Mafia Organizations

How do mafias work? How do they recruit people, control members, conduct legal and illegal business, and use violence? Why do they establish such a complex mix of rituals, rules, and codes of conduct? And how do they differ? Why do some mafias commit many more murders than others? This book makes sense of mafias as organizations, via a collative analysis of historical accounts, official data, investigative sources, and interviews. Catino presents a comparative study of seven mafias around the world, from three Italian mafias to the American Cosa Nostra, Japanese Yakuza, Chinese Triads, and Russian Mafia. He identifies the organizational architecture that characterizes these criminal groups, and relates different organizational models to the use of violence. Furthermore, he advances a theory on the specific functionality of mafia rules and discusses the major organizational dilemmas that mafias face. This book shows that understanding the organizational logic of mafias is an indispensable step in confronting them.

Maurizio Catino is Professor of Sociology of Organizations at the University of Milan – Bicocca, and Visiting Scholar in the Department of Sociology at New York University. His writing has been published in Organization Studies, European Journal of Sociology, Scandinavian Journal of Management, and Cognition Technology and Work, among others. His most recent book is Organizational Myopia (Cambridge, 2013).
Mafia Organizations

The Visible Hand of Criminal Enterprise

Maurizio Catino

Professor of Sociology of Organizations at the University of Milan – Bicocca, and Visiting Scholar in the Department of Sociology at New York University
To my parents and my brothers.
To Delia, Martina, and Anna.
Contents

List of Figures ix
List of Tables xi
Acknowledgments xii

Introduction 1

1 What Type of Organization Are Mafias? 10
  1.1 Different Conceptions and Some Misunderstandings 12
  1.2 Mafias as Organizations 16
    1.2.1 Mafia as a Type of Organized Crime 21
    1.2.2 Mafia as a Type of Secret Society 24

2 Organizational Architecture 29
  2.1 Recruitment and the Problem of Informational Asymmetry 29
  2.2 Coordination and Communication Problems 41
  2.3 Learning 48
    2.3.1 Criminal Community of Practice 51
  2.4 Reputation 53
  2.5 Sagas, Rituals, and Collective Events 59
    2.5.1 Organizational Sagas 60
    2.5.2 Rituals 63
    2.5.3 Mafia Liturgies: The Initiation Rituals 65
    2.5.4 Integration and Aggregation Rituals 72
    2.5.5 Removal and Degradation Rituals 76
    2.5.6 Conclusions 78
  2.6 Accounting 80
    2.6.1 Top-Down 81
    2.6.2 Bottom-Up 87
  2.7 Environment and Organizational Ecosystems 88
  2.8 Mafia Transaction Cost Economics 98
    2.8.1 Transaction Cost Economics 98
    2.8.2 Transaction Cost Economics in Mafias 101
    2.8.3 Business Development 107
    2.8.4 Limitation of Competition 114
    2.8.5 Enforcement 120
viii  Contents

2.9  Between Clan and Feudal Hierarchy  126
  2.9.1  Organizational Control  129
  2.9.2  Clan Signs  133
2.10  Organizational Structure  135
  2.10.1  The Government Dimension: The Minimal Organizational Unit  138
  2.10.2  The Governance Dimension: Higher-Level Bodies of Coordination  145

3  Organizational Orders  152
  3.1  Mafia Structures  153
    3.1.1  The Sicilian Cosa Nostra  153
    3.1.2  The ‘Ndrangheta  160
    3.1.3  The Camorra  167
    3.1.4  The American Cosa Nostra  175
    3.1.5  The Triads  181
    3.1.6  The Yakuza  187
    3.1.7  The Russian Mafia  192
    3.1.8  Comparison of the Mafias’ Organizational Orders  195

4  Organizational Orders and the Use of Violence  198
  4.1  Conflict and Violence  198
  4.2  Collusion or Competition? Italian Mafia Murders and Conflict Resolution  203
    4.2.1  Ordinary Murders  205
    4.2.2  High-Profile Assassinations  214
  4.3  War and Peace in Other Mafias  220

5  Mafia Rules  226
  5.1  A Theory of Mafia Rules  228
    5.1.1  Rules in Organizations  228
    5.1.2  Rules in Mafia Organizations  231
  5.2  Mafia Rules: Types and Functions  234
    5.2.1  Written Codes  234
    5.2.2  Types and Functions of Rules  241
    5.2.3  Sanctions, Reinforcement, and the Ambivalence of Rules  253
    5.2.4  Some Concluding Remarks  258

6  Mafia Organizational Dilemmas  260
  6.1  Small vs. Large  262
  6.2  Security vs. Efficiency  267
  6.3  Concealment vs. Consensus and Visibility  274
  6.4  Centralized vs. Decentralized Structure  280
  6.5  The Use of Violence vs. Containment  286
  6.6  Recruitment: Kinship vs. Skills  294
  6.7  Trust vs. Distrust  299
    6.7.1  Trust, Mistrust, Betrayal  303

References  309
Index  336
Figures

2.1 The typical organizational structure of a mafia family  page 139
3.1 The organizational structure of a family of the Sicilian Cosa Nostra  155
3.2 The organizational structure of the Sicilian Cosa Nostra with higher-level bodies of coordination  156
3.3 The Sicilian Cosa Nostra: organizational evolution  157
3.4 The organizational structure of a ‘Ndrangheta locale  161
3.5 The higher-level bodies of coordination of the ‘Ndrangheta  164
3.6 ‘Ndrangheta: organizational evolution  166
3.7 The organizational structure of the Camorra (nineteenth century)  168
3.8 The Camorra’s clan model  171
3.9 Camorra: organizational evolution  173
3.10 The organizational structure of the Camorra today  174
3.11 The organizational structure of the American Cosa Nostra  176
3.12 Structure of a traditional triad headquarters  183
3.13 The structure of a traditional triad branch society  183
3.14 The structure of a modern triad society  185
3.15 The pyramidal structure of the Yamaguchi-gumi and Inagawa-kai syndicates  190
3.16 The typical organizational structure of the ikka  191
3.17 Russian Mafia: the structure of the brigade  194
3.18 The four separate levels of Russian crime groups  194
4.1 The total number of homicides of the three Italian mafias, 1983–2016  208
4.2 Sicilian Cosa Nostra homicides, 1983–2016  209
4.3 Camorra homicides, 1983–2016  210
4.4 ‘Ndrangheta homicides, 1983–2016  212
x List of Figures

4.5 High-profile assassinations committed by three Italian mafia organizations, 1861–2016 217
6.1 The cycle of mafia organizational action 284
6.2 The evolution of the collaborators with justice phenomenon in Italian mafias, 1994–2016 305
# Tables

<table>
<thead>
<tr>
<th>Table</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Recruiting strategies to reduce information asymmetry</td>
<td>32</td>
</tr>
<tr>
<td>2.2</td>
<td>Territorial origins of persons investigated for mafia association ('Ndrangheta)</td>
<td>35</td>
</tr>
<tr>
<td>2.3</td>
<td>Average remuneration in two Camorra clans</td>
<td>84</td>
</tr>
<tr>
<td>2.4</td>
<td>Mafia services offered in legal markets</td>
<td>106</td>
</tr>
<tr>
<td>2.5</td>
<td>Centralization, complexity, and formalization in mafias</td>
<td>143</td>
</tr>
<tr>
<td>2.6</td>
<td>Functions and activities of higher-level bodies of coordination</td>
<td>149</td>
</tr>
<tr>
<td>3.1</td>
<td>Summary of the main characteristics of analyzed mafia organizations at the beginning of the twenty-first century</td>
<td>196</td>
</tr>
<tr>
<td>4.1</td>
<td>Types of conflict in three Italian mafia organizations (a selection of the most relevant)</td>
<td>204</td>
</tr>
<tr>
<td>4.2</td>
<td>High-profile assassinations committed by three Italian mafia organizations, 1861–2016</td>
<td>218</td>
</tr>
<tr>
<td>5.1</td>
<td>Classification of the main explicit rules of some mafias according to their different functions</td>
<td>242</td>
</tr>
<tr>
<td>5.2</td>
<td>Rules on use of violence in the American Cosa Nostra</td>
<td>249</td>
</tr>
</tbody>
</table>
Acknowledgments

A great many people gave generously of their time and knowledge in discussing the ideas in this book. I would like to thank Delia Baldassarri, Francesco Calderoni, Paolo Campana, Gino Cattani, Francesco Curcio, Nando Dalla Chiesa, Marco Del Gaudio, Irena Dhrami, Diego Gambetta, Giuseppe Gennari, Alex Hortis, Jim Jacobs, Sharon Ingrid Kwok, Kent Lee, Frederick Martens, Monica Massari, Francesco Moro, Antonio Mutti, Victor Nee, Salvo Palazzolo, Valeria Pizzini-Gambetta, Michele Prestipino, Selwyn Raab, Ernesto Savona, Salvatore Sberna, Anna Sergi, Louise Shelley, Elisa Superchi, Paolo Storari, Federico Varese, and Peng Wang.

I benefited greatly from comments and suggestions I have received at invited lectures and conferences. In particular, I presented at the American Sociological Association Annual Conference (August 2013), the Puck Seminar of the Department of Sociology at New York University (May 2014), the European Consortium for Political Research General Conference (Prague, September 2016), the Department of Sociology at Cornell University (November 2016), and the American Society of Criminology General Conference (November 2016 and 2017).

I am grateful to the Department of Sociology at New York University for hosting me as a visiting scholar in the past few years. Parts of this project were carried out in this context. Chapters 4 and 5 build on, revise, and update the content of two previously published journal articles: namely, “How Do Mafias Organize? Conflict and Violence in Three Mafia Organizations” (Catino 2014), and “Mafia Rules: The Role of Criminal Codes in Mafia Organizations” (Catino 2015). All translations into English of quotations from sources in other languages are my own.