

## NEW YORK CITY 16

**CROWN**

## THE LOW-DOWN ON ALL OF US



# U. S. A. CONFIDENTIAL

*The Lowdown on ALL of US*

by **JACK LAIT and LEE MORTIMER**

Authors of **WASHINGTON CONFIDENTIAL**,  
**CHICAGO CONFIDENTIAL**,  
**NEW YORK CONFIDENTIAL**

This is the full-scale, full-bodied, uncensored, unafraid account of the shockingly corrupt under-life of America that no one else has dared to reveal before. Jack Lait and Lee Mortimer, in their breezy, brassy, impudent way, mince no words and pull no punches. They never hesitate to name the names, no matter how big and exalted. They leave no stone unturned, and show boldly and plainly the maggots and termites responsible for the shameful sins, the moral and political corruption and degradation of our cities, big and small, our national organizations and societies. They tear aside the masks and show the duplicity of our elected officers, the link between government and the Crime Syndicate, the hidden machinations of labor rackets, the gambling, narcotic, vice and sex traffic, the roots of juvenile delinquency and the homosexual influence, the insidious infiltration of subversives.

Besides the full coverage of national factors and topics, special attention is focused upon major cities and all areas, in the sections entitled: Los Angeles Confidential, Detroit Confidential, New Orleans Confidential, Boston Confidential, Pennsylvania Confidential, Dallas Confidential, Ohio Confidential, San Francisco Confidential, St. Louis Confidential, Houston Confidential, Milwaukee Confidential, etc. Hawaii, Puerto

*(Turn to Second Flap)*

**CROWN PUBLISHERS, INC.**

419 Fourth Avenue New York City 16

*(Continued from Front Flap)*

Rico, Alaska, and even Americans-in-Japan are included. No area, no important city is neglected and there are up-to-date reprises of New York, Chicago, Washington, Baltimore.

The authors' previous book, **WASHINGTON CONFIDENTIAL**, was an all-time bestseller, and sold over 250,000 copies in less than nine months.



Jack Lait, world-famous as a newspaperman for almost half a century, has been star reporter, foreign correspondent, editor of King Features Syndicate, columnist, and for the past 15 years Editor of the *New York Mirror*.



Lee Mortimer, nationally-known columnist on night life, is an expert on worldlings and underworldlings. His lecture appearances across the country are drawing enormous audiences.

Both Lait and Mortimer have news sources and contacts for inside information that are unexcelled. They have both made extensive trips to all parts of the country during this past year to gather material and verify information for this book.

**CROWN PUBLISHERS, INC.**

419 Fourth Avenue New York City 16

THE OTHER

WA  
TH

Scandalous, shocking to describe this notorious capital of Yet WASHINGTON MAGAZINE. Three were used in effort and certain incidents reporters refused is the whole truth

CH  
TH

The amazing thing over the country, tied by public off

Yet CHICAGO Co the year. It had major crime investigations were directly stimulated public crusades the back of the C

NE

This is New York average Baedek and Harlem, from off-the-record information to stay out of list of backstag

419 FOURTH



U. S. A. CONFIDENTIAL  
nod from Washington late last fall to permit construction to proceed.

The record shows that fully 50 per cent of those in the state make their livelihood directly or indirectly from bouncing cubes and associated snares. The Nevada government is supported by out-of-state suckers. The profits go to carpetbaggers and out-of-state racketeers.

Pete Licavoli and the Detroit Purple Gang have the Nevada Club in Reno, and shot up locals to get it. The old Shelton Mob is operating in Reno, too, where the new Mapes Hotel, the state's largest building, was built on an RFC financed loan which covered the construction of the gambling casino as well as the sleeping rooms. Now the RFC is also stuck on a guaranteed \$350,000 bank loan made so Charlie Binaggio could build the Tahoe-Biltmore. It's been a white elephant since his murder. Anyone want the country's biggest gambling joint for a song? Apply to the Reconstruction Finance Corporation. San Francisco gamblers are interested in the Golden Hotel.

Nevada, a large state with small population, must live on the leavings of visitors. Easy divorce was the first lure. It still provides much revenue. When neighboring states adopted stringent marriage laws, Nevada jumped in with Gretna Greens. The extent of this business is so large Reno ministers are sore because judges are performing marriages "illegally." They say JPs come in from the sticks to cash in. The loss in marriage "tips" to Reno clergymen alone is said to be \$150,000 a year. Vegas, nearer Los Angeles, does thrice that business.

Nevada permitted red-light stockades by local option. Las Vegas and Reno legalized them until the crime syndicate came in. The Eastern lads, with millions invested in ornate gaming casinos like the Flamingo, did not want \$5 competition, so they knocked the option out in both cities. A few of the mining towns still allow it.

But not all is peaceful in Paradise. There's a feeling here that instead of curing the evil by taking gambling out of the grasping hands of the underworld, Nevada has been turned over to the criminals with small return to the taxpayers.

Government projects like Boulder Dam, the atomic tests and Air Force bases bring industrialization to the desert. Along with it come sober householders who do not want their children raised in such an atmosphere.

There always has been a powerful minority against the sin-

THE LONELY STAR: TEXAS CONFIDENTIAL 191  
bund, mainly Mormon emigres from Utah. Mormons are the largest single religious group in Nevada. These are prim conservatives who neither smoke, drink nor gamble.

An indication of how the wind is blowing is the startling success of a new newspaper, the *Las Vegas Morning Sun*, which after only a year and a half is running neck-and-neck with the established monopoly journal.

The *Sun* fights hoodlums in this hoodlum-owned town. Nine times it lost its advertising; the public forced it back. Editor Hank Greenspun, erstwhile Bugsy Siegel press-agent, knows what he's talking about when he demands the exile of "foreign" mobsters or an end to gambling.

## 17. THE LONELY STAR: TEXAS CONFIDENTIAL

**I**N THE surface Texas is one big joke. But don't ever underestimate it. Hiding behind the hoss-opera makeup of pearl handled guns, diamond stick pins, \$100 Stetsons and fourteen-karat spurs and saddle trappings, is as brazen a bunch of freebooters as ever rustled a steer.

Texans, who profess to be he-men, are thin skinned and touchy when in the presence of "foreigners," which includes all unlucky enough to reside elsewhere than in the Lone Star State. They are insatiable for special privilege, greedy for prerogatives denied other Americans, riddled with inferiority complexes, jealous, surly, poor drinkers and comical as lovers.

Whatever else you've heard about Texas happens to be true. As for instance:

A banker, a businessman and an editor were reviewing Texas' accomplishments.

Said the editor, "We have the largest area, the prettiest girls, the strongest and bravest men, the biggest fortunes, the most oil and the best cattle. Is there anything we don't have?"

"Yes," answered the banker. "Culture."

"Well, let's buy some," said the businessman.

Texas believes it's an independent republic that could exist without the other forty-seven states. American Airlines southbound



passengers hear over the loudspeaker: "You are now crossing the Red River from the United States to Texas." Amon Carter, Fort Worth tycoon, is a big stockholder in American.

Texas' superiority is dinned into our ears so much, Yankees believe the drivel.

Instead of supermen, most Texans are merely uncouth and vulgar money-flashers and impossible poseurs. Many great ranch fortunes were started by outlaws who stole the land from the Mexicans and the cattle from each other. Now they are little Hitlers, living like kings on huge estates with thousands of Mexicans working for pennies and keep, which often consists of horse-meat. Texans vote Democratic by tradition and New Deal, which they detest, because laws are rigged by both to give them special exemptions and easier taxes.

Money talks. Texas has money. That's why it gets favorable laws, such as the joker in the income tax which allows oil speculators to take 27½ per cent off the top of their income for depletion, plus permitting them to charge off about 90 per cent of the cost of sinking the well against current operating expenses if it hits, and deducting all if it doesn't.

That is why so much loose money floats around the fantastic desert empire. Many of the newly rich distrust banks. They buy diamonds by the bushel, bracelets for their women and jeweled trouser belts for themselves costing \$100,000 or more.

They erect huge mansions and mausoleums and you can't tell which is which, dress their fat farm wives in minks and sables, cover their floors with rare Persian rugs and their walls with Aubusson—then spit into solid gold cuspidors.

In its earlier days Texas prided itself on being rip-roaring and rowdy. Now ladies who run culture clubs tell you there is little crime in Texas. The reason is that very little counts as a crime.

They tell you never to resent a remark or get into an argument because the other guy will blow your head off and the coroner will put it down as self-defense. If not the only state in the Union, Texas is one of the few where bail is made for first degree murder as a matter of right and law. We know of many instances of individuals arrested for first degree murder, out on \$1,000 bail and never brought to trial. Through another gimmick in the Texas law a murderer can inherit from his victim. Wives kill their husbands, sell the property to pay the lawyer, then go free because the gallant authorities don't like to try or convict women.

The most serious offense in Texas is raising the price of tarts.

Northerners have been killed for giving whores \$10, breaking the market. Possibly only one offense is more turpitudinous: sexual intercourse between a black man and a white woman. We asked a local newspaperman what happens if a white adult rapes a ten-year-old colored girl. He replied, "Those lousy nigger parents got no right to let a young girl out on the street. We'd stick them in jail for breaking the curfew."

The only reason Texas is not a divorce paradise like Nevada is that its residential requirements are tougher. But for residents of the state it's a pip. Grounds are mental cruelty which is anything, including burping at the breakfast table. An uncontested divorce costs only \$35 and Texas law does not recognize alimony.

The municipalities in this overblown state are rotten at the core. There is a payoff for everything. Franchises are given and contracts are let at meetings held secretly, sometimes in the dead of night, without notification to minority party members.

Most of Texas is dry by local option and hard shell Baptist by birth. In these counties bootlegging and moonshining are more profitable than cattle rustling. The balance of the state permits the sale of beer and light wines for on-premise consumption, but you must buy your hard hooch in bottle stores and carry it with you.

Cafes are permitted to sell set-ups. Imbibers carry their own whenever they go out. They get drunk as a lord because no one wants to leave anything in a quart bottle. Bars close at twelve, and after that they can't even sell you a Coca-Cola because you might pour rum into it. Of course, many not only sell Cokes but cheat with mixed drinks at all times.

The state is owned by the beer lobby and the biggest brewer in the state is Howard Hughes, whose income from suds is perhaps even larger than his return from the fabulous Hughes Tool Company. The beer lobby is instrumental in keeping hard liquor from the bars. Emmet Morse is the brewers' lobbyist in Austin. Ironically he also handles legislative affairs for the wholesale liquor dealers. He explained it to them this way: if Texas were permitted to open wide there would be a reaction and a return to complete prohibition. As evidence he showed what happened after the race tracks were abused. Pari-mutuel racing was outlawed. Morse serves his clients well, indeed. He got through a bill requiring all retailers and bars to pay cash for beer. This saved the big breweries millions a year in bookkeeping, credit and bad accounts.

The Texas Rangers, famed in movie, TV, song and story, is a



U. S. A. CONFIDENTIAL

comic opera outfit living off its history and handouts. The once great organization is now the shakedown crew for the state administration. They handle the payoffs and conduct the raids which follow failure to pay. On the other hand, they frequently pull phony raids as a white-wash, but tip off the raidees in advance so gaming tables and dice can be hidden, as they are in the fabulous gambling joint in Midland run by a guy by the name of Harvey, who presses an electronic button, after which the whole shebang disappears into the floor of a concrete garage. This was one of Mickey Cohen's hide-outs.

When the Rangers are hell bent on a raid they come in full regalia, with ten gallon hats, trick cowboy shirts and two pearl-handled guns in their holsters. The newspapers are advised and photographers are on hand. Meanwhile the miscreants have vanished, except for the one guy left behind who is supposed to take the rap.

Another typical Texas brag is that the big mob from Chicago and New York does not operate here. Texans say, "We are too tough for the Ginzos and they know it. We ain't afraid of their guns so they keep away from our gamblers." The example they give you is the late Herbert Noble, who defied a dozen assaults on his life before they got him. Texans will tell you he was killed by another local gambler. But we know better.

As for the crime syndicate being out of Texas, that is just so much soap suds. The Mafia made one of its first major inroads in the United States in Galveston half a century ago and has since extended its sway across the state from Texarkana to El Paso. This is fertile land—a lawless community with fast, loose money.

The underworld has a tight monopoly which overlooks nothing, from the 50 per cent commission on the earnings of a \$2 whore in Galveston to the fixing of the biggest college football events in the state. It is in this field that the big blowoff which will rock Texas to the foundations of its spurious civilization will come when the lowdown on the fixing of college football coaches to insure point spreads comes out. College football is the biggest thing in this big state. Games draw by the hundreds of thousands. Important ones are as big as a Mardi Gras. Texas is nuts about its colleges which have been turned into huge learning factories by benefactions from rugged prospectors who sign their names with X's.

Texas also has Sam Rayburn, bachelor Speaker of the House, who spews his hatred for Truman over his bourbon but pulls all his vocal stops shouting his praises publicly.

It also has old Tom Connally, chairman of the powerful Senate Foreign Relations Committee, a fixture in Texas politics, now frightened for the first time over a bad attack of Acheson-Hiss acid.

### A. Dallas—Culture and Fairies

Dallas is a pushover—with its aspirations to culture, pretensions to style and heartburn for civilization.

Newly rich wives and daughters whose millionaire husbands and fathers shoveled cow dung for a living a few years ago earnestly join book-discussion groups and jabber about Plato, Aristotle, Montaigne and Adam Smith. They aren't up to James Joyce yet.

Guys who were day laborers on wildcat oil wells now cannot do without crepes suzette, which they import by airmail from the Vendome, on Madison Avenue, in New York, where such goo is dished up only as a come-on for tourists.

Dallas has a symphony, a week of the Metropolitan Opera, and a civic music season, all underwritten by local department stores as a shill to sell evening gowns. Neiman-Marcus sponsors the first, A. Harris the second, and Sanger Brothers the last. Sixty-year-old dowagers, some of whom slung hash in a Harvey restaurant in their youth, patronize these affairs in expensive décolleté designed for debutantes, with unwilling husbands who'd feel more comfortable in cowboy chaps or levis.

There are two subjects you must speak of with proper respect—the local girls, who are supposed to be the most beautiful in the world, and the Neiman-Marcus store.

One night we made fun of both. We said we had seen no pretty girls in Dallas, because all the local lookers had gone to New York. That's not too wild. Half of Gotham's glamor girls come from Texas. We also inferred there were stores in New York considerably better and more exclusive than Neiman-Marcus. We said we had stores like that on side streets in Manhattan. We almost got our heads knocked off by a couple of Dallas citizens. This was high treason. One character pulled out a pencil and began figuring on the back of an envelope the number of mink coats Neiman's sells in a day. "Does any New York store sell that many?" he shrieked.

*Nouveau riche* come from all over Texas to buy at this emporium. Dried-up farm women who never owned anything better than a \$2.98 Sears-Roebuck dress until oil pushed through the back yard, shop six fur coats at one sitting. Neiman boasts of the pick of all Paris and New York designers. It splurges with fan-



tastically priced merchandise that a smart New York woman would not wear for fear of being mistaken for a Christmas tree, or a Texan.

The Neiman store also designed the Hereford cattle exhibit at the State Fair. Stanley Marcus is one of the most important men in Dallas, honored and courted; the center of the town's flashy, wealthy, "intellectual" and "cultural" set.

He may not know that some Neiman models are call girls—the top babes in town. The guy who escorts one feels in the same league with the playboys who took out Ziegfeld's glorified. Price, a hundred bucks a night.

The salesgirls are good, too—pretty, and often much cheaper—twenty bucks on the average. They're more fun, too, not as snooty as the models. We got this confidential, from a Dallas wolf.

Neiman-Marcus also contributes to the improvement of the local breed when it imports New York models to make a flash at style shows. These girls are the cream of the crop. Oil millionaires toss around thousand-dollar bills for a chance to take them out.

Neiman's was a women's specialty shop until the old biddies who patronized it decided their husbands should get class, too. So Neiman's put in a men's store. Well, you should see what happened. You wonder how all the faggots got to the wild and woolly. You thought those with talent ended up in New York and Hollywood and the plodders got government jobs in Washington. Then you learn the nucleus of the Dallas fairy colony is composed of many Neiman dress and millinery designers, imported from New York and Paris, who sent for their boy friends when the men's store expanded. Now most of the sales staff are fairies, too.

The Dallas rich are crazy about modern décor. Scores of interior-decorator shops have sprung up in the Cedar Springs section. Probably no city in the country, including New York, has as many expensive and elaborate home-furnishing shops on one street. They stretch out for blocks, most of them owned and operated by queers.

So Dallas boasts more "gay" joints than any town in the country, including Frisco, where they are a tourist attraction. Even many that are actually straight are set up to appear queer.

The Flamingo, on McKinney Street, is the best-known queen hangout in Dallas, because it's the worst. The Reno Lounge, at Ervay and Wood, is obvious. The Mona Lisa and the Blue Bonnet are quieter. The Diamond Horseshoe attracts the middle-class deviates. Many fairies hang out at the Fox Burlesque Theatre.

The streetwalkers in trousers pick each other up in front of the Rock Island offices, at Commerce and Field.

Dallas snoots Houston, the lusty newcomer. Dallas sniffs at Houston as commonplace and commercial, though it's bigger and richer. It sneers at it about the way San Francisco holds its nose at Los Angeles. But Dallas will never be what San Francisco was.

Dallas has a "cafe society" which in reality is only a beer tavern society, but it supports one of the better night-life columnists, Virgil Miers, of the *Times-Herald*.

Dallas talks of its large local "aristocracy" and snubs towns like Fort Worth and Houston, which are one-man affairs. But this is what Dallas has:

H. L. Hunt, a story-book millionaire whose income from oil leases is said to be a million dollars a day, was once a professional gambler in El Dorado, Arkansas. Now, as a hobby, he maintains his own private racing-wire, which runs into New Jersey, where he often bets from \$40,000 to \$150,000 on ponies.

The children are raised by Dallas standards. For instance, a gang of two hundred young hoodlums was organized in which no kid could belong unless his old man was worth \$5,000,000. They call themselves the "Lakewood Rats." These young thugs preyed on local merchants, forcing the shopkeepers to hire slugs of their own to protect their windows. They also fought other rich young gangs, especially from wealthy Highland Park. The cops tell you loudly the "Lakewood Rats" are disbanded. We tell you confidentially they are not.

The Dallas police force is a Keystone outfit. The town's big shots run it. Coppers get fired for ticketing the "wrong" parked cars. Mustn't arrest the son of a millionaire. The Mayor, a businessman's choice, attends to that.

The real boss of the city hall gang is Wallace Savage, ex-Mayor. The boys let the incumbent, a banker, think he is running the works and let him have fun squaring tickets.

The contact situation is simple and easy. There are so few people you have to see, depending on what you want. U.S. Supreme Court Justice Tom Clark, former Attorney General, is THE man. You cannot go to him directly, so you see his pal, Maury Hughes, of the law firm of Hughes & Monroe. Tom's brother, Bob, is also his go-between. Tom introduced him as "my brother, who also practices law." Through Bob Clark, a firm known as Nichols Brothers grabbed the taxicab monopoly for the city. They operate fleets under different names, which makes



U. S. A. CONFIDENTIAL

the stranger think there is competition. Bob Clark was instrumental in discouraging veterans who wanted to run cabs. The trust runs lousy, ancient equipment, into which they crowd six strangers. Many of the cabs are driven by old women.

While heading the Department of Justice, Clark took two trips in the private plane of a man with tax troubles. He appointed the unhappy Theron Lamar Caudle as head of the department's tax division in the face of a negative report from the FBI.

Such charges roll off Tom Clark's back like a duck sheds water. He is used to them. In 1937, after Clark's law partner, William McGraw, became Texas Attorney General, an investigating committee reported that the future Justice of the U.S. Supreme Court experienced "a tremendous and startling increase in earnings." The upholder of the Constitution was then censured for not being "willing and eager to make a full disclosure of his financial affairs." But he was not held in contempt like others unfortunate enough not to know Tom Connally.

For in the very same year he left his \$70,000 law practice to become a special assistant to U.S. Attorney General Homer Cummings, the first step on his upward climb to the august bench which, before becoming ridiculous, was once graced by such sublime names as John Marshall, Oliver Wendell Holmes and Charles Evans Hughes.

At the other end, the Federal contact is Perry Rice, a Dallas lawyer whose wires also extend to Senator Connally. Rice takes care of the utilities, pipeline and natural gas boys. At this writing, Connally, who has been forced to go along with the Administration in the whitewash of the State Department, is on thin ice.

Dallas may be a center of cosmopolitan life, but if so it is the only one in the world where the biggest event in the year is the State Fair. This municipal orgy runs for two weeks, plays to millions from all over the state. With it come a couple of Broadway musicals, the big football game of the year and confidence men and strip-teasers who work the carnival circuit. During Fair time, gambling is wide open in town as well as on the Midway, and the hinterlanders who flock in from the Texas wilds are properly titillated as well as cleaned.

Then you see strange characters you didn't know existed outside silent movies.

Dallas skidrows are unique in their habits, vices, get-up, breeding and background. They have fairy bars here, at Ervay and Jackson, and barber shops with "lady" barbers so ancient they

THE LONELY STAR: TEXAS CONFIDENTIAL 199

sit down while they cut your hair. The winos drink bay rum and spend the day between periods of unconsciousness playing checkers in barbecue joints. There's another skidrow called Deep Elm, which the locals all pronounce "Elum."

South Akard Street is the tenderloin, with dozens of assignment hotels. Cab drivers call it "Whore House Road." The hotels have small red neon signs in front. No questions are asked at the Melba, the Modern and the Oriental. Instead of a room clerk, an ancient Negro sits in a rickety chair at the top of the staircase. You pay him a dollar for the key. No tip necessary. Many Akard Street hotels also supply call-girls. The price is \$5 regular, \$10 French, \$15 combination. The connoisseurs prefer Mexican girls. But only a lazy man bothers to send for them. Stand at the corner of Akard and Commerce or Akard and Main and just wait for a broad to come by. If she doesn't pick you up first, whistle or mumble. Many bims on the make drive around in open convertibles.

Because of the liquor laws there are no cocktail lounges, so you do your bidding at drugstore soda fountains. Ask any girl. She won't get sore. She will or she won't, and either way she's used to the blunt approach. Lots of friendly girls hang around the Pirate's Cave, a beer tavern and juke joint. There are a slew of beer bars with broads on the Fort Worth Pike, and cheap motels to take them to.

The Dallas whoring industry is the best organized in Texas. Many call services work out of so-called "massage parlors."

The Dallas phone book lists some thirty or more massage parlors under the headings of massage treatment and baths. Those that advertise they are open until 10 P.M. are good prospects. When in doubt you say, "Do you think we can get something else besides a massage?" If the answer is, "Well, we think you can," you're set.

A lot of the boys call the Belle Fille Baths, which means "pretty girl" baths. May Hoskins is the manager and Carleen Ovelby is the assistant. The ad is illustrated with a cut of a busty damsel massaging the back of an undraped man. Phone number, Union 6075; if busy call Tenison 9133.

Nina's Health Institute, which illustrates its ads with a picture of a nude woman, is popular, and open on Sundays. Phone Randolph 2592.

The standard parlor price is \$2 for a rub; \$5 for extra "attention."

The motel and tourist court situation is a dilly. All motels have



two rates, one for genuine tourists and one for quickies. Most of those which specialize in the latter are on the Fort Worth Pike and Harry Hines Boulevard. Some are legitimate, but most aren't. One sure way to tell is by the presence of a colored porter in front, playing a portable radio. That means more goes on than slumber. Courts that supply call gals charge \$6 extra.

The largest tourist courts in town are the Blue Top chain, three of them, one on each side of town. Each does a turnover of a thousand customers every Saturday. A check for Southern Methodist University as a thesis found this outfit catered only to cars with local county licenses, which meant the occupants weren't planning to stay all night. Travelers with foreign licenses were told, "No vacancies."

A motel on Davis Street frankly advertises, "\$4, two hours."

Twenty-one is supposed to be the legal age for beer and indoor necking, but local racketeers sell forged birth certificates for \$5 and \$10 to youngsters. Lou Ann's Dance Hall is where the bobby-soxers and college kids hang out. Sex is natural in this primitive land. It is not unknown to see SMU students letting nature take its full course in the back of automobiles, in daylight, on the college campus.

Abortions are reasonable—\$35 each.

This is the organized underworld situation here: Vice on the street level is operated by locals, who pay off to the Syndicate, which declared itself in. Those that don't pay off get the lethal treatment of the lately deceased Herbert Noble. The outside Italian boys came in here to invest some of their boodle in oil, beef and zooming real estate. At the same time they made connections to affiliate the local crime with their own nationwide organization. The late Charlie Fischetti was a big property-owner in Dallas. His last acquisition before his death was in the 6300 block of North Gaston.

Charley Blanda, of Denver and Kansas City, is in charge of local operations, working through a Sicilian named Colletti. The Real Juice Company, 2201 Leonard, is the local distributor for the Capone beer, out of Chicago. It will be remembered that the underworld took Kansas City first through Tony Gizzo, distributor of that beer there.

Other important Italians operating in Dallas are the Grandenetti Brothers of the Casino Lounge, 2403 North Henderson. A lot of the paisans hang out at the Bohemian Cocktail Lounge, 1705 North Carroll, where only beer, ostensibly, is sold.

When you first ask, the local citizens insist there are no Sicilian operations of any nature. The following names, culled from official but confidential government files, say otherwise:

Joseph Piranio, 1427 S. Ewing St.

Joseph, Leon and Sam Civello.

Victor Trepani.

Nick Cascio.

Joe De Luca, of Kansas City, the direct tie to the Mafia.

Here's the local set-up of actual operators who pay off above: Ivy Miller and Mack Willy, gambling. Benny Binion, now in exile in Nevada, still in control of numbers. Jim Carroll, operating as "Carroll Oil Co.," who lays off track money through Fritz Rechenburg, a bookmaker with contacts in Louisiana.

Charley Stevens represents the Tulsa interests. Augrie Abay, a man with a long record and now supposedly retired, is the contact man for narcotics. The so-called Deloise Green Mob of Dallas supplies torpedoes and killers all over the country. Buddy Malone, an associate of Binion, is his wire. Binion, incidentally, has been at many social gatherings with Mayor J. B. Adone.

Ben Whittaker, horseman and bigtime gambler, is close to the boys. He owns the Whitmore Hotel, sporting men's hangout, which serves the best food in town.

Which reminds us. If there's no sin, how come the citizens had to found a crime commission? Unfortunately Alphonse Ragland Jr. and Dan Reynolds have no dough or staff, so this is to tip them off. The fast money crowd and the bookmakers gather socially at the Royal Grill, where there is no gambling. The Bachelor's Club, a so-called private bottle set-up, gives race information but won't itemize your check, and if you insist you're asking for a clip on the jaw. The Top-of-the-Hill Terrace is a swank after-hours gambling bottle club, supposed to be private, but the card of admission is a \$10 bill. The Cipango is an expensive after-hour club, with gambling when the heat is off.

The Big Mob is sending millions into Texas to invest in wildcat oil leases. The Fletcher Brothers are often brokers in such speculative holdings.

This is the heart of the cow empire, but restaurants advertise Kansas City beef and many sell horsemeat instead.

### ***B. Houston—Hustleton on the Canal***

The home of fellow-author Jesse Jones, Houston is big, loud and proud. It appears to be the product of a mesalliance in the



U. S. A. CONFIDENTIAL

sagebrush between a Texas dance-hall girl and a high-pressure Chicago traveling man.

It is the biggest, the fastest-growing and the richest spot in the whole god-damned state of Texas, which is the god-damnedest state in the world. You can hear the horn-blowing from both borders, which, according to local surveys, are something like 100,000 miles apart.

This is the port and capital of the oilgolconda.

It claims more millionaires to the square foot than Wall Street ever had, and there is some basis for the boast. We will not get statistical. What's the use, when we tell you that one Houstonian of whom you never heard has given \$70,000,000 to Christian causes and meanwhile got richer than ever? Those who haven't got millions owe millions; that is almost an equal mark of distinction. The skyscrapers form a view like Newark, if not like New York, yet down below are the garish fronts of markets with marquees and chain stores with names like U-Totem and Pick 'n Go, reminiscent of Los Angeles, while in the distance is the gingerbread Shamrock Hotel, which could have been the drunken dream of a dozen delirious architects, conceived by Glenn McCarthy, the village bad boy who was early infected with publicity poison, and the condition became chronic and incurable.

Almost as prominent and even more symbolic is Doug Prince, who parlayed a gob of brown beef on a bun into a fortune as the Hamburger King of Houston, and who slathers money around as though it were mustard.

Of course, there is an element of dignified men who financed and managed the enormous substantial growth of Houston, which boomed past New Orleans in proportions and importance and population, and who have become weighty national figures in the mahogany offices which still manipulate what is left after taxes—which are lower for Texans than the rest of us.

But most of the ear-puncturing bellows come from the strident Northerners, who swam in on the high tides of the new bonanza burg, and whose nasal shrieks have contaminated the unique Texas drawl which Hollywood cowboys still simulate.

Those who haven't seen McCarthy's hotel imagine it a combination Taj Mahal and Palace of Versailles. Actually, it is a gaunt and ungainly square box, half a dozen miles from downtown. Its décor is shoddy and gaudy. The furniture in our suite was wearing out, though the hotel has been open less than three years. The place is a wildcatter's free-hand version of the Waldorf seen through a hangover.

McCarthy, hot-shot oil speculator, is a product of gushers of publicity. Now he believes it himself. He is not as rich as the Sunday supplements tell you. (Neither are some others whom local boosters blow up.)

McCarthy hangs around with a sporty crowd and is a wild man. His behavior when he drinks is notorious. He has had to pony up dough to square mayhem. To protect himself against himself, McCarthy, a nice guy when sober, travels with a bodyguard. He is also almost always accompanied by a psychiatrist, who gives him advice as they go along.

McCarthy's fabulous rise was accompanied by a similar growth in the size of his head. Jesse Jones hurt Glenn's ego. There wasn't much he could do about it, because Jesse is the wealthiest man in town. He owns or has the lease-hold on almost every foot of downtown business property. He owns the rich and powerful *Houston Chronicle*. So McCarthy wanted a paper. He merged a group of shoppers into a chain of neighborhood weeklies. Jones owns the Rice Hotel, the town's best. Glenn wanted a hotel, too. He couldn't get downtown frontage. Jones vetoed it there. McCarthy decided to develop his own section. He was going to move Houston's business district miles out to the flatlands. The Shamrock was to be a beginning. Around it would grow a huge development.

McCarthy has many playboy friends. He built his hotel with them in mind. There are several secret ways of getting into and out of the hotel, without going through the lobby. That was designed for routing girls in and out, but it accidentally turned out to be even a bigger asset. Mobsters and others who don't want to be seen find it convenient.

The Shamrock got off big. It was the most flamboyant thing Houston had ever seen. The sports had to support it. McCarthy built a private bottle club on the ground floor, the Cork Club. Its purpose was to circumvent the local midnight closing law and the ban on mixed drinks, and 750 members paid \$1,000 each to join, plus \$180 a year dues. Most of that goes to the hotel for rent. The \$750,000 saved the hotel.

Its other business was not up to expectations. McCarthy tried to borrow \$40,000,000 from the RFC, but was turned down. New York and Chicago Sicilians came down to look it over and would have signed a deal, but Mortimer broke an inside Mafia story in the *New York Daily Mirror*, which scared them off. It also implicated the Hilton hotel chain, though McCarthy is now on intimate terms with the Hiltons and there is a rumor they are operat-



ing it; the take-over might be announced before this reaches print. McCarthy finally obtained \$45,000,000 from The Equitable Life in a deal now being scrutinized by the New York State Insurance Department. Thereupon the operation of the hotel was revamped, with new managers, staffs and crews, McCarthy remaining chiefly as a figurehead for his publicity value. And the life-size painting of him in the lobby is still up.

McCarthy did create what palpably passes as cafe society, anemic and ridiculous by civilized standards, but so enthusiastic that all Houston papers put in local gossip columnists whereas pre-Shamrock Bill Roberts, the *Houston Press* chronicler, was the only one. Now he has vigorous competition from George Fuermann, Charlie Evans and Jerry Doyle.

Near the Shamrock, in this stark, flat expanse, the Prudential Life is building a skyscraper office-building. Houstonians, puzzled by this development in what is practically desert, say the insurance people are trying to bail out McCarthy by getting some population around him.

The hotel caters to free-spending ranchers and oilmen, who seem out of place walking in \$500 cowboy shirts through the plush green lobby where tea is served every afternoon at five. Glenn is looking for new worlds to conquer and the tiny banana republic of Guatemala doesn't know what's in store for it, now that it has come under his restless eye.

Glenn flew there with a couple of companions and announced he was going to create the Monte Carlo of America there at an investment of \$20,000,000. He didn't say where the dough was coming from and the Guatemalans were too polite to ask about the forty-five million he owes the insurance companies.

One of his associates on the trip was Frank Casone, a Memphis gambler. The other was Howard McCormick, listed as an Oklahoma City truck line operator with a long police record on minor gambling charges.

Howard Hughes is so seldom regarded as a Houstonian that even a good newspaperman like our friend George Fuermann almost overlooked him completely in his book, *Houston: Land of the Big Rich*. Yet the eccentric Hughes is possibly even a greater power in Houston than Jesse Jones. One reason is that Mayor Oscar Holcombe was on the Hughes Tool Company payroll at \$25,000 a year. Texas law permits the Mayor to accept outside employment. Though Hughes gets most of his clippings on his "eccentricities" from New York and Hollywood, he is still and has

always been a legal resident of Texas, which has no personal income tax, unlike California's stiff bite. Howard's parent holding company is the Hughes Tool outfit in Houston, which he inherited from his father. Hughes' friends laughingly say he doesn't own a suit of clothes himself—all his private belongings are supposed to be in the name of the tool company, and so he has no property in California. This is probably apocryphal, but with Hughes' thrifty disposition anything is possible. Though worth uncounted millions, Howard never carries money in his pockets. If you go out with him where he is unknown and cannot sign a check and charge it to the Hughes Tool Company, you pay the bill. If he wants to make a phone call, you lend him the coin.

He was once barred from New York's hoity-toity 21 Club by a doorman who thought the man in the unpressed suit, grimy shirt and tennis sneakers, with a week's beard, was a hobo. His friends say he buys one low-priced shirt at a time, wears it until it's disgraceful, then throws it away. When he moved from the Town House in Los Angeles he owned no suitcase, so he carried his few belongings in a bureau-drawer wrapped in newspapers.

Howard is in many respects a loveable guy, unspoiled by being a rich man's son. He has increased his fortune many times. His company is said to receive a royalty from every gallon of oil surfaced anywhere in the world.

Mayor Holcombe has other profitable business connections. A screaming New Dealer, he knows the proper people in Washington. At home he is in the building business. That doesn't hurt either, because, by coincidence, he just happens to know in advance when new roads are about to be laid. One of these was a superfluous boulevard and freeway in front of his home, named after himself.

Another local power is Charles Francis, a lawyer with strong ties to Washington through Senator Lyndon Johnson, who is usually found in the Truman camp. Johnson and Francis have a strange political alliance with Leverett Saltonstall, aristocratic, impractical and "liberal" Republican Senator from Massachusetts.

One of Francis' clients is the gigantic contracting firm of Brown and Root. They have received hundreds of millions of dollars' worth of construction work from Uncle Sam, to build defense and other installations in Guam and Alaska. They also get most of the government work in Texas, where, on their private jobs, they never use union labor if they can help it. They built the 70,000-seat Rice University stadium in six months with all non-union



U. S. A. CONFIDENTIAL

hands, while their labor-loving friends in Washington kept on handing them more government work elsewhere.

The lobby and soda-fountain of the Esperson Building is the Houston bourse, where the biggest oil deals in the land are kicked back and forth, then made legal in one of the numerous lawyers' offices upstairs. Most effective of the town's young attorneys is Seymour Lieberman.

This is also a swell place to make a pick-up. Wise Houstonians operate on the law of averages. (If you sit next to enough girls one is bound to move closer.)

On the local political level, the most powerful man in town is Sewall Myer, AFL lawyer and former city attorney. He is also the Mayor's personal attorney, and while so acting he represented as well the local phone company and got a rate raise from the city council. The top contact man under Myer is Joe Steel. George Woods, an insurance man, also has a lot of influence with His Honor.

The county boss is ex-Sheriff Neal Polk, who suddenly retired and bought a ranch. Polk was the typical wild-west movie-type ten-gallon-hat and side-arms sheriff. He is a tall, handsome, weather-beaten character and attracts stares from the dolls at the Shamrock, where he is now chief of the house-dicks. His political errand boy is Jack Halphen.

Herman Wright and his pal Arthur Mandell, shrill left-winger and CIO attorney, also throw a lot of weight around. Herman Williams, who spends most of his time now in a \$150,000 Arizona mansion, is strangely potent when it comes to the Texas Rangers.

Generally speaking, Houston has been closed on the street level for years, through one of the strangest deals ever set up anywhere in the country. The Maceo mob in Galveston, fifty miles away, pays off Houston coppers to keep their town "clean"—so gamblers and pleasure-seekers will have to come to Galveston!

The Mafia has other large interests in Houston, running some things which do not provide competition for glamorous open casinos in Galveston.

The Big Mob's interest in Houston is mainly in real estate, oil leases and narcotics. The top Italians all over the country are investing their loot in oil. They have rigged up a surefire way so they can't lose. If the well comes in, it belongs to them. If it doesn't, they sell the rights to crooked executives of large corporations, who invest corporate funds in the properties, then get a cutback.

Local newspapermen, cops and others, while admitting Houston has a large underworld, insist it has no connection with the Mafia. They say the only important Sicilian in town is Biaggio Angelica, who took a ten-year rap for the late Sam Maceo in a Federal narcotics case. Biaggio's headquarters are in the Italian Village, a little bar and restaurant in the 3300 block of Milam. This is the clearing-house for the entire Texas Sicilian colony. Important members of it, who live in Houston, are Isadore Caberetta, 1122 West Bell Street, Luke Saporita, 2122 North Main Street, and Don Vincenzo Zallone. Frank Redisi and Jack Passarella, of Chicago, have established headquarters to represent their organization.

When the heat is off, there are eight numbers wheels operating, all syndicated. Instead of competing, the eight share rent on a premise, with paymasters lined up in booths, as in a bank.

Local gambling and other vice are operated by non-Italians who pay off to the Sicilians. Ed Payne, who ran the defunct Southern Dinner Club, is one of the more important gamblers, though temporarily inactive. Shelby Williams is still operating. The payoff to cops runs high, crap games being taxed at \$800 a week.

Jakie Freedman, undercover bookmaker, openly ran a swank gambling joint in the outskirts until recently—so brazenly, cops had to close him. His place was called Domain Privee. The biggest people in town came to splurge. Glenn McCarthy was a frequent visitor. He escorted Mrs. Georgia Neese Clark, Treasurer of the United States, whose name is signed on all currency.

In his book, Fuermann tried to do a "Confidential" by telling, almost out loud, the names and addresses of two madames. They are Addie Sasser, 208 Bastrop Street, and Lucile Laporte, 2719 Capitol Avenue. But he didn't seem to remember their phone numbers. We are helping him out. Addie, a Negro who specializes in white girls, can be reached at FA-0833. Lucile, who runs a white house in the Negro district, answers her calls at FA-7590. George failed to mention Lou Ayres, whose Ayres Hotel in the 400 block of San Jacinto gets raided regularly, but is never closed; or Gussie Stanford, of the Wyndham Hotel; or Thelma Denton, 3333 Scott Street, the ritziest assignment madame in town. She discreetly supplies girls for big boys like bankers, industrialists and rich gangsters.

Far and away the best known of Houston's call house numbers is LI-3800 (the LI for Linden). It has been since about 1947 or



U. S. A. CONFIDENTIAL

1948 and is definitely such today. It is owned by a madame named Helen and it is also the number most peddled at the Shamrock.

Why Houston needs madames is conjectural. The run-of-the-mill girls are so amiable. You can pick them up almost anywhere, then take them to a tourist court, which will have swimming pools if you prefer to high dive.

Houston is faced with a serious homosexual problem. It is not as evident as Dallas', because there are no expensive imported fags in town like those in the Neiman-Marcus set. Houston's are schoolboys, college kids and lonesome servicemen. The gathering places are the Pink Elephant, La Tonga and the Gingham. The high schools and colleges are burdened with queer teachers, who initiate their young charges into daisy chain social circles.

Juvenile delinquency is serious. Rich teen-age gangs wage pitched battles in drive-ins and juke-box joints. The South End Gang, with two hundred boys, is the most feared of the four young mobs in town. Worried parents in swank River Oaks hire special policemen to back up their knife-carrying juniors when they get into gang wars with kids from the bloody 5th Ward.

Houston is on the shank end of the Bible Belt. Its blacks and whites go for the old-time religion. Hugh Bimbo, a former prize-fight promoter, who now sells wild-cat oil leases, quotes the Bible with each sale so successfully, it's a one-two to the glass chin of the prospect.

Anyone can get into the racket. Take handsome, six-foot-four Dale Richardson. He was a constable of Laporte, Texas, a small, wide-open hick town. Someone told him that under state law he could exercise his law-enforcement authority in Houston. So he invaded the city in full regalia, with pick-axes and two guns, and smashed up half the gambling joints in town. Every time he returned he called the dailies first. They covered this one-man cyclone with pictures and front-page tales. It was a lot of fun, but it irked the boys.

So one day they got him into a cab and talked to him. They had a wire-recording machine in the vehicle. When the grand jury heard the record, it indicted Constable Richardson on a shake-down charge, but he was acquitted. He resigned, however. While these words were being typed he was studying to become an evangelist. We understand he expects to do better with the collection-basket than he did with the pick-axe.

## C. Where the West Begins Fort Worth

Dallas tries to be Boston. Houston, with shipping from all the seas, frenetic building and a mania for expansion does an imitation of an oil-dripping New York. Fort Worth is where the West begins. On your map Dallas-Fort Worth looks like Minneapolis-St. Paul, San Francisco-Oakland or Seattle-Tacoma. Don't let it fool you. They despise each other, and the thirty miles between them span a transformation such as no short distance parallels in the land.

Fort Worth, center of the cattle industry which is the rich, bloody heritage of Texas, glories in its affectionate nickname, Cow Town. It is woolly and individual and about the only burg of proportions where there are no fairies. Four of these were murdered there and the other handful wafted off for Dallas.

Cow Town has to pay some tribute to the hard-shell Christians who can dominate the state which made Pa and Ma Ferguson governors. There was a surface clean-up in Fort Worth when we went through. But the locals were muttering. They wanted it wide open, with the money flowing free. When the lid is on, the rich ranchers stay home or go to their county seats, which they tell where to get off at, and where theirs is the last word.

Except for outside pressures which cannot always be resisted, the city openly doesn't give a damn. Its grand juries bring in pre-sentiments on pay-offs by criminals to grafters, but seldom name names and rarely indict. When Cow Town is its own honey, normal self, the gravy greases so many hands that the overhead breaks the crooks. It is parceled out to squad-car boys, captains, the inspector's office, the chief's office, the constable's office, the district attorney's office and the sheriff's office. If the ice hasn't all melted away, it goes through the hot palms of Texas Rangers.

When the big gamblers have any jack left, they hang around the Court Hotel. Right now, most of the action is scattered. Tiffen Hall, which is not a square monicker, owns two joints called the Mexican Inn No. 1 and No. 2. Here is the Sicilian territorial clearing-house for Dallas and Fort Worth. The Mafia has huge ranch holdings, putting beef into the black market. Fort Worth is a stop on the dope-run to Mexico.

Cow Town is Western and honkytonk. Main Street is alive and lousy with shooting galleries, ambulating hookers and dollar



U. S. A. CONFIDENTIAL.

hotels. The swell Hotel Texas is the borderline between the good and bad parts of town.

You see city cops smoking pipes on duty. The Downtown Club operates openly with cards. They sell reefers in the night clubs on East Lancaster, where colored bands play. The Sundown, on Jacksboro Highway, across the county line, is an after-hour spot. The Western Hills motel, ten miles out, is a junior Shamrock, gaudy, elaborate and set up for rich guys and gals on the loose. The prettiest in town are the models in the Fair Store. Some are on call at fifty bucks a throw. You can't rent a room at the Yale or Regal Hotels unless you also take the girl who goes with it.

If you want to see the West at its wildest, visit the stockyards any Saturday night, when the cockeyed toughs fight with brass knuckles, knives, guns and teeth. Exchange Avenue is the worst. The whole police force couldn't civilize it.

He-man among he-men of this town is Amon Carter, king of all he surveys, one of the richest men anywhere, who owns Fort Worth's hotels, principal newspapers, and about anything else you can mention. A hearty, loveable rancher, fabulous host, he is an old giant who typifies Texas at its romantic best.

### San Antonio

When you get to San Antonio, you are in Mexico. It has two industries: the Alamo and catering to GIs. One of our largest concentrations of soldiers and airmen is at its permanent and temporary bases. During periods of international calm, business is somnolent. Army payday is the last day of the month. Then the broads are \$10 and up. By the middle of the month, the price goes down to \$3, including room. San Antonio has the prettiest girls in the state, probably because so many are the perfect Mexican types. Dallas, which brags about its girls, doesn't come close.

Mexican votes run the town. Nobody bothers Mexicans. Their section not only resembles Mexico, but is for all practical purposes outside the confines of the United States. American law has no standing there.

Monterey Street is a typical Latin-American alley, with girls soliciting from cribs on both sides of the street. Another such thoroughfare is Matamores Street, where the price is \$5 to \$10. A trip through the west side takes you to as foreign a land as a journey abroad. Dumps like Rosita's and Cinco de Mayo, on Concho Street, abound with tough hombres and muchachos. Other typical Mexican places are the Twilight, the 211, the 3 Sisters, El Reno,

the 400 Club and the San Antone, which employs a Negro orchestra and thirty white and Mexican B girls. The gals at La Mucira and the Washington Square Bar dance with you for two bits per—about thirty seconds. Then they make dates for later.

All these tamales have Mexican pimps. They usually roll customers. Reefers are sold everywhere. The lovers, being Latin gentlemen, do no work, but sit around and drink tequila while the girls are earning enough to enable them to train and fight blooded cocks.

All regular Army men know Snake Hill. Generations of whores have lived there off generations of soldiers. Most of the gals hang out in the Avenue Inn, the Long Horn Bar, and the Victory Bar. They register as man and wife at Hal's Courts motel—price \$3.50.

There are so many girls here and they are so easy to get, it comes as a shock to discover that this part of the tough Southwest is loaded with homosexuals. They prey on servicemen. Places like the Circle B Bar, where GIs used to hang out, are empty these days. But the young men in uniform pack the Circus Club, with a fag show, the Spot, and the Navarre. Many of the queers live at the Havana Hotel.

Meanwhile, the MPs are making it difficult for GIs who like their fun straight. There's a campaign on to pick up unaccompanied women in bars. This has caused a terrific local furore, because some of the females arrested by Army coppers—without the slightest guise of legality—were respectable women waiting for their husbands. The upper-crust trollops drive around in Cadillac convertibles and charge 20 bucks up, including the ride. The more expensive call girls operate out of massage parlors. You can phone almost any in the classified book and click. Bakers' Clinic is an elaborate set-up that never closes. After a heavy night of drinking, visiting ranch-men like it for a rub down and what goes with it.

The prettiest pick-ups hang around the Travelers Hotel and the Oyster Bar. The Sfair brothers, Syrians, operate the San Antonio, Merry-Go-Round and Showtime bars, with waitresses working as B-girls. These are the only girls in town making real money. The Showtime goes in for dirty acts, but strips are banned. Another place which employs B-gals is the C & M Bar.

The Texas law, with its midnight closing and no-hard-liquor on premises, has raised a race of beer toppers. People sit at bars for eight hours at a stretch, drinking as many as a dozen bottles of beer an hour.



San Antonio is full of so-called bottle clubs, which operate after hours and usually sell hard liquor. The Kopy Kat publicly advertises, "Open from noon until —."

In back of the Rocket Club is an all-night bar, supposed to be private. The beautiful 400 Club is private—to anyone with less than \$5. So is the Oasis Club.

Bookies hang out at the Playmore poolroom and at the Turf Bar, across the street from the Court House, where gambling runs upstairs when let alone. Horse-betting finds few takers. The Federal tax law didn't bother the boys at all. The big thing is football pool tickets. These are sold by individuals who keep no books. A half-million a week changes hands on these cards in this comparatively small town.

The sporty and hot-money crowd hangs out in the Gunter Hotel lobby, but the St. Anthony is the best hotel in town. Mayor Jack White, a former bellhop, is now manager of the White Plaza Hotel. He became pious when he was elected, but he knows all the angles, because about everything goes in hotels, including his own.

When we were there, the town was partly under wraps because the new city administration had not yet found out where the body was buried. Anyway, it was getting tough as a prelude to new shakedowns which should be working as these words are being typed.

San Antonio is strategically located as a hide-out for important fugitive criminals. It is near the Mexican border. Velirio's restaurant and Yuse's, which specialize in spaghetti, welcome visiting Sicilians.

San Antonio is Maury Maverick's town. He and other left-wingers work on soldiers, Mexicans and Negroes. That makes Maverick a power. Nothing goes unless he gives the word. Plenty goes.

The churches compete valiantly with sin. Every church advertises with neon signs. But the Lord seems to be losing out.

San Diego, Texas, one hundred miles south of San Antonio, is owned by the wealthy Parr family. Its Mexican population votes unanimous under direction. So does the county. The result is, there is no law to speak of. During a recent investigation there to find out why New Deal Senator Lyndon Johnson got all the votes, against none for his opponent in some precincts, a janitor accidentally burned the ballots. Apparently Kansas City Harry is operating a correspondence course.

### *D. Galveston—the Free State*

A sub-tropical toy land of fifty square miles, its shores caressed by the warm waves of the Gulf of Mexico, embraces America's liveliest, naughtiest, least-inhibited city.

Galveston is connected with the United States and Texas by two causeways and by nothing else, tangible, spiritual or spirituous. The inhabitants, 80,000 they claim, like to talk of it as the Free State of Galveston. They do not regard it as part of Texas, which willingly disowns it as the bad boy of a good family.

Two-thirds of the vast Lone Star State is hard-shell Baptist, dry by local option, and where alcoholic beverages are tolerated they may not be above beer or wine proof in public places; strict closing time is midnight. But Galveston, the detached domain, deals all night, gambles gauche and unafraid, sells with no gesture of camouflage across its bars—anything you call for.

Downtown, on Post Office Street, unblinking red lights burn outside in the ancient tenderloin tradition, an anachronism in American advertising, not to be confused with the Russian Embassy.

In this one-time harbor of pirates the innocents no longer walk the plank, but out-of-town suckers are clipped with off-true wheels, educated dice and tougher odds than you buck in Las Vegas or Tijuana.

All this is possible on Pleasure Island because of a unique merger of powerful old plantation paternalism and powerful modern benevolent gangsterism. Everybody prospers. Nobody objects. Taxes are modest. There isn't one citizen, white, black or yellow, on relief.

Galveston is a resort burg related to growing, industrial, bustling Houston somewhat as Atlantic City is to Philadelphia. It's an hour's drive over perfect highways. It's away from home. It's wealthy. And it's terrific. Galveston is visited by thousands of tourists from distant parts, too. It's a seaport where freighters of the whole world dock, their sailors fat with accumulated pay and famished for the fleshpots. They couldn't get shore leave in a happier town. They get deliciously drunk and usually wake up rolled but otherwise unharmed.

The municipal setup is a ball-bearing, copper-riveted dilly. The only thing closed in Galveston is its tight four-family power. And that sways its industry, jurisprudence, journalism, underworld, finance, society, electorate and civic conscience. A benign despotism it is. There is almost no violent crime. There are stick-men but



214 U. S. A. CONFIDENTIAL

no stick-up men. The liquor is excellent and not costly—50 and 60 cents at contraband bars. The locals are steered away from the rigged boobytraps set for "foreigners." You could not fancy a more pleasant Shangri-la for more contented citizens.

As in Hawaii, where everything that amounts to anything is owned by the "Big Five" clans, here the strategic interests belong to the Big Three—who look aloof at a Fourth, which operates all the enterprises which laugh at the law—conducts, owns, leases and otherwise skims the milk and lops up the cream of protected gambling, vice, and other violations of drastic state statutes and city ordinances, solemnly passed and kept on the books for the purpose of barring outsiders from enjoying the privileges and the profits.

The three are:

W. L. Moody, Jr., who at the age of eighty-six at this writing, is still active as the head of his tribe and is the over-all boss of Galveston. He owns the principal hotels and both newspapers, the *News* and the *Tribune*; he is the leading banker, holds sway over untold insurance, realty and cotton interests. He is probably one of the ten richest men in America. He could bang the shutters tight on anything in Galveston at any time by a loud sneeze.

Ex-Mayor Isaac H. Kempner, patriarch, seventy-two. The Kempners are Jewish, which is no handicap in this liberal province. They are in finance, cotton, sugar refining, railroads and real estate.

The Seelys, too, are in the major industries, indigenous and developed, on this garden spot of transient fun and dead-end traffic.

The present picture is drawn with the lights and shadows of this oligarchy. Galveston was once the largest city in Texas. But the Big Three drove out any intruders who tried to invade the important sources of income and influence. So the prospectors went to Houston, and in time made it the largest city in the South, the second port of the United States.

The ancient architecture, the wide streets blazing with lush foliage, the built-in shades over the hot walks are in the pattern of a century ago and attest the closely-knit aristocracy and complete feudal dominance of a few men determined to keep out an onrush of middle-class strangers with their chain-store notions and their go-getting proclivities. "Self-made men" rarely flourish here. The sin and disregard for law are in keeping with the ways of the Spanish dons, who built missions and said their masses, who raised walls around their mansions, but opened their gates to Lafitte and other big buccaneers, to do handsomely from them as well as by them.

Sam and Rosario (known as Rose) Maceo were the Fourth; the comparative newcomers tolerated within the golden circle, though denied membership in the snobbish country club. They hogged the concessions in practices and trades which the owners and overseers refused to touch with their bare hands. The saga of the Maceos is a colorful success story—a gangster tale almost without gunplay, an example of what ambitious immigrant boys can achieve if they know the right percentages of wrong craps, blackjack and roulette.

Rose, the older, was the brainier. Sam, in his early fifties, was well dressed, well built, swarthy but presentable, a suave front-man in the grand manner. He came from Italy by way of New Orleans, practiced as a barber, then took off on his first flight to fortune as a one-bottle bootlegger in early Prohibition days. Rose harvested the hay while the Volstead moon shone, invested in property and business, guided his younger brother and numerous nephews and cousins, who came on, into the small and easy ways of the insider on local politics.

National repeal was no disaster, it was a bonanza, for the state obligingly cracked down with tough rules. Galveston took full advantage of no interference from Washington and too much from Austin, quietly seceded and set up the one oasis in the colossal Texas desert. The populace did as it was told. Its officials were elected by default, named not in smoke-filled rooms, but in the most luxurious baronial castles. There is seldom a ripple on the smooth surface of the monotonous city elections. But once, when a trouble spot developed, enough scarlet sisters found it advisable to stop playing post office on Post Office Street long enough to sweeten the count in a ward where ballots were needed.

Sam Maceo died in a hospital last summer. He was scheduled to talk to the Kefauver Committee. He had long been ailing. But Charlie Fischetti, his opposite number in Chicago, also wanted by the committee, died the same week, also from "natural causes." The missing body of Phil Mangano, of Brooklyn, was found in an empty Flatbush lot two days later. To some sophisticated Federal agents all this seemed an unrealistic coincidence.

After Sam's death, mourned by Galvestonians as a public catastrophe, it was announced all Maceo gambling enterprises "are closed." The Balinese Room indeed was—for a month. Friendly newspapers were tipped off that Rosario had returned to his native Italy to live in retirement. That was a bald lie. He is still in Galveston, directing his clan's manifold enterprises.

The front men are Vic and Anthony Fertitta, Maceo nephews.



Thirteen other partners are members of the closely held firm. They are Frank Maceo, A. J. Adams, O. E. Voight, Sam Serio and nine little Maceos and Fertittas. They handle all details of maintaining the political status quo. There is no need for terrorism or flophouse colonizing. Where the men who run the politics also dominate virtually every business, and therefore the sources of employment, licenses, sites, private and public concessions, there is no incentive for a two-party system.

The Maceos, though they are unsightly tied up with the big underworld national combination, are not strutting hoodlums with their well-tailored jackets bulging over holsters. They are generous, affable, civic-minded. They love the place and the place loves them. They are in on every charitable and every church drive, every movement for improved conditions, every booster promotion and every plan to enrich the good life. They are in legitimate enterprises, too; patrons of Rotary and the Lions.

Once when an indignant bloc in the state capital sought an investigation of the Maceos and the notorious law-flouting in Galveston, fifty of its ministers in a body converged on Austin to protest and to defend.

In a town that lives largely off strangers, every stranger is suspect. There is an underground intelligence system which tips off any visitor who seems or acts suspicious. Even the Texas Rangers do nothing. They visit thrice a week on a regular "milk-man's run" and their approach is telephoned from the mainland, which gives fifteen minutes' notice—and that unnecessary. When they visit the spots nothing runs until they leave. Thus they may report "No action." But the dice roll before their self-starters do. Whether the island cops are honest or not is of little importance. They know there is no point in arresting anyone connected with the approved underworld. The force has little to do except lock up a few sailors after a rumpus or help home an occasional drunk.

The Maceos have as their principal attorneys Charles Dibrell, Jr., and Emmett Magee. Dibrell is the son of Judge Charles Dibrell, of the 56th Texas District, for twenty-five years on the bench which has jurisdiction over criminal cases. Magee is the brother of Raymond E. Magee, the county (district) attorney, and is the city's foremost criminal lawyer. Thus the bosses of the underworld engage as their two lawyers the son of the judge and the brother of the prosecutor!

That crusader for the people, the press, not only makes no demand to "run the rascals out," but if anyone appealed to the

courts or the city council against the vested ins the local press wouldn't even publish it. When, once in a blue moon, the Houston dailies raise a flurry, the copies are bought up before they cross the county limits. The odds are heavy this book will never rest on a counter in Galveston.

The pride of Galveston is its beaches. Some of the better drinking, dicing, dining and dancing rendezvous were installed on beautiful piers extending over the Gulf of Mexico. How, no one can explain. Texas law requires such protrusions be authorized by state legislation. There is no record in Austin of such sanction or even application. But Maceo occupied the best wharf and no one arose to question that. There he built a tremendous enclosure called the Balinese Room, the highest-grade retreat in the resort. It is supposedly a private club, but the Maceos run it for their own profit. When you enter the covered pier you are screened by a man and woman, who phone back to the office. If you get the nod you are admitted through a locked door. You walk two hundred feet out over the Gulf, scrutinized by husky, tuxedoed guards, strung out like policemen in the Holland Tunnel. The main dining room, in Balinese décor, is slightly more gorgeous than a gala Hollywood chop suey restaurant. Here foremost name bands and top entertainers appear. The atmosphere attempts to be extremely El Morocco but comes up extremely rococo. There is a cocktail lounge and bar at which hard liquor is sold. This would be a violation even in a genuine club. Back of the bar is a small and well-decorated complete gambling casino.

This is only one of three piers occupied by the Maceos over public water for which no payment is made to any governing authority. The Supreme Court of Texas has ruled that the waterfront must be unrestricted; that no exclusive franchises may be given. Yet the Maceos "own" every wharf in Galveston except a municipal auditorium and pier, and that they operate with W. C. Moody, Jr., through a public company for the city, and nobody can cut in on it.

Most mysterious of the Maceo units is one with its doors as wide open to anyone at any hour as the police station. It's the Beach Club, on the boardwalk, across the street from Moody's Buccaneer Hotel. You step into a barroom with subdued lights and fairly urbane trimmings. You see young and pretty girls, most of them unescorted. They loiter about, awaiting phone calls, which come to the Negro bartender. This is the communications



HQ for the semi-pros. They get calls individually by name, or a man may phone in for just "a girl."

The red light stockade on Post Office Street is smack downtown. The houses are of two and three stories, wooden cottages, all with the bulbs hanging over the doors or windows. Most visitors are delivered by cab-drivers who get commissions out of the fees, which range from \$3 to \$5. In the days before all such things were taken over into a narrow channel of control, this restricted area was under the dual regency of Margaret Sossman and Mary Russell. This became centralized as the duchy of one Jessie Elliot, who is spoken of as The Duchess. She was the toast of the oilmen in Corpus Christi before she was brought in to take over by the Maceo set-up. Mmes. Sossman and Russell were permitted to retain management of one house each and pay off to The Duchess. She kicks in to Joe Laviana, imported from Chicago.

The Maceos also own the Sportsmen's Club, hangout for visiting mobsters who spend much time there. A principal interest is in the dope traffic, which flows in and out with the aid of one of Galveston's all-year-round callings, shrimp fishery. Hundreds of small boats sail daily into the Gulf. Out of sight of shore these fast small craft are met by similar boats from the Mexican coast. The crude narcotics are hidden under the day's haul, concealed beyond the possibility of discovery by the few government agents assigned to Galveston, where there is no patrol along twenty miles of beaches.

Sam Maceo and thirty-two alleged conspirators were tried some years ago by Uncle Sam. Another Italian took the rap, most of the co-defendants went to jail, but Sam was ordered acquitted.

The Galveston temperature is uniformly mild all year. The summer or bathing season starts in April and goes through October. But the other attractions and numerous conventions keep it lively enough at all times to support ten gambling houses, one hundred illegal bars and two thousand call girls, despite a state crime investigation which purportedly "closed it down," a comic opera wave of indictments and a stage-set raid on the Balinese which netted a couple of Councilmen, but nothing else. The local police asked us to deny that Galveston is shuttered. The rumor is hurting business.

Around Galveston the breeze wafts gently and the breakers woosh softly. No one works very hard. There is little labor trouble. There is no unemployment. There are no Communists. Gaiety echoes in the balmy air even during droughts. The good life per-

vades this island of iconoclastic isolation, as it always has, under six flags—not including the skull and crossbones.

## 18. PENNSYLVANIA CONFIDENTIAL — THE CAPTIVE KEYSTONE

**P**ENNSYLVANIA IS and always has been the great captive commonwealth, always owned by "vested interests."

Before the Roosevelt upheaval the proprietors were mine owners, industrialists and railroad kings. These were superseded by John L. Lewis and czars of other unions who stole the state with the aid of the underworld and the predatory poor, with an assist from the anemic scions of the original robber barons.

While these words are being typed another vested interest, more powerful than both its predecessors, is moving in. These new lords are the Mafia.

From time immemorial, Pennsylvania had voted GOP and conservative. Labor agitators and organizers were escorted across state lines by Pinkertons and Coal & Iron Police.

Then came the New Deal. The orders from Washington were to destroy the Republican monopoly. Hundreds of millions were poured in, disguised as PWA, WPA, relief, and other giveaways. The NRA, the Wagner Act and the NLRB were big sticks wielded by ruthless politicians and unionneers to beat the daylight out of the old ruling caste.

Pennsylvania finally got its Democratic Governor, George Earle, impractical as are most society snobs turned visionary and reformer.

The New Dealer-gangster alliance tried to operate the same way the GOP had done under Grundy and Pew. It was not so successful. The Republicans came back with a man who was "right"—and by that we don't mean right-wing.

Governor Duff chose our dear friend, Charlie Margiotti, noted Pittsburgh lawyer as his chief law enforcement officer. Margiotti, a registered and practicing Democrat, had served as Attorney General under Democratic Governor Earle, before GOP Duff reappointed him to the same job. Duff's administration resem-



# *The Confidential Contents*

ix

Introduction: U.S.A. CONFIDENTIAL

Part One: THE PEOPLE (Confidential!)

1

1. ALL OF US

Screwballs, politicians, good Joes, millionaires, paupers, white, black, yellow and albino. What makes us tick and what's wrong with the main spring.

6

2. MISS AMERICA

She's the national dream-boat, but only this age could make her.

8

3. CROOKS AND RACKETEERS

Despite Kefauver they are still with us. This tells what Estes didn't tell, also why.

8

A. The Sicilian Benevolent and Blood-Money Society.

15

B. Crime but no Punishment.

21

C. Hoodlums' Hoppy Hunting Ground.

31

D. Wave of the Future

34

E. Hope of the Future.

38

4. WOMEN CONFIDENTIAL

What Kinsey Won't Tell.

44

5. MEN CONFIDENTIAL

What Kinsey Didn't Tell.

46

6. THE RIGHT TO GO LEFT

Americans are overeducated boobies, no longer taught the three R's, which are "bourgeois and old-fashioned." Now we learn how to conform while the schemers and dreamers overrun our schools and colleges.

52

7. REDS IN CLOVER

Commies, pinkos, welfare statists, progressives—whatever they call themselves they smell the same.

57

8. OUR AFRO-AMERICAN BRETHREN

The Second Emancipation.

66

9. "LABOR"—THE ONLY LEGAL MONOPOLY

There's no anti-trust law against union goons who sleep on silk and sip champagne.

v

COPYRIGHT, 1952, BY CROWN PUBLISHERS, INC.

Library of Congress Catalogue Card Number: 52-5678

*Printed in the United States of America*  
*American Book-Stratford Press, Inc., New York*



## PART TWO

### THE PLACES (*Confidential!*)

#### 10. NEW ORLEANS—PARADISE LOST

**T**HE ONE spot which two hard-hearted wreckers of illusion had hoped to treat with chivalry and reverence, such as gentlemen might lavish on a dazzling woman or rare old vintage, shattered any such gallant diversion from our hob-nailed methodology.

We remembered New Orleans. We were conscious of the destructive changes which have coarsened and corrupted our national manners, our spirit, our sense of beauty, our love of romance and adventure entrusted to us as our heritage. But we dreamed that somewhere some of the remnants would resist and remain. And if there were such a place, it would be New Orleans.

This was the old world in the new; Paris, Madrid and Trinidad; flavored with deep Dixie, throbbing to its savage African music with obligatos serenading love behind the filigreed grills where dark eyes burn. This was where wickedness did not quite seem to be vice.

This was the city where men kept their voluptuous octoroons but dueling with sword and pistol at the slightest reflection on their wives and sweethearts; where square miles of bordellos were maintained by picturesque madames who had their own newspaper to report the social affairs of their doxies and to portray their enticements; where curtained couches were appurtenances of private dining rooms in the last American refuge of exotic cooking; where drinks were concocted by knowing and loving masters of mixing who handed down the formulas to their descendants; where, in the shadow of the old slave market, the Negroes were humble but happy—servants with affection for and pride in those who understood them, indulged them, let them enjoy their lives

in their own ways, instead of striving to bleach them in the image of the white reformer and exploiter.

We realize that to many today such sentiments may appear blasphemous. We, too, have been exposed to the propaganda of "progress." Equal opportunities for all is an irresistible slogan in theory. But if the pursuit of happiness is also a true human objective, we know that in the process of forced marches toward leveling all mankind onto a single plane life may become a cruel and distorted actuality. We see it in the ruptured relations of races and classes, fomented by hatred and too often incited by professional meddlers to whom smiles and songs and love and mutual tolerance must fall before the regimentation of a faceless proletariat composed of identical machine-parts, molded for eventual world communism.

Millions who sincerely believe they are helping to lift up the underprivileged are agitating them out of contentment into a vortex of angry strife in abortive movements that violate the fundamentals of social gestation, which were meant to take their course like the winds and tides. Not to be impatiently hurried by the pressing of buttons which tempt the thumbs because they are shiny and because they would set something in motion which they can see and hear.

Men must and will go forward. Even though they were to set themselves against that, wars and floods and earthquakes and the very rust of time will force the new where was the old, no matter how much beloved. But history has proven repeatedly that self-seeking man is a destructive animal; invents bulldozers and blasts with dynamite. He has reached his eighth heaven on earth with the atom bomb.

This grisly modernization obliterates everything within its radius, and the first to die are the primary ethics of human relations. These are not analyzable or translatable. They cannot exist unless many individuals have agreed and concurred that they want them so; their gist is in those wishes, not in rules or laws except by common consent, without influence or interference of truculent minorities or interloping intruders.

New Orleans is an extreme example because it is far from the industrial belt, was far from the trampling hordes that, having never seen or known gracious living, scrambled and screamed only for the immediate tangibles, and thus quickly saw the leverage of mass-organization, political and economic. For the powers that these could exact they enlisted numbers—and everything that



demi-mondes are bar-room bawds up for grabs. Basin Street, which housed hussies of all nations, has been torn down and occupied by a housing project with little children's playgrounds where once the more mature frolicked. The only reminder of the glorious departed days is Lulu White's house, which still stands, shuttered and foreboding. This mulatto madame was famed for her gorgeous goods. Her house was patronized by the swells of the world. Now it is a landmark and mausoleum which cannot be torn down because most of Lulu's heirs are missing.

A few madames are operating, but quietly—little business in these days. Their main revenue comes from call-girl business.

Gertrude Yost, 935 Esplanade, phone FR 4814, is an agent who supplies party girls for conventions.

The famed Mme. Poursine is still running on Varone Street, but for chickenfeed take. Norma Wallace, who was married to Pete Herman, the little champ who went blind, is in the party-girl business at 1026 Conti Street, phone RA 1463.

The fabulous old French Quarter has gone rubberneck tourist. It's as bad as San Francisco's Barbary Coast and worse than Greenwich Village. New Orleans is washed up for spenders. Most of its dives are deadfalls. Only in one regard does the French Quarter hang on—retaining a half-dozen eating places still peerless. They line 'em up in front of Antoine's every night, with visitors from everywhere. The hicks have almost driven out the old New Orleanians, who were and still are connoisseurs of food. The sophisticated phone in advance and go in through the side door.

Now the typical FQ attraction is a place like Dan's International Settlement, where girls strip and do dirty dances. This tawdry cafe is noted for its dwarf waiters, chosen so they do not obstruct the patron's view of the stage.

But the fagot contingent, always large when such habits were not general, has multiplied. They hang out at Cafe Lafitte Uptown, which is not to be confused with the original Cafe Lafitte, 941 Bourbon Street, run by Tom Caplinger, a "character," one of the few genuine old Left-Bank atmosphere haunts left. Queers also patronize Tony Bacino's, 943 Charles, the Starlight Lounge and the My O My, in the West End.

Young Italian and Latin-American hoods roam the darker streets of the Quarter and rape and rob. But the toughest joints in town are on Decatur Street, infested with a pot pourri of waterfront rats, cheap chippies and stiletto-carrying Sicilians.

As Negro sections go, New Orleans is well behaved. The blacks

have always been in a preferential position in this cosmopolitan and tolerant town. These were not plantation darkies, but superior and often educated house and body servants. Negroes vote, but they are no threat. Their ballots are bought and bagged in advance through "Beansy" Fauria. In the last gubernatorial election there was one Negro among the nine primary candidates for the top job. No lynching, race riots or hooded night-riders interfered with Negroes, to the chagrin of white and dark agitators and exaggerators who are running short of material.

One of these is carpetbagger David Stern, new publisher of the New Orleans *Daily Item*. Stern tried it in New York with the *Post*, which he lost, had to give up the *Philadelphia Record* and the Camden papers when the Newspaper Guild, a CIO union which he was the first to espouse, put him out of business with typical tactics—destroy your friends first, because they are the easiest. Stern thought New Orleans would be an ideal ground for FEPC preachments. He would show them. In this stronghold of one of the four states that voted Dixiecrat in 1948, he started plugging his causes. At once he instituted what so many Northern sheets still carrying the banner for an amplified Fourteenth Amendment do—he omitted identifying Negroes as such in police news.

Readers and advertisers tipped off David that Goliath didn't live there any more. So the paper quickly conformed. But business did not leap up so Stern started an anti-trust suit against the opposition, the beloved and solid *Times-Picayune*.

With all its vicissitudes, New Orleans is still way down deep. What Roosevelt and Long have done to it is irretrievable. But the boldest bosses must still allow for indigenous idiosyncracies which valiantly resist complete conquest. The rebel yell is still heard and cheered.

## II. NEW ENGLAND CONFIDENTIAL

### *Codfish and Conmen*

**I**T ALL began when the Pilgrims landed on Plymouth Rock; it seems now that maybe Plymouth Rock should have landed on the Pilgrims.

The *Mayflower* carried a band of religious extremists who



U. S. A. CONFIDENTIAL

takes advantage of such fame by claiming credit when the Legislature votes his way. When the bill goes against his clients he complains they did not provide enough sugar. Samish has his uses—he can fix liquor raps.

When Kefauver asked for his canceled checks, Art said, "I threw them in the waste-basket." And that was that. But when he was questioned by Treasury agents he added, "And the waste-basket is in my safe."

California is one of the toprunners in unemployment. But the figures are misleading. There is no lack of jobs or opportunities, but many won't work while easy relief pays so well. A million Californians are on the dole. Yet the state is forced to import labor. No reliefer has to toil. Not if he votes.

Alien Filipinos from Hawaii are being brought in under bond to work the farms. During their stopover in Hawaii they are organized by Harry Bridges. In California they do not work at wages under the prevailing scale. They are not undercutting native labor, which largely scorns to work at all.

This meddling with natural laws by the planned economists brought about a curious situation. Relief payments moved most of the Americans off the farm labor rolls. And left-wingers are making it impossible for farmers and ranchers to import migratory Mexican hands, so priceless crops rot, unpicked, while the world clamors for food. Some scent a designed plan to weaken the Western world when it needs all its strength.

The professional socializers see nothing wrong with this. Eleanor writes vapid columns about the plight of the Mexicans. Alice-in-Wonderland newspapers like the *New York Times* fall for the manufactured propaganda and grieve for the poor, down-trodden "wet-backs." The agitation guns are fired by Phil Luciano, of the Civil Rights Congress, and Ralph Freedman, southpaw organizer. They worked this fraud up and apparently got away with it. The truth is, Mexican peasants are so anxious to work for the acknowledged low wages, they swim across the rivers at night to enter the U.S. That is why they are called wet-backs. They are fine workers, thrifty and decent. They save their money and send it home to Mexico, where it is a small fortune. Many employers have taken advantage of their eagerness to work. Even the packed Supreme Court cannot repeal the law of supply and demand.

Luciano and Freedman work an ambivalent routine. They needle Mexicans in Mexico with the old song of racial inferiority, to turn them against their northern neighbors and point out they

are banned here. The wet-backs in the states are harangued by Phil Usquiana, noisiest of the Civil Rights Congress breast-thumpers, who tells them American bosses are victimizing them. And get this—his meetings are held in public school rooms furnished by the taxpayers of California. At this point the Russia-loving Agricultural Workers Alliance steps in to secure legislation to deport the wet-backs. So the innocent peons are kicked around by dangerous, designing schemers whose chief purpose is to instigate unrest on both sides of the border.

But don't get us wrong. We love California. Why even when you die there you look nice—brown but nice.

### A. San Francisco—Bridgeport on the Golden Gate

Duty too often betrays sentiment. We love the Bay City. Almost everyone whose interests are scattered learns which are his lucky spots. San Francisco has been kind to us, has treated us handsomely, has paid us generously. But those who undertake to compile reports like these have to be as clinical as surgeons, who must operate though they hate to hurt.

This flavorful and fascinating city, which has evoked the hyperbole of poets, wits and entranced historians for more than a century, is no longer a lady; it is a slattern in slacks.

Until World War II this was our well-beloved, a city of spirit, romance and memories, the lone pearl of the Pacific Coast, created as nature and man had never found and polished a duplicate.

It fashioned its aristocracy from the hardy, adventurous stock that defied fire and flood, lynched its bounders, made its brave freebooters millionaires, idolized its women and built a self-contained metropolis in magnificent isolation.

But mass-production defense factories and shipyards, which brought in the riffraff which characterizes the jobless, about doubled the metropolitan population and reduced this cultured, cosmopolitan, well-mannered and smartly clad community to the common denominator of our sweaty Midwest conglomerations.

Those who take a pride in San Francisco, which is too deeply rooted to be exterminated in a generation, cling to the fond illusion that it is still what it was; that the broad-shouldered ghosts of the forty-niners still hover over *sui generis* San Fran, which they fashioned from their own blueprints for social and physical architecture. Instead, it is haunted by go-getters who visualize only the vulgar and the functional. And it is in the slimy hands of racketeers, not the brawny fists of its progenitors.



Queers are now so common that queers consider normal people queer. In the old days, before people whispered about them, San Francisco was lousy with nature's misfires.

The nation's No. 1 exhibition spot for fags was founded here in a barn-like second-floor saloon known as Finocchio's. Elaborate shows are presented in drag, engaged in by nances clad in expensive gowns, who look more feminine than most of the dames in the audience. But it's for tourists.

The local gay set prefers the Chi Chi, the Black Cat, the Iron Pot, Tommy's 299, and the Echo. Lady queers frequent Mona's and the Echo. The sad conclusion after a trip through Frisco is that the gimmills doing the best business are those which cater to the intermediate sex.

In some cities narcotics is mainly a neighborhood problem, confined to Negro, Puerto Rican or Mexican sections. Frisco has always been a main stop on the dope gravy-train. Long ago the Chinese seduced the whole town, then most of the Celestials stopped using it themselves. Dope costs less here than elsewhere. At this writing opium is down to \$5 a bindle—50 per cent off the usual—because the city is being flooded with poppy from Red China, imported to raise cash for Chinese Communists. A little pinkish group in the Federal Building is helping.

For only a short time there was a shortage of opium. Many Chinese elders were forced to go on white stuff temporarily. The opium drought occurred after the FBI broke up a unique racket. A high official in the Frisco Customs House resold seized opium shipments back to the same Chinese importers who were caught with the contraband in the first place. That's how he got his cut.

He was nailed on other charges and suspended, awaiting trial. The clean-up threatened to starve Frisco hop-heads, but now larger quantities than ever are coming in again, easily available in Chinatown. And the routine is the same.

Heroin, morphine and reefers are sold in colored and Mexican neighborhoods. Cocaine is sold on almost every corner in the white tenderloin. General trade practice is to make the contact, inside a bar or at a cigar counter, then go outside for delivery. For instance:

T-men and cops make frequent pinches in front of the Tia Juana Cantina, on Broadway. Other fertile fields for collars are in front of Jack's, on Sutter, a hot Negro joint, and in front of the Flamingo, on Fillmore. The same goes for the vicinity of the Little Harlem Cafe, on Folsom, and the New Orleans Swing

Club, on Post. The corner of Geary and Webster is the social hangout of Frisco's poppy-puffers.

Much has been written about San Francisco's Chinatown. And most of it is pure malarkey.

In the old days it was something, but like everything else in the nation, Chinatown is enervated, commercialized and straitened. The rubberneck who walks up Grant Avenue sees a layout for tourists, with street lamps and municipal paving—Oriental in design to conform with the illegitimate décor. He never gets a peep at what goes on in the side streets, where Filipino and Negro pimps travel from tenement to tenement, supplying Mexican hookers to lonely Chinese men.

Many of the big tongs are in close alliance with the Italian Mafia to control dope and gambling. Both these standard spines of underworld profits are close to Chinese hearts. They have been playing with them for thousands of years—some more of their original inventions.

The Chinese is unsurpassable in gambling. Wherever the heat is on, Chinese take over. No convictions on possession of a Chinese lottery slip—it's a laundry ticket. And try to unravel a Chinaman's books.

The Chinese tong set-up is used by the Mafia to transmit narcotics and other contraband; such things as laundry bales, cases of Chinese vegetables and packages of tea are blinds.

Chinatown has been dulled by the Reds. The neon signs are still as bright, but the spirit is gone, the gaiety is restrained. Even the colored lithographs of pretty Chinese girls in the raw which used to adorn most of the shop windows are out. Now they show dressed-up young women, usually wearing glasses and engaged in some serious pursuit like reading or sewing or raising kids. The Commies are against all frivolity. Most of the local Chinese are furiously anti-Red, but are forced into line through threats against their relatives in the old country. They are bled white in shake-downs. There is a wave of suicides.

Many Chinese become local characters and are courted as celebrities by whites. Charlie Low, of the Forbidden City, is a noted horseman on his chop suey earnings. Andy Wong, of the Chinese Sky Room, goes in for artistic white shows elsewhere. Dr. Margaret Chung, a physician, mixes in rarefied circles with the queerest people you ever saw. During the war she was known as the stepmother of the Flying Tigers, which gave her the opportunity to meet white lads and girls half her age. She is a close friend of