Fight Against Organized Crime

The organized crime groups are able to infiltrate business by strong-arming union officials and business through the extortion, and racketeering. Labor racketeering involves the use of force or threats to obtain money for ensuring jobs or labor peace. (Albanese, S., J.) Most organized crime groups use this to their advantage, by threatening employees if the money is not paid to the point where the employee is out of a job, they are threatened with violence or vandalism that occurs at the employers companies. Organized crime groups rely on businesses for their illegal betting, loan sharking, or drugs, because they want to ensure that the illicit transactions go well in order to ensure future bets, loans and other illicit sales. Members of the public that have these businesses are interested in illicit goods and seek the illicit opportunities, that sometimes can go left if there is unpaid debt or when the other party feel shortened and cheated out of their transaction. (Albanese, S., J.)

If an organized crime group wanted to corner the market on illicit gambling in a particular area, it may threaten its competitors. Infiltration of legitimate business or government is more predatory than the provision of illicit goods and services. Demands for “protection”, money or no-show jobs to avoid property damage, work stoppages are criminally motivated business or government insiders misusing their positions to exploit the business or government agency for criminal purposes, which is the predatory nature of the infiltration of legitimate business or government. (Albanese, S., J.)

Bribery is another feature of organized crime groups that they use when they are protecting illicit activities, they pay or give out illicit favors to police, judge, jurors, or other public officials to look the other way and ignore the illegal activity they are getting into, which is why I introduced extortion, because that is what characterizes the infiltration of legitimate business. Depending on what desirable illicit activities due to public demand, the load market, or other opportunity factors will dictate what type of criminal group will engage to exploit the opportunity. (Albanese, S., J.)

It is easier for the organized crime groups to exploit in existing demand for illegal gambling, drugs, or stolen property than to move forcefully on preexisting legal or illegal business for illicit purposes. The most common actions of organized crime groups is theft, an example; is during the early years of the 19th century crime families would hijack trucks that carry loads of shipments that is stored with expensive goods, where they then will sell the products off for a lower price than they would otherwise available for. That was a way for the groups to earn fast money. Organized crime groups get money in different ways. So what is a work stoppage? (Albanese, S., J.)

A work stoppage is a temporary cessation of work as a form of protest and can be initiated by employees or company management. There are different types of work stoppage that is initiated by different works, such as; work stoppage that is initiated by union employees, are considered a strike, however when the work stoppage is initiated by management at a union facility, it is a lockout. These impacts of work stoppage can effect lost of goods and services, financial loss that affects profits, and customer retention and satisfaction, etc. (Albanese, S., J.)

Organized crime groups have a hierarchical structure; employ systemic violence, corruption that extends their activities into legal economy. Organized crime groups have invested in legitimate business for base operations that include money laundering, illegal activities as far as drug trafficking, prostitution, smuggling, counterfeiting, robbery and murder. An example would be waste management, which has become strongly tied to organized crime, where the term sanitation crew, means “the mob”. Most organized crime groups do illegal activity online, such as, online sports gambling, or illegal gambling activity. The mafia cemented its power through the use of violence, intimidation, and corruption. (Albanese, S., J.)

Early in the twentieth century, the Irish organized crime groups specialized in gambling and labor racketeering. (Office of Inspector General U.S. Department of Labor, 2004) A legitimate business might think that the relationship formed with the organized crime group might be a source of investment, while on the other hand, the organize crime group might view the relationship as an effective way to launder funds, diversity risk, and achieve public respect. Organize crime groups also have infiltrated construction unions, hotels, and restaurants. Labor racketeering was a way that organized crime groups infiltrated to gain power over politicians. Bid rigging is an illegal practice in which competing parties collude to choose the winner of a bidding process while others submit uncompetive bids. (Office of Inspector General U.S. Department of Labor, 2004)

Bid rigging can be harmful to consumers and taxpayer who bear the cost of higher prices and procurement cost. Under the Sherman Antitrust Act of 1890, bid rigging is illegal under U.S. antitrust law. Bid rigging can be found in construction projects, auctions for car and homes, government procurement contracts and any industry that is willing to make sales by engaging in a bidding process. (The United States Department of Justice, 2015)

When it comes down to consumers expecting the benefits of free and open competition to the best goods and services at the lowest prices, the process only works when the competitors set prices honestly and independently. When competitors collude the process are inflated and the customer is cheated. Bid rigging take on in many forms, such as; bid suppression, complementary bidding, bid rotation, and subcontracting. Union power comes from federal government guarantee of monopoly bargaining, which is when a workplace elects a union. Labor management relations involve corrupt relations between management and union officials. Racketeering and the influence of organized crime groups threatens labor management and union officials where labor problems arise from extorting money or benefits from employers. (The United States Department of Justice, 2015)

The 1987 president’s commission on organized crime was addressed with 20 members that was appointed or designated by the president, Ronald Regan. The commission addressed the nature of traditional organized crime, the sources and the amounts of organized crimes income, and the uses to which organized crime puts its income, and federal laws pertinent to the effort to combat organized crime. Although Ronald Regan addressed the issues on organized crime with bias, his life and career in acting and politics to his financial successes were directed by MCA, along with the help of the mafia. Regan aligned himself with the corrupt teamster and other mob connected unions in effort to combat Hollywood Reds. (Dan E. Moldea, 1999)

During Regan presidency organized labor was on the rise, workers mobilized to pursue more active roles on the management of their companies. Some efforts led to work stoppages. The nation’s most well known union crisis came during Regan presidency. More than 13,000 air

traffic controllers went on strike. The union sought to improve its image while offering political support to president Regan, which was the only major labor organization to back him up in 1980 and 1984. The LCN had controlled and corruptly influenced certain major labor unions in the United States including the international Brotherhood of teamsters, (IBT) the laborers international union of North America, etc. The RICO lawsuits were a strategy to eliminate such corrupt influence and control of particular labor unions and their affiliated organizations. (The United States Department of Justice, 2015)

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