Gambling is Chief Source of Income

Organized Crime Take in Louisiana Estimated $1 Billion Yearly

By CLARENCE DOUCET

Gambling is the primary source of revenue for organized crime.

Nationally, the syndicate grosses an estimated $20 billion each year through gambling. In Louisiana, it has been estimated that the gambling gross may be as high as $1 billion.

Pinball machines in the metropolitan New Orleans area, alone, have been estimated to gross some $20 million annually.

In the eyes of Ralph Salerno, authority on organized crime, gambling represents a problem similar to that of alcohol during Prohibition.

"In relationship to gambling," says Salerno, "the first thing that we have to admit is that the way we are approaching it now stinks. It is utterly ridiculous. We are making every mistake that we agree was a mistake during Prohibition.

"Now my arguments about gambling are either: Let's enforce the laws against it, or let's legalize it. I don't care which way you go, but doing neither of these two things, which is what we are doing now, is a horrible thing."

Why is it horrible?

"Not because gambling is so evil," says Salerno, "but first, because we are neglecting an area for economic resources that could be made available. And there are lots of programs we are not supporting right now because the big problem is we do not have the money. We could use the funds.

"Another point to consider is that 90 per cent of all police scandals in the history of the United States have come under the area of gambling corruption. That's a hell of a fringe benefit.

"I'm sitting here in New Orleans; I've read both of your major newspapers. They both print the racing results in Arlington Park, from Belmont and from Garden State. Now I think that's some kind of proof that a large number of readers are interested in the results of races held 500, 700 and 1,000 miles away."

"Now I think they are entirely hypocritical in trying to pretend that they want to read about them because they are interested in the improvement of the breed."

"I would like not to see newspapers stop publishing this, but as long as the public demands it, why don't they editorialize on what use the public is making of it. They are betting illegally with a bookmaker.

"Let's carry this one step further on why this is evil."

"It's evil because you will never be able to tell your son, 'Stop smoking pot, because it's illegal.' He is going to turn around and tell you, 'Pop, you've been betting with a bookmaker for 25 years. That's illegal, too.'"

Does Salerno see any other areas of "hypocrisy" on the part of Louisiana adults?

Using the same analogy about the father-son, he says: "You can talk to him about promiscuous sexual behavior and say that's immoral. Well, you've been following the laissez-faire attitude that a little vice is good for the tourist trade in New Orleans. Well, that might be immoral, too. I think it becomes much more immoral than someone's individual actions when you kind of commercialize vice because it's good for business.

"These are all of the things that are inherent in what the real problems of organized crime are. It's not that somebody runs gambling. It's what does this really mean. It's the fullness. How does this contribute to crime in the streets? How does this contribute to delinquency?"

Referring to the annual $20 billion gross of gambling, Salerno says:

"It's not gangsters betting with racketeers. The customers of gambling are really fine American citizens who believe in a lot of nice things, but they don't want to give up the hypocrisy of their approach.

"This is the problem. So nearly everybody is very sensitive to public image. What do you think is the public image of Louisiana and New Orleans across the country —not in the minds of the general public, but let's talk about the professionals in the field of criminal justice. You don't have a good image. This is grossly unfair to the overwhelming majority of your law enforcement people who, I think, are honest, capable and dedicated. But, you've got a bad image. It's a fact."

Who are some of the people in New Orleans who have an appreciation of the problem?

"Police Sgt. Joseph Giarrusso certainly has an awareness and knowledge. I don't know if he's in a position to discuss it openly and truly. He's part of a structure and he has to stay within the limitations of policy and procedure, and I'm sure he can't tell it like it is.

"I know this is one of the great benefits I've been enjoying in my current position where I don't work full-time for anybody. I work as a consultant for many government and non-government bodies. I can tell it like it is; very few people can. It's part of the problem."

I think the chief would be a knowledgeable person. Aaron Kohn of the Metropolitan Crime Commission certainly would be. I think there are others.

"Owen Neff (special attorney for the Justice Department in New Orleans), who has certainly done creditable public service dealing with organized crime, is another.

"I think if you got free, frank and full discussion from all of them you would see that they are basically in full agreement on what the basic problems are and what really needs to be done about it. So I think you would find agreement as to what the problem is and what needs to be done.