Crime Statutes & Racketeering

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7-1 Discussion: Crime Statutes & Racketeering

1. Examine Labor Racketeering and the "Big Four"

Labor racketeering involves the manipulation of labor unions by organized crime groups to control labor markets and extort money. The International Brotherhood of Teamsters (IBT) is a prime example, with figures like Jimmy Hoffa accused of collaborating with mobsters to control union activities and pension funds. Another example is the Hotel and Restaurant Employees and Bartenders International Union, which faced similar infiltration, leading to widespread corruption and violence.

Companies may gain advantages by entering into corrupt union relationships, such as avoiding strikes and ensuring labor peace. These arrangements can also reduce labor costs through illicit deals and gaining control over labor practices, thereby improving efficiency. However, these benefits come at the cost of legal risks and ethical breaches, highlighting the complex dynamics of labor racketeering.

A. Compare the Role of Organized Crime in Gambling in Las Vegas and New Jersey

Organized crime played a crucial role in the development of gambling in Las Vegas.

Figures like Bugsy Siegel were instrumental in establishing significant casinos, transforming Las Vegas into a gambling hub. In New Jersey, mob influence was also significant, with the Mafia heavily involved in Atlantic City's casino industry.

Without organized crime, Las Vegas might not have developed into the major entertainment and tourism destination it is today. Organized crime investments fueled rapid growth and attracted tourists despite the violence and corruption. In New Jersey, the absence of mob influence might have led to slower development and fewer casinos, potentially reducing the region's economic benefits and limiting criminal activities and corruption.

B. Review the Harrison Act and its Ramifications

The Harrison Act of 1914 was enacted to regulate and tax the production, importation, and distribution of opiates and coca products. Its primary goal was to curb drug abuse and addiction. However, the act had significant ramifications, including the criminalization of drug possession and use, which inadvertently fueled the growth of organized crime as gangs took over the illegal drug market.

The Harrison Act's effectiveness is debatable. While it aimed to control drug abuse, it also led to increased incarceration rates and the expansion of illegal drug trafficking. On the positive side, it raised awareness about the dangers of drug abuse and established a framework for drug regulation. On the negative side, it contributed to the stigmatization of drug users and overwhelmed the criminal justice system. Overall, the Harrison Act had mixed outcomes, highlighting the need for balanced drug policies that address both public health and criminal justice concerns.