

Craze for Booze: How Prohibition and Al Capone Changed Criminal Activities

Yuri Croft

Seoul International School

Abstract

This essay explores how the Prohibition era served as a catalyst for the rise and institutionalization of organized crime in the United States. What began as small, local criminal activity rapidly evolved into large-scale, structured operations as the nationwide ban on alcohol created a massive underground market. Figures like Al Capone capitalized on this demand, building powerful empires through bootlegging, bribery, and violence. The paper also examines how social and economic pressures, including poverty, discrimination, and lack of opportunity among immigrant communities, fueled the growth of these networks. Drawing on sociological theories such as social differentiation and subcultural learning, it explains how criminal behavior became normalized in certain environments. Even after the repeal of Prohibition, these organizations adapted, expanding into gambling, narcotics, and racketeering, and leaving a lasting influence on American institutions and public life.

“Prohibition practically created organized crime in America. It provided members of small-time street gangs with the greatest opportunity ever—feeding the need of Americans coast to coast to drink beer, wine, and hard liquor on the sly.”¹

Introduction

Individuals who abide by the standard norms of the “underworld” are often oblivious to the fact that people live beyond the outskirts of their society. Those people have their own world:

¹ “Prohibition Profits Transformed the Mob.” Prohibition: An Interactive History. 2022. <https://prohibition.themobmuseum.org/the->

[history/the-rise-of-organized-crime/the-mob-during-prohibition/](https://prohibition.themobmuseum.org/the-history/the-rise-of-organized-crime/the-mob-during-prohibition/).

own languages, cultures, customs, norms, morals, status, and more. The circumstances of their world, however, are certainly incomparable to the standard; it is critical to take into account that these people are not living there of actual choice but also because of the pressure the standard society oppresses. They decided to leave and create their own world, revolting against the current societal norms. These individuals find themselves situated within criminal organizations and activities; successful cases have led to the uproars of these individuals, such as Alphonse Capone.

Definition of criminal activities

Lifestyles and organizations in the underworld are mostly circled around criminal activities. Criminal activities can be categorized into three distinct sectors: professional crime, organized crime, and white-collar crime. Professional crime emphasizes a sense of informal unity within criminal activities; they have their own system (language, law, history, machinery, property, etc). Organized crime is a large criminal organization that is involved in dealing with illegitimate services and goods and strives especially in circumstances where demand is high and supply is low. Organized crime has a

definite hierarchy, which defines one's overall authority, wealth, network, and safety.² White-collar crime is a form of "non-violent" crime, mostly revolved around illegitimate financial fraud: healthcare fraud, securities fraud, and money laundering.³

The underworld's most common form of crime would be organized crime, as it is a key component of its economy and societal structure. Organized crime is defined as a co-operated form of crime where people are gathered into an organization and progress their missions ordered. Organized crime activities are often derived from illegal services and goods: prostitution, bootleg liquor, drugs, and gambling. The commonality of these illegitimacies is that demand is often high while availability is low. Organized criminal activities are mostly done within legitimate business affairs but are a deviation from legitimacy, as they deal with illegitimate services and goods. With this, secret operations in the underworld carry out the actions and run their business under the shadows of law regulations and police.⁴

The motivations behind criminal organizations and activities are beyond simple intentions of causing commotion. It highlights the fragility of

² Cyrille, Fijnaut. "Organized Crime: A Comparison Between The United States Of America and Western Europe," *The British Journal of Criminology* 30, no. 3 (1990): 323.

³ 3US Government, "What is White Collar Crime, and how is the FBI Combating it?," *Fbi.gov*

<https://www.fbi.gov/about/faqs/what-is-white-collar-crime-and-how-is-the-fbi-combating-it>

⁴ Alfred R., Lindesmith. "Organized Crime." *The Annals of the American Academy of Political and Social Science* 217 (1941):123

the social hierarchy, the psychology that navigates people towards that behavior, and the significance of culture.

The social differentiation theory adds a deeper explanation to the description of criminal behavior: cities have become too heterogeneous and diversified for everyone to be unified to obey the same norms; this results in the emergence of different criminal groups and activities.

Criminality results when there is a relative absence of or conflict in social rules and norms enforcing behavior in the social groups in which one is a member. If the norms are constantly not met and failure occurs, a specialized social structure is created that will support the pursuit of a life in organized crime.⁵

The importance of culture and familial associations is highlighted when addressing the common reasoning factors of one participating in criminal organizations. Different organizations organize specifically distinctive behaviors according to the norms to which they belong and identify. It means organized criminal associations are constructed of

cultures, networks, and values that are long set by specific regional or cultural aspects one acquires while assimilating with. The subcultural theory attempts to explain that criminal behavior is a learned behavior. The roots and cultures of particular neighborhoods explain why gangsters are derived from certain areas; it is also clear that gangsters from specific regions have more commonalities than gangsters from distinct neighborhoods due to the contrasting cultural upbringing.⁶

State of criminal activities before the Prohibition

Before the Prohibition, criminal activities ranged from burglary, pickpocketing, robberies, and prostitution.⁷ Criminals and criminal gangs were frequently regarded as local menaces, impacting local businesses.⁸ Criminal activities were often on a smaller scale. Mobsters were the foundation of the smaller scale crimes, acting as street thugs in troublesome neighborhoods.⁹ They would hire lawyers and accountants to launder the ill-gotten cash they accumulated per month. These mobsters have to strategically partner with other gangs to

⁵ Robert M. Lombardo, "The Organized Crime Neighborhoods of Chicago," in *The Handbook of Organized Crime*, ed. Robert J. Kelly, Ko-lin Chin, and Rufus Shatzberg (Westport, CT: Greenwood 1994), 170–171.

⁶ Howard Abadinsky, "Organized Crime," in Wadsworth, Cengage Learning, Ninth Edition (2010):19–20.

⁷ "Organized Crime - the Status before Prohibition." n.d. Websites.umich.edu. University of Michigan.

https://websites.umich.edu/~eng217/student_projects/nkazmers/organizedcrime1.html.

⁸ Dave Roos, "How Prohibition Put the 'Organized' in Organized Crime." HISTORY. A&E Television Networks. January 14, 2019. <https://www.history.com/news/prohibition-organized-crime-al-capone>.

⁹ "Prohibition and Crime | Encyclopedia.com," www.encyclopedia.com. Accessed January 31, 2024.

increase their small-scale illegitimate business.¹⁰

The immigrants were very underprivileged, forced into slum housing reserved for their own ethnic minorities. Their culture, customs, and religious beliefs were subjected to hostility by Americans. Due to societal oppression, immigrants were slowly developing to the roots of organized crime; they would reach out to political machines and construct their networking. The concerned individuals would perform services for both legitimate and illegitimate businesses, establishing patron-client networks for communication and dealership.¹¹

There were many key figures and minorities who had an impact in the times before the Prohibition era. John Astor was a figure who monopolized the fur trade industry but earned his fortune through alcohol and fraud. He quickly rose to become one of the biggest slumlords in America, as he would swindle poor immigrants for privileges in tenement housing.

He slowly established a slum area, which later became a spawning ground for organized crimes. This led to immigrants being major contributors to the foundation of Prohibition, or at least leading up to the era.¹²

The Prohibition era, the turning point in the institutionalization of organized crime

In the 1820s–30s, a surge of religious vitalism swept through the U.S., leading to a call for temperance and other abolitionist movements. In 1838, Massachusetts passed a temperance law banning the sale of alcohol in less than 15-gallon quantities; however, it was repealed two years later. In 1846, Maine passed the first state prohibition laws,¹³ following stricter restrictions by 1851.¹⁴ During the Progressive Era, temperance activists were trying to improve the negative social effects of rapid industrialization and frequent alcohol consumption.¹⁵ Christian societies found saloons and drinking detrimental to their values.¹⁶ In addition, during the Industrial

¹⁰ Dave Roos, “How Prohibition Put the ‘Organized’ in Organized Crime.” HISTORY. A&E Television Networks. January 14, 2019. <https://www.history.com/news/prohibition-organized-crime-al-capone>

¹¹ Howard, Abadinsky. “Organized Crime.” Wadsworth, Cengage Learning, Ninth Edition, 2010:16

¹² Abadinsky, “Organized Crime”, 81.

¹³ “Public Laws of the State of Maine: Chapters 210–211. 1851” (Law And Legislative Digital Library). Accessed on <https://lldc.mainelegislature.org/Open/Laws/1851/1>

851_PL_c210.pdf

¹⁴ History.com Editors, “Prohibition,” HISTORY. A&E Television Networks. April 24, 2023. <https://www.history.com/topics/roaring-twenties/prohibition>.

¹⁵ Michelle Getchell, “Prohibition,” Khan Academy. 2008. <https://www.khanacademy.org/humanities/us-history/rise-to-world-power/1920s-america/a/prohibition>.

¹⁶ Ernest H. Cherrington, “Anti-Saloon League Year Book 1910.” Anti-Saloon League of America, 1910 <https://library.csun.edu/SCA/Peek-in-the-Stacks/Temperance>.

Revolution era, many factory owners were advocates for Prohibition, as they wanted their laborers to work more efficiently while preventing more accidents.¹⁷

Many social organizations started to go against the consumption of alcohol: Anti-Saloon Leagues, American Temperance Society, and Women's Christian Temperance Union;¹⁸ women and religious groups were strong advocates for the banning of alcohol.¹⁹ In 1917, after the United States entered World War I, President Woodrow Wilson instituted a temporary wartime prohibition in order to save grain for producing food. Later the same year, the 18th Amendment was submitted for state ratification.²⁰ The 18th Amendment²¹ was established to initiate the Prohibition era;²² the Volstead Act,²³ however, allowed the

amendment to be enforced.²⁴

Government regulations²⁵ and policies undermined the strong demand for goods and services, leading to the rise of discreet criminal exchanges, organized crime's primary service system. Organized crime was able to prosper as the demand for supply was high, and the consumers did not mind the origin of the products.²⁶

The modus operandi of organized crime activities can be categorized into two: provision of illicit goods and services and infiltration of legitimate businesses. The former included gambling, lending money, prostitution, narcotics, and stolen property. They were consensual activities with no inherent violence. The latter, infiltration of legitimate businesses, encompassed labor racketeering and takeover of

¹⁷ History.com Editors, "Prohibition," HISTORY. A&E Television Networks. April 24, 2023. <https://www.history.com/topics/roaring-twenties/prohibition>.

¹⁸ "Carrie Nation No Longer Wields Her Big Hatchet." The San Francisco Call, March 1, 1908. <https://primarysourcenus.org/2012/12/today-in-history-carrie-nation-temperance/>.

¹⁹ Getchell, "Prohibition." <https://www.khanacademy.org/humanities/us-history/rise-to-world-power/1920s-america/a/prohibition>.

²⁰ History.com Editors. 2018. "18th and 21st Amendments." HISTORY. August 21, 2018. <https://www.history.com/topics/united-states-constitution/18th-and-21st-amendments>

²¹ Wheeler, Wayne B., "The eighteenth Amendment and Its Enforcement." National Conference, September 15, 1920.

<https://www.loc.gov/item/rbpe.1380240c/>.

²² "Sixty-Fifth of the United States of America; At the Second Session." Department of State, December 19, 1917

²³ "Sixty-Sixth Congress of the United States of America; At the First Session." Department of State, October 28, 1919. <https://www.docsteach.org/documents/document/volstead-act>.

²⁴ The Editors of Encyclopedia Britannica. 2016. "Volstead Act | United States [1919]." In Encyclopedia Britannica. <https://www.britannica.com/topic/Volstead-Act>.

²⁵ "Beer Sale Curb Wins - Senate Approves Restriction," The Los Angeles Times, April 1, 1933. <https://latimes.newspapers.com/newspage/380393984/>.

²⁶ Jay S., Albanese. Organized Crime in America. Anderson Pub. Co, 1996: 6

waste disposal companies. They made use of legal businesses with the intention of exploitation through coercive practices. Both provision and infiltration were detrimental to the economy, and both skyrocketed during the Prohibition era.²⁷

Al Capone's impact on organized crime

Al Capone emerged as a notable figure during the Prohibition era. The origins of Capone's group started in 1919 when he left Brooklyn to join Jim Colosimo and John Torrio. The Colosimo gang is noted as the "ancestor" of Capone's gang, subsequently being called the "Outfit."²⁸ When Capone joined Torrio²⁹ in Chicago, he became an influential "lieutenant" in the mob. Their main activities were illegal brewing, distilling, and distribution of liquor. They were commonly perceived as "growth industries." Torrio had a focus on bootlegging, as his master plan was to inherit all the cartels in Chicago; this led to bootlegging being one of the major organized crime activities during Prohibition.³⁰ Organized crime groups tend to

manipulate dyeing or scrapped fields, as they are less willing to find a completely new ground. Al Capone was no exception, as his group developed interests in legitimate businesses in dyeing and cleaning fields and successfully accumulated influence with public officials, labor unions, and employee associations.³¹

Chicago was a very fertile ground for organized crime to prosper; the river towns nearby would be well established and thriving, unlike the Chicago regions. This widespread phenomenon created a "tolerance" for activities that happened within the city that would have been shamed elsewhere. The crime rate in the country increased by 24% during Prohibition; specifically in Chicago, it tripled during the 1920s as gangs engaged in "drive-by shootings" against other rival gangs.³² The streets of Chicago were dominated by Al Capone and Torrio's Chicago Outfit, Bugs Moran's North Side Gang, and Joseph Saltis' organization.³³ These gangs were all trying to beach each other for the lucrative black markets: drinking, bootlegging, prostitution, etc. The "war" is

²⁷ Albanese, *Organized Crime in America*, 6–7.

²⁸ J.J. Binder and A.J. Lurigio, "Introduction to the Special Issue—The Rise and Fall of Chicago's Organized Crime Family: A Brief History of the Outfit," *Journal of Contemporary Criminal Justice*, 29, no.2 (2013):186.

²⁹ "John Torrio, Once Capone's Boss, Is Dead," *Chicago Tribune*, May 8, 1957.
<https://www.writersofwrongs.com/2019/04/death-of-former-chicago-gang-chief-goes.html>.

³⁰ John J. Binder, *Al Capone's Beer Wars: A Complete History of Organized Crime in Chicago*

during Prohibition. Rowman & Littlefield, 2017.

³¹ Federal Bureau of Investigation. "Al Capone." Federal Bureau of Investigation. 2016.
<https://www.fbi.gov/history/famous-cases/al-capone>.

³² Ben Kageyama, "The Beer Wars of the 1920s," Medium. November 3, 2020.
<https://benkageyama.medium.com/the-beer-wars-of-the-1920s-1867c0da6ee2>.

³³ "Beer Wars." n.d. Historica Wiki.
https://historica.fandom.com/wiki/Beer_Wars.

commonly referred to as the “Beer Wars of the 1920s.”

Tensions and clashes have discontinuously erupted during the whole Prohibition era.

Criminal organizations could settle their feuds with other means than just vendettas and killings, leading to structured negotiations between groups that could even become official through the newspapers. Al Capone stated the bad blood between all those gangs during the time, “Our fight was never over business. It was all bad feeling between one man and another.”³⁴ This indicates the other motives within these wars other than just simply trying to overpower each other’s businesses.³⁵

Despite there being many gangs and organized crime groups, Al Capone has been noted to be the meanest, arguably most successful, and famous criminal in history. More than one thousand criminals were killed in this period, and reports reveal he has gained almost 1,7 million dollars every day, or around \$600 million each year over a period of ten years.³⁶ The numbers could be as high as \$800 million

annually, just from the bootleg industry.³⁷

While after Prohibition, many criminals lost their source of revenue and faded away, Al Capone’s legacy remained strong, and he was still able to leverage his earnings from the Beer Wars and eventually shifted his focus to gambling, prostitution, and narcotics. He was able to flexibly adjust to the pivoting trends of criminal activities, and he spread his influence in the underworld, engaging with local business owners and widespread racketeering, often aided by corrupt politicians.³⁸

Capone’s leadership laid the foundation for later syndicates and their monopolization of organized criminal activity.³⁹ It was possible as Capone and his organization became a strong criminal organization based in Chicago. Capone and his organization’s main criminal activities included gambling, prostitution, pornography, money laundering, labor and business racketeering, loan sharking, and drug distribution.⁴⁰ These activities were high in demand, yet unable to be accessed due to the regulations. Capone’s gang had a major influence in the Chicago region; before they

³⁴ “Gangland Buries Hatchet,” The Los Angeles Times, October 23, 1926:6.
<https://latimes.newspapers.com/image/380401267/?terms=It%20was%20all%20bad%20feeling%20between%20one%20man%20and%20another&match=1> (accessed February 2, 2024)

³⁵ Binder, Al Capone’s Beer Wars.

³⁶ “Chicago Hopes Days of Gang Wars Ended,” The Los Angeles Times, December 6, 1933.

³⁷ Kageyama, “The Beer Wars of the 1920s.”

³⁸ “Beer Wars.” n.d. Historica Wiki.
https://historica.fandom.com/wiki/Beer_Wars.

³⁹ Mitchell S. Dak., “Petition Protesting the Possible Release of Al Capone,” April 26, 1932.
<https://www.docsteach.org/documents/document/petition-protesting-the-possible-release-of-al-capone>.

⁴⁰ Lurgio and Binder, “The Chicago Outfit: Challenging the Myths About Organized Crime.” *Journal of Contemporary Criminal Justice*, (2013): 199–200.

even gained dominion over other criminal enterprises, they already had widely spread and accumulated strong influence. One of the major contributing factors to Al Capone's success was the common political corruption during the era. Chicago's underworld accumulated widespread political influence and political protection.⁴¹

Aftermath of the Prohibition era

The end of the Prohibition era was marked by the ratification of the 21st Amendment, repealing the federal Prohibition in all states.⁴²

The amendment was unique as it was the only amendment that has specifically repealed another amendment, the 18th amendment, and it was the only auxiliary method of ratification.⁴³⁴⁴ To amend the effects of the Volstead Act, President Franklin D. Roosevelt signed the Cullen-Harrison Act in 1933; this act allowed the consumption of beer and other alcoholic beverages.⁴⁵ With this, Prohibition was actually a very popular campaign theme for

Franklin D. Roosevelt and helped his election.⁴⁶

Prohibition, as a policy, was a massive failure; it was very detrimental to the economy, as it eliminated jobs supplied by what was formerly the fifth-largest industry of the nation. The secretive nature needed to operate during the Prohibition era caused criminal organizations to become much worse than the status of menaces. Corruption in law enforcement became very common during the era, as organized crime groups had to constantly enforce bribery to prosper.⁴⁷

Criminal gangs in large American cities used to be of a more minuscule scale; sociologists quote their system as a "hierarchy with big-city bosses of political machines financing control over small neighborhoods." However, their scales became massively extensive as they started to coordinate with each other and actually form organizations. The prohibition was a feeding ground for small-time street gangs; they were leeching off the desperation of Americans to

⁴¹ Binder and Lurigio, "Introduction to the Special Issue," 188.

⁴² "Prohibition Repeal is Ratified at 5:32 P.M.; Roosevelt Asks Nation to Bar The Saloon; New York Celebrates with Quiet Restraint," *The New York Times*, December 6, 1933.
<https://mrnussbaum.com/storage/uploads/activities/freedom/21st-amendment.htm>.

⁴³ "Seventy-second Congress of the United States of America; at the Second Session." December 5, 1932.
<https://longroaddistillers.com/the-21st-amendment-to-the-united-states-constitution-a-repeal-day-primer/>.

⁴⁴ Brian Smentkowski. "Twenty-First Amendment | United States Constitution." In *Encyclopædia*

Britannica. 2019.
<https://www.britannica.com/topic/Twenty-first-Amendment>.

⁴⁵ NCC Staff, "The Constitutional Origins of National Beer Day | Constitution Center." National Constitution Center, April 7, 2019.

⁴⁶ US Senate. "U.S. Senate: The Senate Overrides the President's Veto of the Volstead Act." October 28, 1919.

⁴⁷ "What Were the Effects of Prohibition? | Britannica." n.d. [Www.britannica.com](https://www.britannica.com/question/What-were-the-effects-of-Prohibition).
<https://www.britannica.com/question/What-were-the-effects-of-Prohibition>.

drink liquor.⁴⁸ By the early 1920s, the revenue scale was enlarged to the degree where the gangsters had learned to become more organized. They started to employ different figures into the picture: lawyers, accountants, brew masters, boat captains, warehousemen, or even armed thugs. New alcohol trafficking gangs formed, crossing ethnic boundaries: Irish, Jews, and Poles started cooperating and participating in inter-gang rivalries, shootings, and violence that helped shape a major portion of the Prohibition era.⁴⁹

Prohibition's repeal caused organized crime groups to reorganize and shift their focus to other opportunities. Many gangsters entered the legal and licensed alcohol business; the profits were not as successful. Citizens no longer sought bootleggers to supply their liquor, gambling, or other illegitimate businesses, so the organizations had to seek other opportunities for profit; for instance, many figures have also established their own casino businesses.⁵⁰

Organized criminal groups had gained influence in the corporate and political world throughout the era; even after, the influence still remained, and they held power over the affairs of legitimate businesses as well. This

blended the boundaries between criminal and non-criminal behavior and provided social acceptance for many of the organization leaders, who then gained political power to control elections, both locally and nationally.

Conclusion

Al Capone has undeniably left a critical trace in the liquor and criminal industries of America. He caused a pivotal transformation in the way criminals were organized, the activities criminals profited from, the whole political authority, power, and corruption. The massive increase of organized criminal organizations is his most salient feature. His legacy is notorious, proven by the way his behavior still influences the way criminals operate and profit. His celebrity-like personality caused his records to be mostly publicized, which acted as a stepping stone for other criminals to follow in his footsteps. The Prohibition era and Capone's crimes utterly altered the way society functions in today's America.

⁴⁸ "Beer Flows in 19 States at Midnight as City Awaits Legal Brew Today: 3.2 Era Opens Here With Few Revels." The New York Times, April 7, 1933. <https://www.rarenewspapers.com/view/649404?imageList=1>.

⁴⁹ The Mob Museum. 2022. "Prohibition Profits

Transformed the Mob." Prohibition: An Interactive History.2022.<https://prohibition.themobmuseum.org/the-history/the-rise-of-organized-crime/the-mob-during-prohibition/>.

⁵⁰ Ibid.