

Federal Attorneys Probe Hip-Hop Industry

Written by Gza Genius ID968

Saturday, 05 March 2005 04:00 -

As gunplay between two chart-topping gangsta rap artist and the trial of a rap diva vie for top headlines this week, federal authorities are pressing a wide-ranging investigation into the \$1.5-billion hip-hop music industry, NEWSWEEK has learned.

According to top industry insiders, federal investigators are digging into a playlist of crimes, ranging from extortion and robbery to the industry's persistent violence and mounting casualties—including the unsolved murders of rap and hip-hop icons Tupac Shakur and Notorious BIG. Investigators are "asking about anyone in hip hop from what I understand," says a top music lawyer. Another top lawyer and a prominent entertainment business manager also said they were aware of an investigation. In a NEWSWEEK interview, one influential executive who was questioned recently by investigators adds: "It's a federal investigation of hip hop and the music business and the crimes that have come out of it."

Although the probe is months, if not years, old, these sources say, buzz about it began to resonate within hip-hop circles in recent days, fueled by a fresh round of violence this week. Entourages for The Game, rap's latest phenomenon, and 50 Cent, perhaps rap's biggest star, allegedly engaged in a shooting match outside New York's top hip-hop radio station on Monday. The encounter left a member of The Game's posse with a minor gunshot wound, according to authorities. Later, several shots reportedly were fired in front of 50 Cent's manager's office. New York police are now taking precautions to try to prevent a rap war between the two camps, Raymond Kelly, New York City's police commissioner, said this week.

Ironically, the latest shooting occurred on the same day that female rapper Lil' Kim went on trial for allegedly lying to a federal grand jury investigating a shootout in front of the same radio station in 2001. That firefight allegedly involved a longstanding rivalry between Lil' Kim and rapper Foxy Brown. Federal investigators "are pissed off," especially by the latest shooting outside the radio station, said one music industry insider who was contacted this week by the federal investigators.

As best can be determined, the U.S. attorney for Manhattan is leading the probe, either as part of a Justice Department Task Force, through a federal grand jury or both. "It's a revolving grand jury that basically has been going on for a couple years now," says the prominent entertainment attorney.

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According to people familiar with the matter, Michael Scudder, an assistant federal prosecutor in Manhattan, is deeply involved. Asked about his role in the investigation, Scudder referred NEWSWEEK to a spokeswoman for U.S. attorney for the Southern District of New York. Citing Justice Department policy, she would neither confirm nor deny the existence of an investigation.

For some of those caught up in the current investigation, it's a jarring experience. "It's scary," says the prominent industry executive who was recently questioned by investigators. This person, who isn't suspected of any crimes, said he was asked generally, "what's going on and what's the story" about shootings and unsolved murders.

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