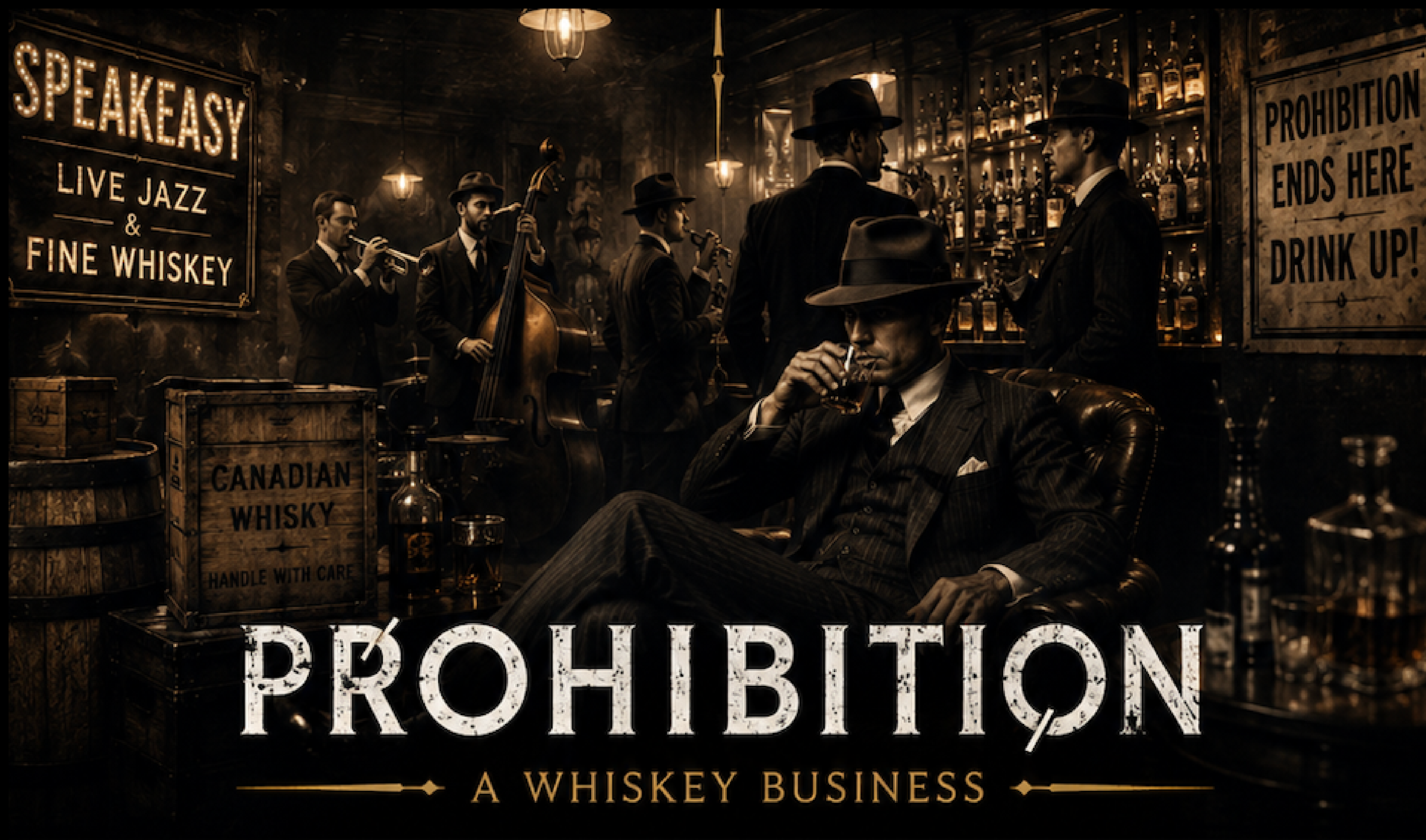




AHPMUN

September 25-26



PROHIBITION: A WHISKEY BUSINESS

Historical Crisis



KNOWLEDGE • INTEGRITY • COMPASSION

AHPMUN September 26th and 27th

TABLE OF CONTENTS

Letter from Secretariat	4
Letter from Chair & Co-Chair	5
Letter from Crisis Manager	6
Conference/Committee Policies	7
Topic A	
Introduction	8
Background	9-10
Current Situation	11-12
Issues to Consider	12-13
Possible Solutions	14
Questions to Consider	15
Works Cited	16
Topic B	17
Introduction	18
Background	19-20
Current Situation	20-21
Issues to Consider	22
Possible Solutions	22-23
Questions to Consider	24
Works Cited	25
Delegation List/Position Dossier	

Letter From the Secretariat

Dear Delegates,

On behalf of the entire Secretariat, we are thrilled to welcome you to the twelfth session of AHPMUN! This year, we've worked harder than ever to make AHPMUN bigger and better than any conference before it, and we cannot wait to share it with you.

As the executive team—Arina Petrushina, Jonathan Schwartz, and Mason Cohen—alongside our dedicated faculty advisor, Mr. Mark Gruskin, we've poured countless hours into building two days of challenging debate, meaningful collaboration, and global problem-solving that you'll remember long after the gavel falls.

Model UN isn't just an extracurricular for us — it's genuinely our favorite part of high school, and that passion is exactly why we've pushed so hard to make this year's conference the best one yet. Every detail, from committee topics to logistics, was built with you in mind.

At AHPMUN, we hold every delegate to a high standard of **integrity, respect, and diplomacy**. Please remember that **plagiarism and prewritten material are strictly prohibited**. Your work should be your own, and your words should reflect thoughtful research and genuine engagement with your committee's topics.

Respectful and constructive debate is expected at all times — our goal is to foster a space where ideas can be challenged, but people are never disrespected.

Position papers are required to be eligible for awards, and should be submitted on time. That said, we want to stress that awards aren't the heart of this conference. What matters most is that you grow as delegates, thinkers, and global citizens.

We cannot wait to see the energy, enthusiasm, and creativity you bring to this year's conference. Whether you're a first-time delegate or a seasoned veteran, AHPMUN XII is for you, and we hope it becomes a true highlight of your MUN journey.

See you soon!

Sincerely,

Arina Petrushina, Jonathan Schwartz, and Mason Cohen

AHPMUN XII Executive Team

Mr. Mark Gruskin Faculty Advisor



KNOWLEDGE • INTEGRITY • COMPASSION

Letter From the Chair & CoChair

Hi everyone! I'm Shreyas Baghel (yes my last name is a lot like the food), and owing to that I typically do go by 'Bagel'. I'm really excited to be one of your chairs for the Prohibition committee, especially because I'm a huge fan of The Sopranos and the Mafia video games.

I was loosely involved in Model UN my freshman and sophomore year through our home conferences AHPMUN and HUDMUN, before really committing myself to the team this past year, where I've competed in both crisis committees and general assemblies. Outside of Model UN, I'm pretty heavily involved in Speech and Debate as President and in DECA as Vice President, and have a vested passion in entrepreneurship and marketing. When I'm free from school related stuff, I'm typically found doing anything and everything that involves friends and cars. Taking photos, exploring, driving like a safe and upstanding citizen, rock crawling, off-roading, working on my car, drifting, you name it, there's a decent chance I've done it. If I'm not hanging out with friends, I will almost certainly be reading Stephen King or immersing myself in a single player story game, like the aforementioned Mafia games! This is my first time ever chairing, and I'm super excited to see the process of debate and course of committee as an outsider and engage y'all as best as I can. While I do want to see an adherence to the time period and arcs that make sense historically, I wouldn't frown upon unconventional or risky ideas (within reason of course). My goal as chair, working with backrooms, is to make this committee as fun as possible, because that's where I really think the beauty of crisis is compared to a GA. If you have any questions (like how much more betrayal Paulie can take) or just want to reach out, please feel free to do so! Email - pl1003087@ahschool.com



What's up guys! I'm Joel. I'm a junior at American Heritage Broward, and I'm really delighted to be chairing the Prohibition committee alongside Bagel!

This is my first time chairing a committee and I look forward to seeing a spectacular debate. Although I'm not as experienced with crisis committees, I'm especially excited to be a part of this committee because of my love for the famous Al Capone. Moreover, I'm a huge fan of intros that are funny but still topical, so nothing too over the top. Although I look forward to seeing solutions that stay historically accurate, I love to see different creative approaches from delegates throughout the committee. Aside from MUN, I'm involved in a couple of things: swimming competitively, and being pretty involved in the nonprofit Bytes for Better Lives, which spends time helping seniors navigate their tech troubles. I'm also involved in HOSA, and I do a little sprinkle of speech and debate on the side.

Ultimately, my goal is to help others, whether through medicine or simply by stealing a smile whenever I can. In my free time, I love consuming Chipotle Mexican Grill, playing a bit of soccer with friends, and sleeping. I hope to make this crisis committee a fun and exciting experience. Please don't hesitate to reach out! Email - pl1018010@ahschool.com



Letter From the Crisis Manager

Hello, delegates! My name is Frank Toma, and I cannot wait to serve as your Crisis Manager. I am excited to shake up committee and see how each of you uses crisis notes to shape the direction of the simulation. I began competing with the travel team this year, and Model UN has quickly become one of my favorite activities on campus. From the team environment and traveling across the country to the excitement of committee, I have come to love every part of MUN. For delegates from American Heritage, I look forward to getting to know you better and hope to see you on the travel team in the future. For delegates joining us from other schools, I hope to help make AHPMUN a memorable experience. Outside of Model UN, I participate in American Heritage's Pre-Business Program, the Pre-Business Society, and the Young Investors Society, and I compete in several business competitions. I am especially interested in marketing and plan to study it in college. In my free time, I enjoy spending time with friends and family, listening to music, and meeting new people. If you would like to talk about committee, business, or music, feel free to find me at AHPMUN. I look forward to seeing you in committee.

Email - pl258141@ahschool.com



Committee Staff

Shreyas Baghel, Chair

Joel Cardenas, Co-Chair

Frank Toma, Crisis Manager

Nathan Moronta

Lucas Calderon

Olivia Chung

PROHIBITION: A WHISKEY BUSINESS

Conference/Committee Policies

AHPMUN is committed to providing a welcoming, inclusive, and professional environment in which all delegates can participate confidently, develop their skills, and enjoy the conference experience. Every participant is expected to treat fellow delegates, chairs, members of the Secretariat, staff, and guests with respect and courtesy throughout the conference. Delegates are expected to engage in debate in a diplomatic and constructive manner. Delegates must respect differing opinions and any form of bullying, harassment, discrimination, intimidation, or any personal attack will not be tolerated at AHPMUN. Professional conduct and respectful language should be maintained at all times, both during formal committee sessions and in informal interactions.

All participants must follow these conference rules, committee procedures, and any other instructions given by the Secretariat or committee chairs. Behaviour that disrupts committee proceedings or negatively affects the experience of any other participants will not be tolerated. By attending AHPMUN, all delegates agree to uphold these standards and contribute to a respectful, collaborative, and enjoyable conference for everyone.

Thank you, and we look forward to a wonderful conference!

Our Committee Policies:

- The Prohibition: A Whiskey Business committee will operate following standard Model UN Crisis Committee procedure.
- Delegates will represent individual characters rather than countries and are expected to act according to their character's interests, motivations, relationships, and available resources.
- Delegates will respond to crisis updates through public and private directives. Delegates may also use their character's portfolio powers to take actions based on the resources and influence available to them.
- Delegates may communicate privately with the Crisis Backroom through note-passing to request information or pursue individual actions. Crisis staff will determine the results of these actions based on feasibility, available resources, and developments within committee.
- This background guide gives delegates a baseline understanding of the people, organizations, and conflicts relevant to the committee, but delegates are both allowed and encouraged to conduct their own research to strengthen their knowledge of the topics and their assigned character.



PROHIBITION: A WHISKEY BUSINESS

Topic A: Rising Tensions: Power gaps, Turf Wars, and Anarchy

Introduction Topic A

For four years Chicago's underworld ran because one man made it run. Johnny Torrio understood something his rivals didn't: violence was, in fact, just a cost of doing business, and a business that keeps its costs down beats the one that does not. In 1920 he brought the city's bootleggers together, drew lines on a map, and told them that everyone who stayed inside their own lines would get rich. The arrangement was beneficial for Torrio, but overall provided a deal everyone simply couldn't pass up.

Today the table is empty. Torrio is in a cell in Waukegan with five North Side bullets in him, and he has handed the whole operation to a 26-year-old Brooklyn transplant named Alphonse Capone. Mike Merlo, whose word was bond across every Sicilian, Irish, Polish, and Jewish outfit in the city, died of cancer in November. Two days after the funeral somebody walked into Dean O'Banion's flower shop on North State Street and answered the question of who would replace him.

So the pact is dead, the arbiter is gone, and nobody who wants Chicago can hold it. The Unione Siciliana, which controls the Italian vote and the alcohol cooking network in Little Italy, has no undisputed president. The North Side wants blood, not territory. The Gennas control production and can't protect it. Capone controls distribution and political cover, and the position he holds has no legitimacy.

Everyone smaller is watching the giants bleed and checking where they can sneak inside and move up. City Hall is no help either. The mayor means to enforce Prohibition, the State's Attorney has ambitions of his own, and police captains are still for sale even though the department no longer is. Washington has not yet found the legal theory that will eventually bury all of you, though it will.

You are not a government. You have no courts, no monopoly on force. What you do have is a room and a clock, and either can be used to build a new order or finish tearing one down. Both are acceptable outcomes. The only question is whether anything, or anyone, can hold a division of Chicago in place now that the man who enforced the last one is on a boat straight to Naples.

PROHIBITION: A WHISKEY BUSINESS

Background Topic A

Prohibition took effect in January 1920. The Volstead Act, which Congress passed over Wilson's veto three months earlier, set the line at one half of one percent alcohol. Together they shut down a legal, taxed industry without doing anything about the fact that people still wanted a drink. Somebody was going to supply them.

In Chicago, the men best placed to do it were already there. It was the rail hub of the continent, which matters when you're moving freight you'd rather nobody looked at, and it sat on a water route to Canada, where whiskey was still perfectly legal to make. The breweries were all still standing and still equipped, now licensed to brew real beer and then take the alcohol back out, which was easy enough to skip. The wards were packed tight and organized along ethnic lines, providing workers, customers, and aldermen who treated protection money like nothing more than a cost of business. Frederic Thrasher counted 1,313 gangs in the city during these years, though almost all of them stayed small and local. A few turned into companies.

Big Jim Colosimo ran First Ward vice under Aldermen John Coughlin and Michael Kenna, and he wouldn't touch liquor. He thought it was beneath him and riskier than it was worth. In May 1920, four months into Prohibition, someone shot him dead in the vestibule of his own café, and his lieutenant Johnny Torrio took over and pointed the whole operation at beer.

What Torrio brought was organization. Breweries held under legitimate names, cutting plants to turn industrial alcohol into something you could drink, a trucking fleet, a distribution network, a standing bribery budget, and a lawyer on retainer. Then he split the city. The Outfit took the South Side and the near southwest suburbs, O'Banion took everything above the river, the Gennas kept Little Italy, Saltis and McErlane got Back of the Yards, and the Sheldons, the two unrelated sets of O'Donnell brothers, and the Touhys out in Des Plaines divided what was left. The trade itself splits four ways, into beer, cut alcohol, home still alcohol, and Canadian whiskey, and nobody is strong in all four. None of it was written down. Nothing held it in place except Torrio's word and the math, since a war costs everyone more than it pays anyone.

PROHIBITION: A WHISKEY BUSINESS

Background Topic A

Three things broke the arrangement in eight months. In May 1924 O'Banion sold Torrio his share of the Sieben Brewery, and he sold it knowing a raid was already coming. Torrio went down in the raid, lost a reported half million dollars, and as a second offender was looking at real prison time. Losing the money was the smaller problem. Torrio's authority rested on being the smartest man in the room, and O'Banion had just made him look like a sucker.

In November, Mike Merlo died of cancer at 44. Merlo was president of the Chicago chapter of the Unione Siciliana, a Sicilian mutual aid society whose officers delivered a bloc of the Italian vote and whose members included most of the alcohol cooks in Little Italy. He was the only man every faction would accept as someone who would settle an argument, and there was no procedure for replacing him. Two days after he died, three men walked into the flower shop on North State Street that O'Banion ran as a front and shot him at close range. Hymie Weiss took the North Side with Bugs Moran and Vincent Drucci behind him, and Weiss wasn't interested in a settlement. He wanted Capone and Torrio dead. His men shot up Capone's car on 12 January 1925 and caught Torrio on the sidewalk twelve days later. Torrio lived, will finish the Sieben sentence at Waukegan, and has handed everything over to Capone, who is 26. Angelo Genna has claimed the empty Unione presidency, and Capone can't take that office himself because it's closed to anyone who isn't Sicilian. Samoots Amatuna and the Aiello brothers are watching it too.

Mayor William Dever has spent two years padlocking saloons and moving police captains around, which made Chicago the driest big city in America on paper and pushed the Outfit's headquarters out to Cicero, where it installed its own government in April 1924 and where Chicago police can't follow. Squeezing supply without touching demand just made whatever's left worth more. State's Attorney Robert Crowe has ambitions of his own, and Coughlin and Kenna still deliver the First Ward. Liquor enforcement belongs to an underfunded and underfunded and easy to buy Treasury unit, not to Hoover's Bureau of Investigation, which has no jurisdiction over it at all, and nobody has established yet that a criminal owes tax on money he made illegally. What brings the federal government down on you is spectacle. The Thompson submachine gun is on the open market, and nobody in Chicago has used one on a rival yet.

PROHIBITION: A WHISKEY BUSINESS

Current Situation Topic A

As committee begins in 1925, Chicago's underworld is entering an increasingly unstable period. The territorial arrangements that once limited open conflict still influence the city's criminal organizations, but the relationships that sustained them are collapsing. Prohibition has made bootlegging extraordinarily profitable, giving rival organizations powerful incentives to protect existing markets while expanding into those controlled by competitors. Chicago's "Beer Wars" would ultimately become a prolonged struggle among criminal organizations for control of the city's illegal liquor trade.

The greatest immediate source of instability is the death of Dean O'Banion. On November 10, 1924, gunmen entered O'Banion's North Side flower shop and killed him. His murder transformed an already tense commercial rivalry into a personal conflict. Leadership of the North Side organization passed to Hymie Weiss, with figures such as Bugs Moran and Vincent Drucci remaining important members of the faction. Rather than allowing O'Banion's death to settle the dispute, his successors had powerful reasons to seek retaliation.

O'Banion had already damaged relations with Johnny Torrio's organization and the Genna brothers. One particularly serious dispute involved the Sieben Brewery. O'Banion arranged to sell his interest in the brewery to Torrio for approximately \$500,000 shortly before authorities raided it. Torrio was arrested during the raid and faced the possibility of serious legal consequences, while O'Banion refused to return the money. The episode convinced Torrio that he had been deliberately betrayed.

The death of Mike Merlo further destabilized Chicago's criminal balance. Merlo had led the Unione Siciliana and exercised considerable influence as a mediator among competing organizations. His death in November 1924 removed an important restraining influence at almost exactly the same moment that tensions surrounding O'Banion reached their breaking point. Two days after Merlo's death, O'Banion was murdered, and the North Side Gang subsequently began retaliating against its enemies.

PROHIBITION: A WHISKEY BUSINESS

Current Situation Topic A

Territory itself presents another problem. Control of established speakeasies, breweries, and neighborhoods may be relatively clear, but liquor must move between those locations. Trucks and shipments pass through areas controlled by different organizations, creating opportunities for hijacking and retaliation. Protecting transportation routes can therefore become just as important as controlling the establishments where alcohol is ultimately sold.

Chicago now faces a choice between restoring cooperation and allowing retaliation to determine the city's balance of power. Delegates must decide whether existing arrangements can still be preserved—or whether the collapse of the old order presents an opportunity too valuable to ignore.

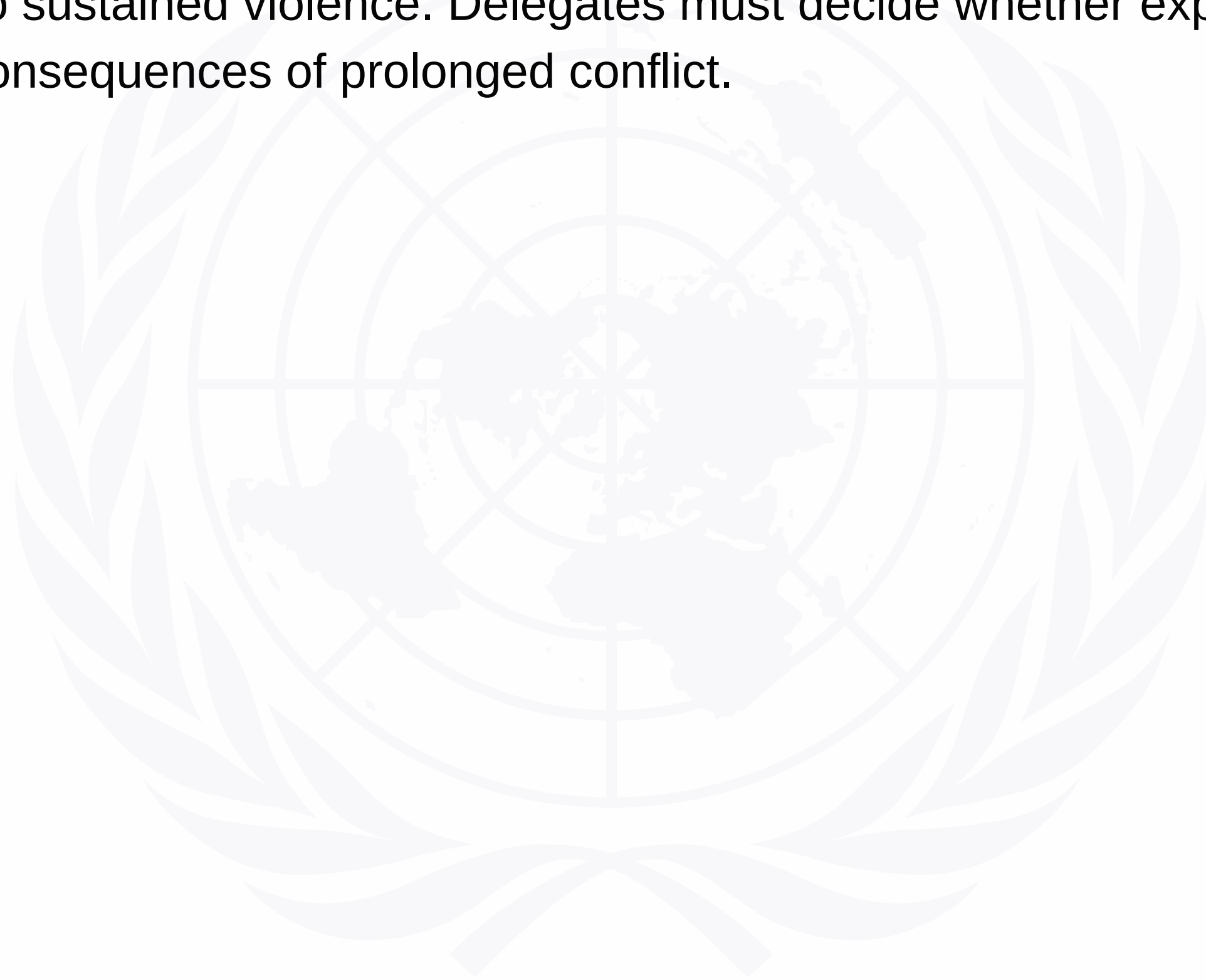
Issues to Consider Topic A

- **The Leadership Vacuum:** Mike Merlo's death removed an influential mediator at a particularly dangerous moment. Delegates must determine whether another figure or organization can fill this role or whether Chicago will operate without a recognized intermediary between competing factions.
- **Retaliation for O'Banion:** O'Banion's murder fundamentally changes the relationship between the North Side Gang and its rivals. His successors must decide whether retaliation is necessary to preserve their reputation or whether revenge could begin a war that threatens their entire organization.
- **Territory Versus Transportation:** Controlling a neighborhood or collection of speakeasies does not automatically guarantee safe transportation. Liquor shipments must travel across Chicago, making trucks, warehouses, roads, and distribution routes vulnerable even when retail territories are respected.
- **Hijacking and Economic Warfare:** Stealing a rival's alcohol can simultaneously generate profit and weaken a competitor. Yet repeated hijackings undermine agreements between organizations and may provoke violent retaliation. Delegates must determine when economic competition becomes an act of war.

PROHIBITION: A WHISKEY BUSINESS

Issues to Consider Topic A

- Changing Alliances: No faction possesses enough power to ignore every other organization. Temporary alliances may provide protection, manpower, political influence, or access to distribution networks, but changing circumstances can quickly transform allies into competitors.
- Violence Versus Profit: Open warfare may eliminate rivals, but it also kills valuable personnel, disrupts shipments, damages businesses, and attracts police attention. The Beer Wars demonstrate how competition over Prohibition profits could develop into sustained violence. Delegates must decide whether expansion is worth the consequences of prolonged conflict.



PROHIBITION: A WHISKEY BUSINESS

Possible Solutions Topic A

One possible solution is the creation of a new territorial agreement. Delegates could negotiate boundaries defining which organizations control particular neighborhoods, breweries, speakeasies, and customers. A new agreement could also establish procedures for resolving disputes before violence occurs. Such an arrangement would require powerful factions to accept limits on expansion in exchange for greater stability and predictable profits.

A second solution would specifically address transportation and distribution routes. Fixed territories alone cannot prevent conflict when liquor trucks travel across factional boundaries. Delegates could establish protected routes, shared transportation corridors, neutral warehouses, or compensation systems for shipments passing through another organization's territory. Agreements could also establish consequences for hijacking, giving factions alternatives to immediate retaliation. Delegates might instead attempt to create a new mediating authority following Merlo's death. Merlo's position had allowed him to influence disputes among Chicago's criminal organizations, and his disappearance created an important vacuum. A respected individual, council of faction leaders, or neutral organization could assume responsibility for arbitrating disputes. The difficulty would be convincing competing factions that the mediator is genuinely neutral rather than another organization seeking greater control.

Finally, some delegates may conclude that cooperation is no longer possible and pursue consolidation through alliances or force. Organizations could combine resources, negotiate mergers, isolate particular rivals, or form temporary coalitions against common enemies. The near-fatal attack on Johnny Torrio in 1925 would ultimately contribute to his withdrawal and the rise of Al Capone, demonstrating how violence could rapidly alter leadership within Chicago's underworld. Yet warfare carries enormous risks. Eliminating one competitor may simply create another power vacuum, while escalating violence can attract police attention and encourage previously neutral organizations to intervene.

PROHIBITION: A WHISKEY BUSINESS

Questions to Consider Topic A

As Delegates prepare, they should research these questions in depth and be ready to defend their position on each:

- Should Chicago's criminal organizations negotiate a new territorial agreement, or has cooperation become impossible?
- Who, if anyone, should replace Mike Merlo as an intermediary between competing factions?
- How should the North Side Gang respond to Dean O'Banion's assassination?
- Should transportation routes receive the same protection as established territories and speakeasies?
- What consequences should exist for organizations that hijack another faction's liquor shipments?
- Are temporary alliances more valuable than maintaining long-term independence?
- At what point does retaliation become more damaging than the original offense?
- Should delegates prioritize expanding their organizations or protecting the territory and resources they already control?

PROHIBITION: A WHISKEY BUSINESS

Works Cited Topic A

1. Binder, John J. *Al Capone's Beer Wars: A Complete History of Organized Crime in Chicago during Prohibition*. Prometheus Books, 2017.
2. Bergreen, Laurence. *Capone: The Man and the Era*. Simon & Schuster, 1994.
3. Eig, Jonathan. *Get Capone: The Secret Plot That Captured America's Most Wanted Gangster*. Simon & Schuster, 2010.
4. Kobler, John. *Capone: The Life and World of Al Capone*. Da Capo Press, 2003.
5. Iorizzo, Luciano J. *Al Capone: A Biography*. Greenwood Press, 2003.
6. Nash, Jay Robert. *World Encyclopedia of Organized Crime*. Da Capo Press, 1992.
7. Pasley, Fred D. *Al Capone: The Biography of a Self-Made Man*. Ives Washburn, 1930.
8. Schoenberg, Robert J. *Mr. Capone*. William Morrow, 1992.
9. Sifakis, Carl. *The Mafia Encyclopedia*. 3rd ed., Facts On File, 2005.
10. Thale, Christopher. "Bootlegging." *Encyclopedia of Chicago*, Chicago Historical Society and Newberry Library.
11. United States. National Archives and Records Administration. "The Volstead Act." National Archives, National Archives and Records Administration.
12. United States. National Archives and Records Administration. "18th Amendment to the U.S. Constitution: Primary Documents in American History." National Archives, National Archives and Records Administration.

PROHIBITION: A WHISKEY BUSINESS

Topic B: SOUND OF DA POLICE

Introduction Topic B

The greatest threat to Chicago's bootleggers may not come from another gang. It may come from men carrying badges. Five years have passed since national Prohibition took effect, and the federal government's attempt to eliminate America's liquor trade has instead produced an enormous underground economy. The Eighteenth Amendment prohibited the manufacture, sale, and transportation of intoxicating liquor, while the National Prohibition Act which is better known as the Volstead Act that provided the federal government with the legal machinery necessary to enforce that ban. Yet demand for alcohol did not disappear. In Chicago, criminal organizations responded by constructing breweries, importing liquor, operating distribution networks, and supplying thousands of illegal drinking establishments. Bootlegging rapidly became one of the city's most profitable underground industries.

Enforcing Prohibition has proven considerably more difficult than passing it. Federal agents must locate hidden breweries, identify warehouses, follow shipments, gather evidence, and convince witnesses to cooperate. They operate against organizations capable of moving enormous sums of money and protecting themselves through bribery, intimidation, political connections, and violence. The very officials responsible for enforcing the law can themselves become targets for corruption. Contemporary and later federal assessments found that low salaries and inadequate training contributed to corruption among Prohibition agents, some of whom accepted payments to overlook violations.

Delegates should also understand an important historical distinction. Although this topic uses "FBI" for familiarity, the organization operating in 1925 was called the Bureau of Investigation, or BOI. It was undergoing major reform under its young director, J. Edgar Hoover, but it possessed far fewer powers and investigative technologies than the modern FBI. The Bureau was not even the primary federal agency responsible for enforcing Prohibition. Federal liquor enforcement remained centered within the Treasury Department, while the BOI could conduct Prohibition investigations when directed by the Department of Justice. This leaves Chicago's underworld facing a complicated network of enemies rather than a single police force: local police, federal dry agents, Treasury investigators, prosecutors, and Bureau investigators may all threaten criminal operations in different ways.

PROHIBITION: A WHISKEY BUSINESS

Background Topic B

National Prohibition officially began in January 1920 following ratification of the Eighteenth Amendment and implementation of the National Prohibition Act. Commonly known as the Volstead Act, the legislation defined intoxicating beverages and established procedures through which the federal government could enforce the constitutional ban. Responsibility for much of this enforcement initially rested within the Treasury Department, particularly the Bureau of Internal Revenue, whose Prohibition personnel became popularly known as federal or “dry” agents.

Their responsibilities were enormous. Agents investigated suspected breweries and distilleries, intercepted shipments, seized illegal alcohol and equipment, investigated permit violations, and gathered evidence for prosecutions. Chicago presented an especially difficult environment. The city possessed both enormous demand for alcohol and criminal organizations capable of supplying it on an industrial scale. Local breweries could secretly manufacture beer while whiskey and other spirits entered through interstate and international transportation networks. Prohibition therefore transformed what had previously been localized criminal activity into an underground industry capable of generating millions of dollars.

Money also provided protection. Criminal organizations could employ drivers, lookouts, lawyers, accountants, gunmen, and political intermediaries. More importantly, those profits could potentially influence the very institutions responsible for enforcing the law. Bribery could allow a shipment to pass undisturbed, provide warning before a raid, or convince an official to ignore an illegal establishment. Yet corruption was never guaranteed. Reform politicians, honest officers, federal investigators, and competing political interests meant that criminals could not safely assume every official had a price. The federal investigative system itself remained fragmented. The Bureau of Investigation, led by J. Edgar Hoover beginning in 1924, did not possess the broad authority or sophisticated infrastructure later associated with the FBI. The Bureau established a formal classification for Prohibition investigations in 1924, but it was not the agency possessing primary jurisdiction over liquor enforcement and generally entered such investigations at the direction of the Justice Department.

PROHIBITION: A WHISKEY BUSINESS

Current Situation Topic B

As committee begins in 1925, Chicago's illegal liquor trade has become too large for federal authorities to ignore but too deeply embedded in the city's economy to eliminate easily. Bootlegging is no longer simply a collection of individual criminals selling bottles from hidden rooms. Large organizations manufacture beer, import spirits, control distribution networks, protect deliveries, and supply illegal drinking establishments throughout the metropolitan area.

The federal government possesses considerable legal authority but faces severe practical limitations. Prohibition agents can raid illegal breweries, seize liquor and equipment, arrest suspects, and refer cases for prosecution. Still, every successful raid depends on information. A concealed brewery cannot be seized if authorities cannot locate it, and a truck cannot be intercepted if its route remains secret. Prosecutions also become difficult when witnesses refuse to testify or evidence fails to connect senior figures to crimes committed by subordinates. Information can come from rival gangs, disgruntled employees, neighborhood residents, informants, or individuals seeking favorable treatment from authorities. This creates opportunities for manipulation. A gangster might secretly provide authorities with information about a rival's brewery, allowing federal agents to damage the competition without firing a shot. Conversely, an organization that discovers an informant may try to feed that person false information or remove them from sensitive operations.

Federal limitations should also matter during crisis. Delegates cannot assume that "the FBI" can immediately mobilize unlimited agents against them. Jurisdiction, evidence, agency cooperation, warrants, and prosecutors all matter. Yet these limits do not make criminal organizations safe. Public concern over organized crime is increasing, and the Chicago Crime Commission is already pushing for stronger law enforcement and greater accountability within the city's criminal justice system. Federal pressure is similarly divided among institutions. The Bureau of Investigation maintains Prohibition case files, but in 1925 it is neither the modern FBI nor the principal agency conducting liquor enforcement. Its Prohibition classification had only been formally established the previous year, and Bureau investigators generally required Justice Department authorization to enter such cases.

PROHIBITION: A WHISKEY BUSINESS

Current Situation Topic B

Another danger comes from somewhere less obvious: money. Bootlegging produces enormous revenues, but those revenues must eventually be spent, deposited, invested, transferred, or hidden. The Bureau of Internal Revenue therefore possesses a potential weapon completely separate from proving that a gangster personally manufactured or transported alcohol: taxation. The same Treasury apparatus responsible for federal revenue collection can examine financial irregularities, income, records, and unexplained wealth.

Delegates in 1925 should not know the future, but history demonstrates why this threat matters. Federal tax investigators would eventually construct the financial case that helped bring down Al Capone. An IRS Intelligence Unit investigation ultimately contributed to his 1931 indictment and conviction for federal income-tax evasion. This means that criminal organizations face two fundamentally different vulnerabilities. Operational investigations threaten the business itself: breweries, trucks, warehouses, speakeasies, and employees. Financial investigations threaten the individuals profiting from it. At the same time, federal enforcement faces its own vulnerabilities. Agents can be bribed. Investigations can leak. Witnesses can disappear or refuse cooperation. Jurisdiction is divided between agencies.

Issues to Consider Topic B

- **Federal Jurisdiction and Divided Authority:** Delegates must distinguish between local police, federal Prohibition agents, the Bureau of Investigation, prosecutors, and revenue investigators. These organizations possess different responsibilities and capabilities. In 1925, the BOI is not the primary Prohibition agency, making knowledge of which institution is investigating an organization particularly important.
- **Corruption and Political Influence:** Bribery can protect operations but also creates vulnerabilities. An official willing to accept money from one organization may accept more from another, while corrupt officials themselves may eventually face investigation. Delegates must determine whether corruption should be widespread or limited to trusted relationships.
- **Informants and the Code of Silence:** Criminal organizations depend upon secrecy while investigators depend upon information. Drivers, bartenders, accountants, employees, politicians, and gang members may all possess damaging knowledge. Delegates must develop methods of identifying leaks without creating so much paranoia that their organizations cease functioning effectively.

PROHIBITION: A WHISKEY BUSINESS

Issues to Consider Topic B

- **Surveillance and Operational Security:** Federal investigators in 1925 lack the modern forensic infrastructure associated with the later FBI. This increases the importance of surveillance, witnesses, documents, and human intelligence. Delegates should consider who knows warehouse locations, transportation schedules, financial arrangements, and leadership decisions.
- **Financial Exposure:** Bootlegging profits cannot simply disappear. Property, businesses, automobiles, deposits, investments, and unexplained wealth may create evidence even when authorities cannot directly prove involvement in bootlegging. Delegates must therefore protect both their illegal operations and the money those operations generate.
- **Public Opinion and Political Pressure:** Violence may attract greater attention from newspapers, reformers, business leaders, and organizations such as the Chicago Crime Commission. Excessive warfare can therefore create consequences beyond casualties by increasing pressure on officials to intensify enforcement.

PROHIBITION: A WHISKEY BUSINESS

Possible Solutions Topic B

One possible response to increasing federal pressure is decentralization. Criminal organizations could divide breweries, warehouses, transportation networks, and financial operations among smaller groups rather than allowing one compromised location to expose the entire organization. Senior leaders could restrict sensitive information to trusted associates while lower-level employees receive only what they require to complete individual tasks. Such compartmentalization would reduce efficiency, but a captured driver or raided warehouse would reveal less about the larger organization.

A second strategy involves political and legal influence. Rather than relying exclusively on direct bribery, delegates could establish relationships with lawyers, businessmen, ward organizations, local politicians, and other influential individuals. These connections might provide information, legal assistance, or political protection without creating the same risks as openly purchasing officials. Delegates should nevertheless remember that political alliances can change quickly, particularly when public violence makes association with organized crime politically dangerous.

Organizations could also develop counterintelligence operations. Delivery routes might change regularly, sensitive information could be compartmentalized, suspected informants could receive controlled information, and organizations could investigate how authorities obtained knowledge of previous operations. Delegates might even anonymously provide investigators with accurate information concerning rival organizations. Federal enforcement would then become another weapon in Chicago's gang war. Such tactics carry considerable risks, however, because excessive suspicion may destroy loyalty within an organization.

Questions to Consider Topic B

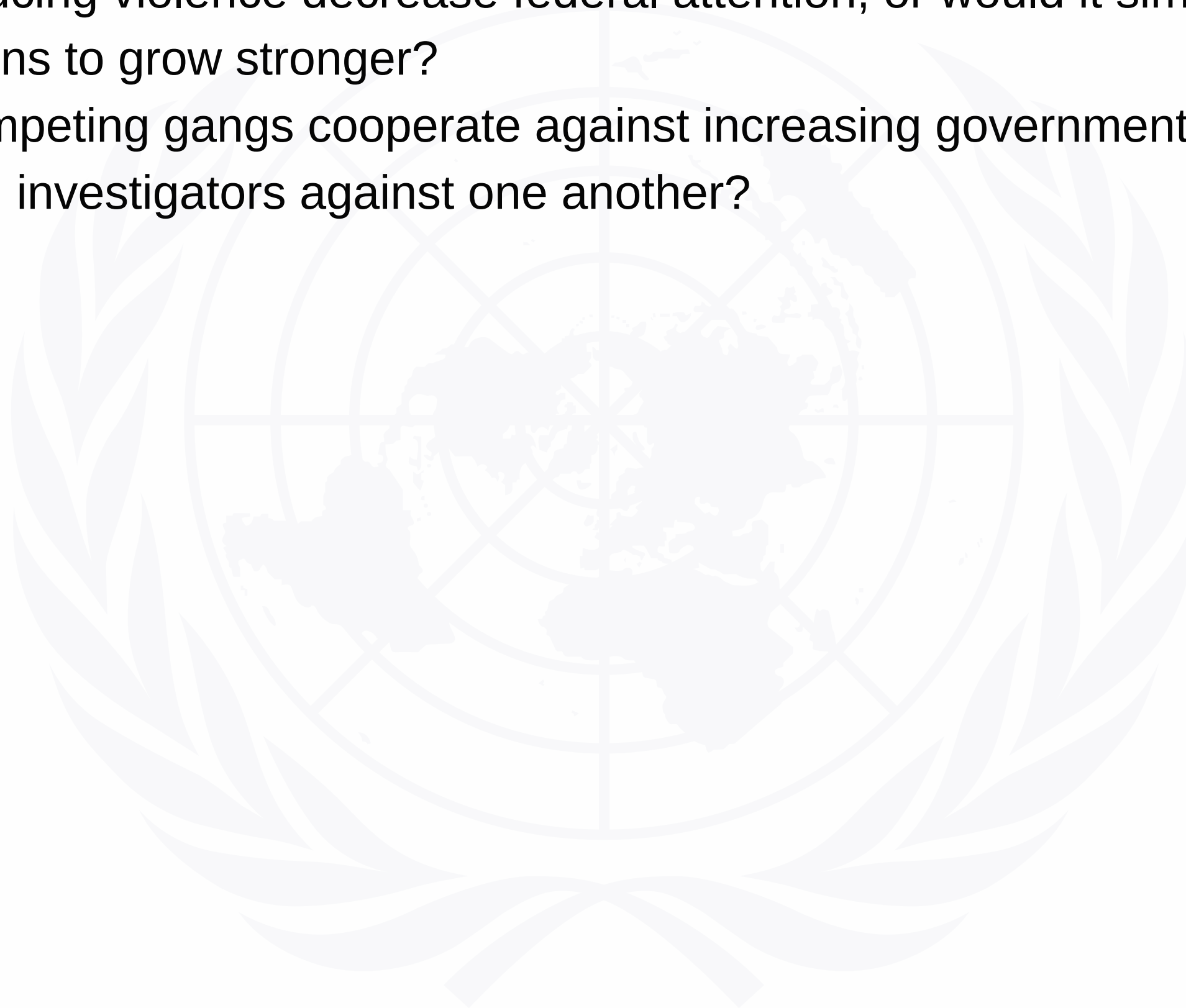
- How can your organization protect itself from federal investigation without preventing its members from conducting business efficiently?
- Which represents the greater danger: Prohibition raids, informants, financial investigations, or rival organizations deliberately providing information to authorities?
- Should law-enforcement officials be bribed, politically influenced, avoided, or manipulated against competitors?

PROHIBITION: A WHISKEY BUSINESS

Questions to Consider Topic B

As delegates prepare, they should research these questions in depth and be ready to defend their position on each:

- How can your faction identify an informant without destroying trust among loyal members?
- What information should only senior leadership possess?
- How should illegal profits be stored, invested, or concealed from revenue investigators?
- Would reducing violence decrease federal attention, or would it simply allow rival organizations to grow stronger?
- Should competing gangs cooperate against increasing government pressure, or use federal investigators against one another?



PROHIBITION: A WHISKEY BUSINESS

Works Cited Topic B

1. American Academy of Political and Social Science. Prohibition and Its Enforcement. Edited by T. Henry Walnut and Clyde L. King, American Academy of Political and Social Science, 1923. Library of Congress.
2. Federal Bureau of Investigation. "The Birth of the FBI's Technical Laboratory—1924 to 1935." FBI, U.S. Department of Justice.
3. Federal Bureau of Investigation. "The FBI and the American Gangster, 1924–1938." FBI, U.S. Department of Justice.
4. Internal Revenue Service. "IRS History Timeline." Internal Revenue Service, U.S. Department of the Treasury.
5. Library of Congress. "Problems with the Eighteenth Amendment and Prohibition." Constitution Annotated, Congress.gov.
6. National Archives and Records Administration. "Classification 23: Prohibition." National Archives, 15 Aug. 2016.
7. Ruth, David E. "Chicago Crime Commission." Encyclopedia of Chicago, Chicago Historical Society and Newberry Library.
8. Ruth, David E. "Untouchables." Encyclopedia of Chicago, Chicago Historical Society and Newberry Library.
9. Thale, Christopher. "Bootlegging." Encyclopedia of Chicago, Chicago Historical Society and Newberry Library.
10. "Crime and Chicago's Image." Encyclopedia of Chicago, Chicago Historical Society and Newberry Library.
11. "Underground Economy." Encyclopedia of Chicago, Chicago Historical Society and Newberry Library.
12. U.S. Congress. "The Twenty-First Amendment and the End of Prohibition, Part 2: The Wickersham Commission and the Repeal Movement." Congress.gov, Congressional Research Service.

PROHIBITION: A WHISKEY BUSINESS

Delegation List/Position Dossier

Johnny Torrio:

- After “Big Jim” Colosimo became unable to effectively run the Chicago Outfit, Torrio, alongside Capone, became one of the leading figures calling the shots. Torrio specialized in loansharking, illegal gambling, prostitution, extortion, political corruption, and murder.

Dean O’Banion:

- O’Banion was the founder and leader of the Irish North Side Gang, building considerable control over the beer and whiskey trade while refusing to involve his organization in prostitution. O’Banion also secured considerable protection through his connections with influential government figures. Although a hit ordered against him has left O’Banion unable to lead the North Side Gang directly, he continues to carry significant influence behind the scenes.

Frank “The Enforcer” Nitti:

- Nitti began as one of Capone’s bodyguards and became a trusted member of his inner circle. He played an important role in expanding the Chicago Outfit’s bootlegging operations and possesses close connections to the organization’s leadership.

George “Bugs” Moran:

- Moran became Hymie Weiss’s right-hand man following the hit on O’Banion and now works near the top of the North Side Gang. He is also closely associated with the gang’s violent operations and works alongside figures such as Frank Gusenberg.

Hymie Weiss:

- Weiss became the leading figure of the North Side Gang following the hit on O’Banion, assuming many of his former responsibilities. He possesses an intense hatred for Capone and represents one of the most serious threats facing the Chicago Outfit.

Mike Merlo:

- Merlo is the respected president of the Unione Siciliana, an organization capable of exercising considerable influence among Chicago’s Italian community. He has historically helped maintain peace among competing gangs. Although his cancer has forced him to step away from active leadership for the purposes of this committee, his reputation and connections continue to carry significant weight.

PROHIBITION: A WHISKEY BUSINESS

Delegation List/Position Dossier

Vincent “The Schemer” Drucci:

- Drucci is a high-level member and gunman within the North Side Gang. Working alongside Weiss and Moran, he has participated in the organization’s conflict with the Genna family and remains an important source of manpower and influence.

James “Big Jim” Colosimo:

- Although Colosimo has been bedridden following an attack attributed to Frankie Yale, he remains one of the most influential and well-connected figures in Chicago’s criminal underworld. His long-standing connections to Torrio, Capone, political figures, and Chicago’s vice industry continue to give him influence despite his condition.

Frankie Yale:

- Yale was connected with the early organization that eventually developed into the Chicago Outfit. When Colosimo strongly resisted expanding into bootlegging, Yale allegedly carried out the attack against him with Torrio’s involvement. He remains a dangerous figure with connections extending beyond Chicago.

Vincenzo Genna:

- Vincenzo is one of the leading members of the Genna crime family and one of the brothers still capable of representing the family effectively following attacks against them. He must protect the family’s interests while responding to threats from rival organizations.

Angelo Genna:

- Angelo serves as one of the Genna family’s primary enforcers and is experienced in handling the organization’s more violent operations. Although currently incapacitated following an attack, his connections and expertise remain valuable to the family.

Mike Genna:

- Mike handles much of the Genna family’s lower-level violent work and enforcement. Despite currently being injured, his aggressive personality and willingness to use violence make him a dangerous asset for the family.

Antonio Genna:

- Antonio generally maintains a quieter role within the Genna organization, remaining behind the scenes compared with his more aggressive brothers. Although affected by the conflict surrounding the family, his connections and knowledge of its operations remain valuable.

Jake Guzik:

- Guzik works closely with Capone and other senior figures within the Chicago Outfit, gathering information about developments throughout Chicago. He also plays an important role in managing the Outfit’s finances, giving him influence over both intelligence and money.

PROHIBITION: A WHISKEY BUSINESS

Delegation List/Position Dossier

Tony “Joe Batters” Accardo:

- Accardo works under Capone and serves as an important source of information concerning Chicago’s gambling industry. He can also assist in carrying out the Outfit’s plans involving gambling operations and enforcement.

Paul Ricca:

- Ricca works under Joseph Esposito at his restaurant, which serves as an important meeting place and bootlegging hub connected to Capone’s organization. His position gives him access to valuable criminal and political relationships.

Charles “Lucky” Luciano:

- Although primarily based in New York, Luciano possesses influence and connections extending well beyond his home territory. He shares early criminal connections with Capone through New York’s Five Points Gang and hopes to take advantage of Chicago’s instability to expand his own influence.

Joseph “Diamond Joe” Esposito:

- Esposito owns a restaurant that serves as an important meeting place and hub for bootlegging activities connected to Capone and the Chicago Outfit. His position as a middleman gives him connections across the criminal, business, and political worlds.

Frank Gusenberg:

- Gusenberg works with Moran and other members of the North Side Gang and participates in the organization’s violent operations. His loyalty and willingness to carry out dangerous assignments make him a valuable enforcer for the faction.

Charles “The Ox” Reiser:

- Reiser is an experienced safecracker with an extensive criminal history and connections to the North Side Gang. His technical expertise and experience have earned him considerable respect among younger members of the organization.

John Coughlin:

- Coughlin is a Chicago First Ward alderman whose district became notorious for vice and prostitution. He has accepted protection money in exchange for political favors and opposes Prohibition, giving him valuable connections to both Chicago politics and the city’s underworld.

Michael “Hinky Dink” Kenna:

- Kenna is another powerful First Ward political figure closely associated with Coughlin. His political machine has long benefited from relationships with Chicago’s vice industry, allowing him to exchange political protection and influence for support.

PROHIBITION: A WHISKEY BUSINESS

Delegation List/Position Dossier

William Hale Thompson:

- Thompson is a major Republican political figure and former mayor of Chicago who maintains relationships with elements of the city's underworld. His political influence and connections make him a potentially powerful ally for any faction seeking greater protection within city government.

Rat Herdock:

- Herdock is a mob lawyer born in 1890 in Hell's Kitchen, New York, to Irish immigrants. He works at the prominent law firm Herdock, Herdock & Herdock and provides legal expertise to figures operating within the criminal underworld.

