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A long tradition of keeping Slavic peasants inebriated is reflected in many names from the shtetl: Winiarz, Winiarski (for making wine, a legal cover and side business) and Gorzelnik (the making of vodka or other hard liquor, the dominant business and usually illegal). One such humble-looking dynasty was the Bronfmans.

After yet another crackdown on moonshine by the Tsar in 1889, the Bronfmans relocated to a distant yet familiar environment. They set up shop selling booze to German farmers on the border of Saskatchewan and Montana, the easier to escape the jurisdiction more rigorous at the moment. Of the four children, Abraham, Alan, Harry, and Samuel, Sam proved to have the most chutzpah, changing the face of the Bronfmans' new-found continent.

In 1916 Sam and Harry moved back east and opened a retail liquor outlet in Montreal. The duo are also reported to have started up a chain of "little hotels": according to Bronfman parter James Rutkin, "they sleep very fast. They rent them quite a few times a night."

Sam also had stills across Canada near the U.S. border, for instance at his parents' old haunts at Yorkton and Regina, Saskatchewan and a liquor warehouse at Govenlock six miles north of the border on the Wild Horse Trail. The single-store town of Govenlock made a fortune on bootlegging, starting illegally when Canadian provinces went dry, then booming when the tables reversed and the U.S. went dry. Another major smuggling point crossed from Manitoba to North Dakota.

South of the border, in 1919, the 18th Amendment (Prohibition) was passed empowering the Volstead Act. Samuel Bronfman made such a fortune bootlegging, all along the U.S./Canadian border but especially from Quebec, that Lake Erie became known as the "Jewish Lake" for his famous speedboats. He joined forces with Meyer Lansky, "Waxy" Gordon (Irving Wexler), Lucky Luciano, and a host of other mobsters to become the major liquor distributor in the United States.

Canada's Parliament also passed in 1919 some restrictions against hard liquor, specifically labelling it a drug. Harry Bronfman found the loophole: he got a pharmacy license and renamed the family business the Canada Pure Drug Company.

Samuel Bronfman had problems with the petty racketeers who drove the trucks across the border. They were too greedy, too numerous, and not trustworthy kinfolk. Meyer Lansky's Murder, Inc. provided the essential service of weeding their ranks.

Bronfman's exports gave birth not only to the modern Mob, but also to modern money laundering, according to financial expert J. Orlin Grabbe:

Exporting alcohol to the U.S. was not illegal in Canada; it was only illegal to import it from the U.S. side. Naturally those writing checks to pay for imported Canadian booze didn't like to be so obvious as to make them out to Bronfman. So the Bronfmans opened up an account at the Bank of Montreal under the fictitious name "J. Norton". Since no one knew anything at all about J. Norton, money could be wired to this account from the U.S. Or U.S. cash or checks could be used to purchase a bank draft made out to "J. Norton" at any branch of the Bank of Montreal. These drafts could then be deposited into the bank account of any Bronfman-controlled company. The company treasurer would see the name "J. Norton" and credit the payments to the company's U.S. Booze account.

Lansky, along with Bronfman and his partners Tibor Rosenbaum and Louis Bloomfield, set up money laundering rings between the U.S., England, Palestine (later Israel), Switzerland, Cuba, the Bahamas, and Canada, among many other locations. They became intimately familiar with the nature of bank account control and the forgery of bank documents.

For such a scheme to work requires people at all stages of handling large amounts of money who can be trusted: people of the same kin and religion. This forms a network of trust, of the same kind that can be found among Chinese merchants in Southeast Asia, for example.

All told, over half the bootleg shipped to the U.S. during Prohibition was shipped by Sam and Harry Bronfman. One of the rivals of Bronfman/Lansky partnership was a more famous but lower volume bootlegger, Joe Kennedy. That rivalry lasted long after Prohibition ended, but that is another story.

In 1920 Lansky and Sam Bronfman entered into collaboration with "Big Maxie" Greenberg, a veteran Detroit mobster, and Arnold Rothstein, who owned a chain of New York gambling casinos. Rothstein and Bronfman bankrolled the operation, purchasing "safe" sites in Maine to import liquor, while Greenberg went to St. Louis and "Waxy" Gordon took over New Jersey.

In 1926, Sam and Harry Bronfman negotiated the Canadian distribution rights for Distiller's Company Limited of Edinburgh, London. This giant British conglomerate sold more than half the world's scotch, and the Bronfmans became the official vehicle whereby they distributed to North America. DCL's board of directors included Lord Dewar, Field Marshal Earl Haig, Sir Alexander Walker, and so on. While the Bronfmans in good shtetl tradition laid low and painted for themselves a humble, put-upon portrait, the British lords immortalized themselves as brand names. The next year, the Bronfmans purchased the old Canadian firm of Seagram's, and began to experiment with "blended" (i.e. watered) whiskey.

In 1929 Meyer Lansky, "Longy" Zwillman and Louis "Lepke" Buchalter host a meeting of gangland bosses -- including Al Capone, Frank Costello, Charlie "Lucky" Luciano and Johnny Torrio -- at Atlantic City's President Hotel to hammer out a "cartelization" of territories for activities that went far beyond bootlegging. This is the beginning of "Crime, Inc."

In 1933 Prohibition was repealed. Meyer Lansky, Benjamin Siegelman ("Bugsy" Siegel), Samuel Tucker, Moe Dalitz, Morris Kleinman and Samuel Rothkopf, all of whom escaped prosecution, built a chain of distilleries across the northern United States, selling millions

of gallons of alcohol to liquor manufacturers without bothering to pay excise taxes. Bronfman, by now worth billions, kept making and selling hard liquor, but also diversified into a wide range of properties, including Texas Pacific Oil Co. Inc, Ranger Oil, Tropicana, and Dole.

The end of Prohibition brought major trauma as cash flows in need of protection shrank and mobsters fought over the remaining heroin and numbers rackets. In 1936 "Dutch" Schultz (portrayed in movies as a blond German villain, but really a black-haired Jewish neighbor of Lansky and Rothstein), divulged plans to assassinate Thomas E. Dewey, at that time U.S. Attorney for New York. Buchalter and Lansky had Schultz gunned down and his territory divided among the cartel. Dewey then turned his agents loose on Buchalter and Shapiro. The two went into hiding, and set about "eliminating" potential talebearers. Over the next three years more than a hundred gangland figures are purged by "Murder, Inc."

postscript:

Arnold Rothstein's son, Murray, would change his name to "Sumner Redstone" and combine a wide array of U.S. media properties into the mass media giant Viacom. Samuel Bronfman's grandson, Edgar Jr. would buy media giant MCA/Universal. Both media houses heavily promoted and widely distributed movies featuring Italian-Americans as gangsters, conveniently leaving out the leading roles of their forebears. The Bronfmans have also had many other adventures, which may be related in a future post.

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