboss, who works at the pleasure of the boss and acts in his behalf when the boss is incapacitated (e.g., sentenced to prison or ill). Underbosses are trusted, older members of the family whose primary role is to relay instructions to those occupying lower positions in the family.

- **The Caporegime.** Rank and file under the underboss begin with the caporegime or capos, who are considered midlevel managers. A primary role of a capo is to serve as a buffer between the lowest-level members and the upper-level members of the family. In doing so, the capo is the trusted go-between through whom all communications from the boss flow to the lowest-level members, and vice versa.

- **Soldiers.** The lowest-level members of the family are the soldiers. Soldiers, also known as wise guys, made guys, or button men, report directly to the capo and often operate at least one specific criminal enterprise, such as loan-sharking, gambling, and drug trafficking. The job of soldiers is to search constantly for new sources of revenue for the family. While doing so, they often become partners with other soldiers or even with nonfamily players in the community. Soldiers are required to pay dues or a percentage of their profits to the family in return for their affiliation with the

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Cressey’s Cosa Nostra Theory
family. The soldiers direct hundreds of nonfamily associates who work on behalf of the family. Nonfamily members can be anyone who has something to offer the family. Therefore, they are not subject to family membership restrictions, such as being of Italian descent.

The Commission

In 1986, the President’s Commission on Organized Crime suggested the existence of a national commission that links the most powerful Mafia bosses to one central authoritative body. Commission members are bosses from families in New York, Buffalo, Chicago, and Philadelphia. The purpose of the commission is to arbitrate disputes between families, approve new members for initiation, authorize the execution of family members, facilitate joint ventures between families, and manage relations between U.S. and Sicilian Mafia factions.

A separate commission possibly exists in New York. Made up of the bosses of the five New York families, it settles disputes over criminal enterprises and oversees day to day Mafia operations. Also operating on behalf of the family are specialists or enforcers, who punish betrayal (Cressey 1969). Because the organization goes to great lengths to protect its members against social control efforts, the family maintains a network of informants to warn about criminal investigations, impending raids, and so on. Some organizations also have positions of corrupters who pay control agents (corruptees) and help ensure immunity for the organization and its members (Cressey 1969; Hess 1973).

Although most corruption efforts seem to focus on lower-echelon members of social control organizations, such as patrol officers, it is in the best interest of the crime organization to corrupt any public or political figure. When arrests occur, these corrupted officials can help protect organization members. For example, lower-ranking members are in positions that are most vulnerable to arrest. This separates the organizational leaders from actually committing criminal acts themselves, making it difficult for law enforcement to obtain evidence against them. In the rare event that an organizational manager is arrested, the organization is not crippled since another member simply moves into that position. This policy was followed when Mussolini tried to destroy the Sicilian Mafia by assassinating its families’ leaders, who were quickly replaced, allowing the families to survive (Cressey 1972).

Rules of Conduct

Cressey suggests that rules of conduct are indeed an important component in the crime organization, and over time an elaborate set of rules has evolved for members to follow. He admits that, although organizational rules are difficult to substantiate, a parallel can be made between the code of conduct adopted by prison inmates and that adopted by organized crime units. Cressey’s (1969) rules of conduct follow:

- Be loyal to members of the organization. Do not interfere with each other’s interests and do not be an informer.
- Be a man of honor and always do right. Respect women and your elders. Do not rock the boat.
• Be rational. Be a member of the team. Do not engage in battle if you cannot win.
• Be a stand-up guy. Keep your eyes and ears open and your mouth shut. Do not sell out.
• Have class. Be independent. Know your way around the world.

It can be argued that these rules might be a value system, rather than a formally organized set of operating instructions for guiding the bureaucratic organization (Abadinsky 1990). In either case, it is apparent that the success of the organized crime unit depends on some type of prescribed behavior to be profitable and discrete, to ensure allegiance by members, and to endure through time.
As a result of his study of organized crime in Detroit, Joseph Albini (1971) concluded that it was made up of criminal patrons who exchanged information, connections with governmental officials, and access to a network of operatives for the client’s economic and political support. The roles of client and patron fluctuated, depending on the enterprise, and combinations were formed, dissolved, and re-formed with new actors. Albini suggested that organized crime actually consists of “syndicates” in a “loose system of power relationships” (1971: 229).

Organized crime groups resemble a simple social organization or social-exchange network in the community. The power of organized crime is found in the organizational qualities of loose structuring, flexibility, and adaptability. Organized criminals have strategic contacts with persons who control various resources. Key organized crime figures occupy focal points in social-participation networks that interconnect private and public sector organizations and licit and illicit enterprises.

Organized criminals occupy intersections and are critically positioned facilitators in complex social relationships that permit clients to deal with the larger society. A social network of connections with the police, public officials, and other criminal operatives is at the criminal’s disposal. An organized
criminal has sufficient contacts to provide coordination and to locate specialized talents and services necessary for criminal entrepreneurship.

Persons involved in organized crime and its operations in this web of social participation are not, in many cases, directly part of an organization. The structure of relationships varies considerably with each participant. Albini (1971: 288) argues that “rather than being a criminal secret society, a criminal syndicate consists of a system of loosely structured relationships functioning primarily because each participant is interested in furthering his own welfare.” The patron–client relationship also has been observed by numerous other studies of organized crime (e.g., Block 1979; Reuter 1983; Potter and Jenkins 1985).

In his book *The Mafia Mystique*, Smith (1974) argues that organized crime is nothing more than an extension of normal business operations into the illegal market. Smith maintains that organized crime comes from “the same fundamental assumptions that govern entrepreneurship in the legitimate marketplace: a necessity to maintain and extend one’s share of the market.” Simply put, he conceives of organized crime as entrepreneurial activity that happens to be illegal. Drug trafficking, loan-sharking, and other illegal enterprises emerge because the legitimate marketplace leaves a large number of customers unserved. As a result, the proper point of intervention for controlling organized crime is not to pursue organizational leaders and notorious individuals, but to attempt to understand organizational behavior in the illegal market. (See Chapter 2 for additional discussion of Smith’s enterprise theory.)

Support of Smith’s enterprise theory was offered by Block (1979) as a result of his empirical study of some 2,000 criminals involved in the cocaine trade in the New York City area. Based on his data, Block found that the illegal drug business was not based on a single organizational initiative. His conclusions are contrary, however, to the nationwide criminal theory, which holds that the cocaine trade is controlled by one monolithic criminal organization. Rather, Block suggests that numerous, fragmented, opportunistic criminal groups conduct the sale of drugs and perhaps other illicit commodities.

As a result of two studies of organized crime, one on Italian organized criminals and the other on blacks and Hispanics, Francis Ianni argued that organized crime is nothing more than a traditional social system “organized by action and by cultural values that have nothing to do with modern bureaucratic virtues” (Ianni 1973: 108). Ianni maintains that organized crime is best explained by examining local kinship or ethnic social networks. He argues that organized crime groups are not the formal organizations that have been depicted by the Mafia theory: “Like all social systems, they have no structure apart from their functioning; nor do they have structure independent of their current personnel” (Ianni 1973: 20).

In a later work, Ianni (1974) extended his study of organized crime to African American and Puerto Rican criminal organizations. This later work made three important points. First, organized crime was certainly not limited to Italian American crime syndicates. Second, prison friendships, gang associations, and community socialization processes were as important as ethnicity to organized crime’s recruiting.

Third, Ianni suggested a theory of *ethnic succession*. In brief, he argued that every new immigrant group faces discrimination, lack of economic opportunity, and blocked pathways to power. One of the most effective means to overcome these blocked opportunities is organized crime because of its profitability and its close relationship with political power. In highly simplified form, Ianni suggests
that with each new wave of immigrants the character of organized crime changes as new groups emerge. In addition, he suggests that older ethnic immigrant groups, such as the Irish, gradually move out of organized crime into business and politics. Ianni’s theory of ethnic succession provides a valuable tool for understanding the changing nature of organized crime, particularly in relationship to drug trafficking, in the late twentieth century.

Chambliss’s Crime Network Theory

William Chambliss’s study of organized crime in Seattle depicts an overlapping series of crime networks with shifting memberships highly adaptive to the economic, political, and social exigencies of the community, without a centralized system of control (Chambliss 1978). Chambliss argues that whatever control there is in organized crime comes from far outside the criminal organization itself and is imposed on the illicit market by powerful political and economic forces in the community. Chambliss conceives of organized crime as being a network of individuals, the most powerful of whom are businesspeople, law enforcement officials, and political officeholders who direct the activities of criminal actors involved in prostitution, gambling, pornography, and drugs. As such, Chambliss sees those often called organized criminals to be more appropriately employees of the crime network participants.

Haller’s Partnership Model

Mark Haller’s (1990) research reveals that organizations such as those surrounding the Capone gang and Meyer Lansky’s extensive operations were in reality a series of small-scale business partnerships, usually involving several senior partners (Capone, Nitti, Lansky) and many junior partners, who sometimes conducted business in concert with one another and often conducted business separately. Organized crime was not directed by Lansky or Capone in any bureaucratic sense, but was merely a series of investment and joint business ventures with a wide variety of constantly changing partners.

Block’s Description of Enterprise and Power Syndicates

Block’s study of the history of organized crime in New York City between 1930 and 1950 offers an additional and very important way to conceptualize organized crime syndicates. He found that organized crime became more centralized and exhibited a greater degree of hierarchical structure during this period, but he found absolutely no evidence of the development of a Cosa Nostra or any other national crime syndicate in that period.

Block found that organized crime was dominated by two different types of criminal syndicates: enterprise syndicates and power syndicates (Block 1983: 13). Simply defined, enterprise syndicates are groups of criminal entrepreneurs organized for the purpose of producing and then distributing illicit goods and services, such as drugs, gambling, and prostitution. Block argues that because they had to distribute illicit goods and services to thousands of customers, enterprise syndicates tended to be large in terms of the number of participants, and they tended to have a hierarchy of command, some centralization of authority, and a well-defined division of labor.

On the other hand, power syndicates are “loosely structured, extraordinarily flexible associations centered around violence, and deeply involved in the production and distribution of informal power” (Block 1983: 13). They have no clear division of labor because they have no clear production or distribution task to perform. The only organizational goal of a power syndicate is to use extortionate means to maintain power over other organized crime groups. The basic tool of a power syndicate is force, gaining control of the illicit market through the threat of violence. Block argues that several very energetic power
syndicates operated during this period, specifically those under the direction of Lucky Luciano, Dutch Schultz, and Louis Buchalter (Block 1983: 129–199).

These men and their syndicates tried to control and exploit the many enterprise syndicates that were actually doing the work of organized crime. What Block found, which contradicts any notion of a centralized, monopolistic Cosa Nostra, was that power syndicates were extraordinarily disruptive in the illicit market, tended to last for only very short periods of time, and made their own demise inevitable, while enterprise syndicates were able to go on and on delivering goods and services to an eagerly consuming public.

As a case in point, he looks in depth at Lucky Luciano’s attempt to gain control of the prostitution business in New York. Briefly, Luciano and his associates attempted to centralize prostitution under the control of one syndicate by taking over both bonders (people who provided bail) and bookers (those who placed prostitutes in the various brothels) operations through the use of violence. Luciano started the process by forcing the bonders out of business in 1933 and becoming the only source of legal protection for prostitution operations. The syndicate then changed the rules for bonding operations, exploiting prostitutes, bookers, and madams, by raising fees and decreasing benefits. After taking control of the bonders, Luciano moved on the bookers, using threats of murder and violence to secure protection payments from the bookers (Block 1983: 144). By the end of 1933, the bonders had been entirely replaced by Luciano operatives, and the bookers had been reduced to employee status in the Luciano syndicate.

To realize any profits from this arrangement, Luciano and his minions intensified the exploitation of prostitutes and madams, demanding ever larger payoffs and supplying ever declining services. As Block points out, this quest for increased profits, which were required to make the power syndicate’s efforts pay off, led to exploitation of prostitution operators, which “was one of the key disruptive issues under the new syndicate” (Block 1983: 147).

By 1935, only two years after Luciano’s power syndicate had succeeded in organizing prostitution, madams and bookers were in open rebellion. They hid brothels from Luciano and his enforcers, and they refused to pay the extortionate protection money. By 1935 Luciano was looking to get out of the prostitution business because the limited profits that he and his syndicate were realizing were simply not worth the expenditure of time, effort, and money needed to keep the prostitution operators in line. In fact, the struggle to maintain control so depleted the resources of Luciano’s own syndicate and the rebellion became so strong that in 1936 Luciano was indicted for compulsory prostitution and was subsequently convicted and sentenced to fifty years in prison (Block 1983: 68–69). Block’s summary (1983: 147–148) of these events is very enlightening in understanding organized crime and the futility of power syndicates such as a Cosa Nostra.

Luciano took a fairly centralized operation, the booking system, and subjected it to intense pressures that threatened to disrupt the entire trade. It turned on the key personnel in the trade with the exception of the prostitute herself, who was already cruelly exploited, and initiated various methods of financially squeezing both bookers and madams, who resorted to cheating and ultimately to testifying against their bosses. It was clearly an effort at extreme centralization that attacked what was already a stable system of organized prostitution. As neither the price structure nor the volume of trade changed under the Luciano syndicate, profits for the entrepreneurs of violence could only come from the pockets of formerly independent syndicate
leaders and madams. Indeed, one might want to argue that, without substantial changes in the economics of prostitution, it had about all the centralization it could take by 1933.

**NONTRADITIONAL ORGANIZED CRIME**

The term **nontraditional organized crime** emerged during the 1980s and offers a different perspective on the understanding of the organized crime phenomenon. Just as traditional organized crime is associated with Italian American and Sicilian crime organizations, nontraditional organized crime is associated with new and emerging crime groups, such as the Chinese triads, outlaw motorcycle gangs, and California-based youth gangs. Probably the most significant aspect of groups in this category typically involve the drug trade. Although many characteristics of traditional organized crime (discussed later) also fit the nontraditional groups, this category of criminals has unique characteristics that set it apart from traditional groups. To begin, the very genesis of nontraditional organized crime can be attributed to several distinctive factors, most of which became apparent during the early 1970s. According to Lyman and Potter (1991), these factors include the following:

1. Profound social, political, and economic changes in the drug-producing and drug-consuming nations had combined to accelerate and intensify the spread of drugs.
2. Mobility within and between consuming and producing nations, aided by cheap, readily available international transportation, had vastly increased. There was also a huge immigration from South America and the Far East to the United States.
3. In the opium-producing countries, many peasants and urban workers had surplus time for the work needed to sustain the drug traffic.
4. In the consuming nations, old restrictions against many types of behavior, including the taking of drugs, had declined sharply.

With all these factors at work, a new level of drug trafficking with far more sophisticated levels of organization was made possible. When attempting to understand these organizations as a whole, we should first consider that no single nontraditional organized crime group is typical. Rather, there is a collectivity of criminal organizations that demonstrates a few well-defined patterns. Thus, several conditions that seem to lend cohesiveness to modern-day drug-trafficking organizations exist: vertical integration, alternative sources of supply, exploitation of social and political conditions, and insula- tion of leaders from the distribution network.

1. **Vertical integration.** Vertical integration is illustrated by the major international trafficking groups such as the Colombian cartels and domestic criminal groups such as outlaw motorcycle gangs, which often control both the manufacturing and wholesale distribution of drugs. Also, city-based operations, such as the California street gangs that concentrate on domestic distribution and retail sales, represent an organization with operations that are more directly linked to the end user than are the Colombian cartels or the motorcycle gangs.

2. **Alternative sources of supply.** Among the various types of organizational structures and operational types, most have common distribution channels and
operating methods. Most groups acquire the primary illicit drugs outside the United States. Exceptions are marijuana and certain drugs made in domestic clandestine labs. Consequently, distribution channels are long and complicated. For example, there are numerous links between the coca leaves grown and harvested in the Huallaga Valley of Peru and the destination of the finished product: a U.S. city. Many larger organizations acquire drugs from alternative sources of supply. Thus, the Colombian cartels can purchase either coca leaves or partially processed coca paste in any of several countries in South America. When the Turkish government clamped down on the illicit cultivation of opium poppies, drug organizations shifted their production to regions in the Golden Triangle in Southeast Asia and the Golden Crescent in Southwest Asia.

3. Exploitation of social and political conditions. Drug-trafficking organizations today demonstrate a willingness to capitalize on vulnerable social and economic milieus. This occurs, for instance, in inner-city areas and even entire countries where investors in labor markets are willing to take risks to partake in the huge profit potential offered in drug-trafficking operations. Generally, most players drawn into drug trafficking are expendable, provided that the leaders remain untouched. The leaders can then choose from a large pool of unskilled labor those who are willing to take personal risks and who can be taught one or two menial duties in the trafficking system. Certain traffickers have even demonstrated that they can manipulate market conditions to make trafficking more profitable. In particular, the introduction of black tar heroin in the mid-1980s was a response to heroin shortages, and the change from cocaine HCl to crack in the mid-1980s was an effort to permit the nonaffluent drug user to afford cocaine.

4. Insulation of leaders. The organizational structure of a drug-trafficking organization can be described as a solar system with the leaders at the center. Only these leaders (or kingpins) see the organization as a whole. Trafficking leaders strive to minimize any contact with drug buyers or the drugs themselves as a strategic effort to insulate themselves from governmental detection. Orbiting the leader are many different individuals who serve various functions (e.g., money launderers, enforcers, attorneys), each of whom has other people orbiting him or her, and the cycle continues.

Although the four preceding operational variables describe the functioning of drug-trafficking organizations, they fail to explain adequately the tremendous growth of such organizations. The growth of a particular organization can be attributed partially to the highly addictive qualities of some drug commodities, such as heroin. This accounts, at least in part, for a degree of return business for many organizations. Here the drug users themselves effectively become salespeople or “ambassadors,” working on behalf of the drug-trafficking organization and introducing drugs to new users. Additionally, powdered drugs, such as heroin and cocaine, can be transported (smuggled) much more easily than can a bulkier commodity such as marijuana.

ORGANIZATIONAL CONSTRAINTS

As with legitimate business, illicit enterprises also must sustain the criminal organization as a profitable business entity. For example, in the legitimate business world, when a small company is successful, expansion is often considered to maximize profits. Unfortunately, too much expansion too quickly
can result in organizational and financial chaos and the ultimate demise of the company. The same is true of organized crime; it is in the best interests of organized crime members to try to maximize profits while avoiding detection by authorities and minimizing competition. We now consider some comments on constraints as they relate to the organized crime unit.

Reuter’s study of Italian organized crime in New York (1983) found that no group exercises control over entrepreneurs in gambling and loan-sharking. He concludes that, rather than the officially depicted view of organized crime as a monolithic conspiracy, it is in fact characterized by conflict and fragmentation. The empirical research clearly reveals that organized crime is made up of small, fragmented, and ephemeral enterprises.

There are very practical reasons for these characteristics. First, small size and segmentation reduce the chances that the enterprise will be caught and members prosecuted. Because employees in illicit industries are the greatest threat to these operations and make the best witnesses against them, organized crime groups must limit the number of people who have knowledge of the groups’ operations. This is achieved, in part, by employing persons who know only about their own jobs and their own level of activity in the enterprise. Such arrangements are clear in the gambling and drug industries. In gambling, runners and collectors are distanced from the bank itself (Reuter 1983; Potter and Jenkins 1985). In drug trafficking, the production, importation, distribution, and retail activities are kept as discrete functions, often performed by completely different organized crime groups, most of which are both temporary and small (Laswell and McKenna 1971: 84; Hellman 1980: 148; Wisotsky 1986: Chap. 3).

For the same reasons that organized crime groups choose to limit the number of employees, they also tend to limit the geographic areas they serve. The larger the geographic area, the more tenuous communication becomes, requiring either the telephone (and the threat of electronic surveillance) or long trips to pass on routine information in person, a most inefficient means of managing a business. In addition, the larger the geographic area becomes, the larger the number of law enforcement agencies involved and the higher the cost of corruption (Reuter 1983; Wisotsky 1986). In his study of New York, Reuter found no evidence of centralization in gambling and loan-sharking, and he argued persuasively that drug trafficking has even less permanence and centralization (Reuter 1983: 184).

In an examination of the empirical research on contemporary organized crime groups, Mastrofski and Potter (1986) argue that the available literature cites several characteristics of organized crime and that these characteristics are often diametrically opposed to those cited in the official version of organized crime. Mastrofski and Potter argue that the empirical studies have demonstrated that, rather than being a tightly structured, clearly defined, stable entity, organized crime operates in a loosely structured, informal, open system.

Organized crime is made up of a series of highly adaptive, flexible networks that readily take into account changes in the law and regulatory practices, the growth or decline of market demand for a particular good or service, and the availability of new sources of supply and new opportunities for distribution. This ability to adapt allows organized crime to persist and flourish. The inflexible, clan-based corporate entities described by law enforcement agencies could...
Studying and understanding organized crime have been perilous endeavors for both scholars and criminal justice policymakers. Organized crime has been both a contentious topic, with widely varying paradigms reflected in the literature, and a troublesome topic in terms of accumulating and interpreting valid and reliable data. The scientific study of organized crime has generally been impossible. Surveys, questionnaires, structured interviews, and experiments are all highly problematic instruments in the world of organized crime. And although historical methodologies and various qualitative methods have been used profitably (see, e.g., Albini 1971; Smith 1974; Block 1983; Chambliss 1988; Haller 1990), their inherent limitations leave much of our understanding of organized crime to popular culture.

Once we wade into the quicksands of culture and media, however, scientific validity and reliability become lost in the shifting sands of words and images—not that there is a dearth of popular cultural sources of information on organized crime. To the contrary, a plethora of images and words are available to us in a kaleidoscope of forms. Organized crime is an immensely popular theme for novels, movies, television dramas, true-crime reenactments, and journalistic presentations both in print and on film. Movies such as Blood Ties (1988), Blood Vows: The Story of a Mafia Wife (1988), Crime Lords (1991), The Godfather, Parts 1, 2, and 3 (1972, 1974, 1990), Mafia Princess

ORGANIZED CRIME, THE MEDIA, AND POPULAR CULTURE

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(1988), and Scarface (both the 1932 and 1983 versions) are only a few of the many films portraying organized crime (Ryan 1995: 253–258).

In addition to the “reality” television versions of organized crime often presented on Hard Copy, A Current Affair, Top Cops, America’s Most Wanted, and the numerous other variations on the same theme, we have seen a blossoming business in “reality” publishing, as alleged Mafia turncoats scramble to cash their royalty checks for recollections often as questionable as they are salacious. Consider the litany of recent tell-all potboilers: “Sonny” Franzese’s Quitting the Mob: How the “Yuppie Don” Left the Mafia and Lived to Tell His Story (1992), Tony Franco’s Contract Killer: The Explosive Story of the Mafia’s Most Notorious Hit Man (1992), Nick “the Crow” Caramandi’s Blood and Honor: Inside the Scarfo Mob—The Mafia’s Most Violent Family (1990); Joe Cantalupo’s Body Mike: The Deadly Double Life of a Mafia Informer (1990), Cecil Kirby’s Mafia Enforcer: A True Story of Life and Death in the Mob (1987), and Jimmy “the Weasel” Fratianno’s The Last Mafioso (1981), to name only a few (Firestone 1993: 216–217). These organized crime “memoirs” have not only made it into print, and not infrequently onto the bestseller list, but also have been replayed on reality television programs and even network news specials.


With all these sources of information—fictional, nonfictional and somewhere between; print, image, and multimedia—organized crime as a social fact becomes blurred in a technological avalanche of impressions. In fact, organized crime as portrayed in contemporary society has been subsumed in a multimedia spectacle (Debord 1970, 1990). There is a plethora of information, and it comes at us at such speed and in such volume that discerning fact from fiction, reliable from unreliable, valid from invalid becomes an almost impossible task. In fact, the modern mass media works as what Reiman (1998) calls a “carnival-mirror.”

In presenting information to us, movies, books, newspapers, magazines, and television change our view of social reality. We then reflect this altered view back to the producers of media products, who then sell us products that are familiar, safe, orderly, and predictable, thus creating a perpetual cycle of imprecision, misimpression, and misinformation. This is particularly true of crime-related presentations in which behaviors, places, and people are blended into a composite picture of a threat or danger (Potter and Kappeler 1998). The media create a symbolic “dangerous world” (Cavender and Bond-Maupin 1993; Kappeler et al. 1993), which, in turn, markets predictable, orderly fear.

Several scholars have critiqued media coverage of organized crime, primarily as it has related to print coverage of the subject, specifically newspapers, magazines, and books (Galliher and Cain 1974; Smith 1974; Martens and...
Cunningham-Neiderer, 1985; Morash and Hale 1987; Kooistra 1989; O’Brien and Kurins 1991; Potter 1994; Kenney and Finckenauer 1995; Ryan 1995; Abadinsky 1997). In general, these scholars have three overarching concerns with the journalistic handling of organized crime: (1) the superficiality of the coverage (Smith 1974; Martens and Cunningham-Niederer 1985; Morash and Hale 1987; Kooistra 1989; Potter 1994; Ryan 1995); (2) the sensationalism in selecting stories to cover (Martens and Cunningham-Niederer 1985; Potter 1994); and (3) the tendency to create reality and reproduce the state’s viewpoints on organized crime (Galliher and Cain 1974; O’Brien and Kurins 1991; Potter 1994).

1. **Superficiality.** Critics see superficiality in the media’s handling of organized crime manifested in four different ways. First, Smith (1974: 182) asserts that media coverage provides very little substantive knowledge or analysis of organized crime. A corollary to Smith’s criticism of superficiality is the view that news coverage of organized crime is usually treated by the media more as entertainment for popular consumption than as serious news (Smith 1974; Kooistra 1989; Potter 1994). Morash and Hale (1987: 147) have suggested that inadequate sampling of both organized crime groups and activities contribute greatly to the problem of superficiality. Finally, critiques of the superficiality of media coverage of organized crime have suggested a strong tendency on the part of the media to emphasize discrete and isolated events in their coverage, rather than organizational dynamics and interrelationships in the market (Morash and Hale 1987: 142).

2. **Sensationalism.** The second overarching criticism of media coverage of organized crime is that it tends to be sensational and to focus on notorious individuals and events (Martens and Cunningham-Niederer 1985; Potter 1994). Notoriety can relate to a group, clearly demonstrated by the frequency of mentions of Cosa Nostra and Mafia groups in news stories, movies, and books. It can also be related to individuals who are notorious in the tradition of Al Capone or Lucky Luciano. For a while, the mantle of notoriety rested most heavily on the shoulders of John Gotti, the alleged head of a New York Cosa Nostra family.

3. **Creating reality.** Finally, the media has been criticized in their coverage of organized crime for creating their own social reality of notorious gang leaders; conspiratorial, exotic, and alien organized crime; and a world of illicit business controlled by the wanton and often random use of force and violence (O’Brien and Kurins 1991; Potter 1994). Not surprisingly, some critics contend that this is a social reality that closely reflects the state’s view of organized crime (Albini 1971; Smith 1974; Potter 1994). Integral to this claim is the charge that the information that journalists generate is suspect because it is not subjected to methodologically rigorous controls (Galliher and Cain 1974; Potter 1994; Ryan 1995).

A key element of this concern is the charge by some critics that journalists uncritically report information provided by state social control agencies (Morash and Hale 1987; Potter 1994). This is of concern for several reasons. First, the state has a genuine interest in promoting an image of organized crime that has close correlation to its enforcement policies and its political interests. If state policy is predicated on investigating, arresting, and incarcerating powerful syndicate leaders, there must be powerful syndicate leaders. If the state has strong political interests in new and expanded law enforcement powers, such as easing restrictions on electronic surveillance, changing the
conditions of immunity grants, empowering U.S. attorneys to call grand juries and conduct lengthy investigations, and passing draconian drug laws, the state needs to portray organized crime as secretive, tightly organized, difficult to penetrate, violent, and adhering to strong codes of criminal conduct. If the state has a vested interest in deflecting arguments about domestic markets, indigenous consumer demands, and political corruption, it needs a social reality of organized crime that is both conspiratorial and alien and therefore not affected by market or demand-side tinkering in the United States.

Identifying law enforcement agencies and government officials as sources is troubling for three reasons. First, it affects the credibility of the information in the stories. There is a real question about how much the government actually knows and how much accurate information government sources have at their command. Rubinstein and Reuter (1978: 57) correctly note that the government had virtually no information on the oil industry during the energy crisis of the 1970s, even though it is a highly regulated industry. Additionally, they point to government estimates of illegal gambling revenue, noting the totally unscientific basis for government estimates and suggesting that numbers were created purely for propaganda purposes (1978: 62).

Second, there is a troubling tendency of the state to release information known to be inaccurate as part of disinformation campaigns aimed at specific organized crime groups. A prime example was the media’s gullible acceptance of claims about Carmine Galante’s alleged attempt to take over heroin trafficking in New York in 1977. The story was leaked by the Drug Enforcement Administration, was demonstrably false, and after being widely circulated in the media may have played a role in Galante’s murder (Villano 1978).

Third, of course, it is highly unlikely that the state would release information or its agents would provide sourcing that directly contradicted the state’s position on organized crime or that questioned the efficacy of enforcement efforts, support for legislation, and support for funding.

Officials review government reports on organized crime, cull out contrary information, and heavily edit wiretap transcripts before release, and argue the state’s position. The lack of external validation of information coming from state law enforcement agencies is troubling at best. As Smith has pointed out, state social control agencies in the United States have a peculiar preoccupation with organized crime conspiracies. In view of the alleged origin of many organized crime groups, Smith refers to this as an alien conspiracy theory in the case of organized crime (1974).

The treatment of organized crime by the news media raises concern beyond issues of superficiality, sensationalism, and the replication of state ideology. This treatment creates a social reality of organized crime that is very much in conflict with the data available from scientific studies. More than that, it neglects the complexity of organized crime and paints a simplistic picture of an entity that is at odds with the elegant complexities of the real illicit market and the organizational dynamics of real organized crime groups. Scholars know that organized crime groups are primarily informal, loosely structured, highly ephemeral entities, whose complexion changes rapidly and facilely to meet the demands of the market and the efforts of social control agents (Albini 1971; Block 1979; Block and Chambliss 1981; Reuter 1983; Abadinsky 1985; Potter and Jenkins 1985).

Scholars also know that organized crime operates in a rich tapestry of political, law enforcement, and business corruption, compromise, and accommodation (Gardiner 1970; Potter and Jenkins 1985; Block and
Scarpitti 1985; Block 1986; Chambliss 1988). The sterile still-life snapshots provided by the news media are fundamentally misleading. The network evening newscasts do not even attempt to portray intricacies and overlays of Albini's description of patron-client relations (1971), Chambliss's intricately woven crime networks (1988), Smith's (1974) market-driven enterprise crimes, or Haller's (1990) engrossing discussion of organizational dynamics in his study of organized crime partnerships. Virtually all organized crime portrayals in the news media are characterizations of what Block has called "power syndicates" that specialize in violence and extort resources from other syndicates (Block 1983).

The truth, however, is that enterprise syndicates that deliver illicit goods and services are far more numerous and that power syndicates are notoriously unsuccessful; in fact, none has ever survived (Block 1983). Rather than showing organized crime to be a complex yet integral part of political, economic, and social life, the media reduces it to a caricature. This has stunning implications for policymakers and the public alike, because it is essentially a false image of organized crime that drives public outrage, admiration, envy, and sometimes sympathy and that compels official state action that is doomed to fail because it is based on a flawed presentation.

WHAT HAVE WE LEARNED?

Many attempts to define organized crime have been made, but because of its diverse nature and origins, a definitive definition is difficult to develop. Many experts have agreed that organized crime organizations have certain characteristics that make them similar to one another. These characteristics, discussed earlier in the chapter, are important in developing a framework for defining the term.

It is not uncommon for a series of exchanges between the under- and upper-worlds to develop into a long-term corrupt relationship. In fact, studies have shown that in some cases those who occupy positions of public trust are in fact the organizers of crime (Gardiner 1970; Chambliss 1978; Gardiner and Lyman 1978; Block and Scarpitti 1985; Potter and Jenkins 1985). Investigations of police corruption in Philadelphia and New York have demonstrated how thoroughly institutionalized corruption can be among public servants. In the private sector, respected institutions such as Shearson/American Express, Merrill Lynch, the Miami National Bank, and Citibank have eagerly participated in illicit ventures (Lernoux 1984; Moldea 1986; Organized Crime Digest 1986). Contrary to popular public opinion, under- and upperworld criminals form close, symbiotic bonds. Public officials are not the pawns of organized crime; they are part of its fabric, albeit the part found in America's respected institutions. In many cases one cannot operate or profit without the other.

The cases in which organized crime networks demonstrate ethnic homogeneity could simply reflect the exigencies of urban social life, not the machinations of a secret, ethnic conspiracy. It makes sense that vice in a black neighborhood is going to be primarily delivered by a black crime network. Similarly, illicit goods and services in an Italian neighborhood will probably be delivered by entrepreneurs of Italian lineage. This is not an organizational design; it merely reflects the fact that small, geographically compact, organized crime networks will have a membership that reflects their constituency.

On the other hand, literally hundreds of criminal investigations in all levels of government have demonstrated elaborate criminal networks of structure, organizational design, and communication in large ethnically based criminal groups such as Italian, Jamaican, and Hispanic organizations. Although we must not discount the notion that many organized crime groups are small, fragmented associations of criminals, we must be aware that other groups can indeed pose a much more considerable threat to public safety than is generally known.
DO YOU RECOGNIZE THESE TERMS?

Apalachin incident  
Camorra  
conspiracy  
corruption  
criminal group  
extortion  
French Connection  
illicit enterprise  
illicit goods  
illicit services  
institutionalized crime  

La Cosa Nostra  
Mafia  
maxitrial  
nontraditional organized crime  
omerta organized crime  
organized crime  
Pizza Connection  
protectors  
social support  
specialized support  
user support

POINTS OF DISCUSSION

1. Describe the characteristics that make organized crime a unique type of criminality.
2. Explain why defining organized crime is difficult.
3. Discuss the value of organized crime investigations by presidential commissions.
4. Explain what official investigations into organized crime have told us.
5. Explain and discuss the organizational structure of an organized crime group.
6. Discuss the basic qualifications for membership in an organized crime group.
7. What are the advantages and disadvantages of membership in an organized crime group?

SUGGESTED READING


