

The spread of legal gambling

The transformation of the “mob” from the Al Capone-style era of violent gangsters, into the more discreet modern corporate structure, was an inside-outside job, involving international bankers, government intelligence and police agencies, and, inside the mob, Meyer Lansky, the so-called “chairman of the board of organized crime.”

While organized crime had always existed in the United States, it was Prohibition, the 1919-31 British-spawned social engineering project that created the gangster era.

The outlawing of liquor via the Volstead Act, led to the rapid formation of liquor-smuggling and -distribution gangs, which obtained most of their liquor from Canada, and the Bronfman gang (which had been built up during Canada’s Prohibition). Through this liquor trade, a vast network of ethnic criminal gangs was formed, all of which owed their fortunes to the British Empire’s liquor cartel. During Prohibition, these British-controlled gangs made enormous amounts of money, funds which would later be used to build both the Hollywood movie business, and Las Vegas. Gambling was legalized in Nevada in 1931, the year Prohibition ended.

With the end of Prohibition, the upper echelons of the liquor gangs began the long process of transforming themselves into “legitimate” businesses. The Bronfman gang and its “Seagram Chickencock” whiskey, for example, transformed itself into the “reputable” Seagram’s, the largest liquor company in North America. (The Bronfmans, in addition to making their own whiskey for the masses, were also a distributor for British whiskey companies, including Distillery Company of London, which controlled more than half the world’s market for Scotch. Behind the Bronfman front men, stood the Lords of Britain.)

Meyer Lansky: On Her Majesty’s Service

In 1928, the Bronfmans and their top U.S. assets met in Cleveland and formed the National Crime Syndicate, to cartelize organized crime. The syndicate began planning for the post-Prohibition era, including the legitimizing of their illegal profits, putting an end to the public, bloody displays of violence favored by the Italian mafiosi, and creating a structure to enforce the crime cartel’s diktats. In this transition, Meyer Lansky would play a critical role.

Lansky, who had risen to power by protecting the Bronfmans’ liquor shipments into the United States, ran both the financial and enforcement arms of the National Crime Syndicate. Lansky’s “Murder, Inc.” assassination bureau eliminated rivals and helped keep the mobsters, especially the ven-

detta-happy Italian Mafia, in line. Lansky was helped in this by the U.S. government, which systematically targeted his rivals. By the late 1950s, after the murder of rivals such as Albert Anastasia, and the jailing and later deportation of “Lucky” Luciano, Lansky became the uncontested “chairman of the board” of the cartel, using violence where necessary, but also earning the loyalty of the mobsters through his financial acumen, which made them all rich.

Lansky’s specialty was laundering the illegal profits of the mob into so-called legitimate businesses. In the words of Lansky biographer Hank Messick, under Lansky, “The National Crime Syndicate as an organization, would merge with the business world until one was indistinguishable from the other.”

As part of his laundering operations, Lansky ran the lucrative gambling division of the syndicate; he ran a string of illegal casinos in Florida, he ran the casinos in Batista’s Havana, and he ran the Las Vegas casinos. Lansky did not personally own all the casinos, but he controlled the men who did, and he controlled the money flows. The monies skimmed from the syndicate’s casinos, were passed to Lansky for laundering and for distribution to syndicate partners, minus the syndicate’s and Lansky’s cuts. Casino operators who tried to buck Lansky, quickly learned the error of their ways.

The British sponsorship of Lansky and the National Crime Syndicate was shown in 1959, when Fidel Castro replaced Batista in Cuba and shut down the casinos. Lansky relocated his Cuban operation to the British Colony of the Bahamas, where he was assisted by Sir Stafford Sands and the Bay Street Boys. (That Lansky could not have moved into a British Colony without sponsorship from the Empire, should be obvious to anyone familiar with how the Empire operates.) The result was that the Mary Carter Paint Company, renamed Resorts International in 1968, became the leading casino in the Bahamas. Resorts was plugged directly into the Rothschilds’ international financial apparatus: Its creation was largely financed by the notorious Banque de Cr dit Internationale of Tibor Rosenbaum and Maj. Mortimer Louis Bloomfield, and the hot-money International Overseas Services network, nominally run by Bernie Cornfeld, and later by cocaine kingpin Robert Vesco. Bloomfield was a top British intelligence agent, who headed both Permindex — the British intelligence front which assassinated President John F. Kennedy — and the FBI’s Division Five counterintelligence section, which “investigated” the Kennedy assassination. Resorts’ intelligence links were further demonstrated by its creation of an

“anti-mob” private security company, named Intertel, loaded with “former” American and British intelligence and law enforcement officials.

In 1966, Lansky’s transformation to corporate casinos took a major step forward, when Howard Hughes moved into Las Vegas. By this point, Hughes’s corporate empire was dominated by the intelligence community, which was working with Lansky, and, according to some, of which Lansky was an associate. The Hughes move into Las Vegas was orchestrated by Robert Maheu, a longtime FBI-CIA agent. It was Maheu who negotiated Hughes’s purchase of the Desert Inn from Cleveland mobster and National Crime Syndicate officer Moe Dalitz; Hughes, already a recluse, moved into the Desert Inn and became the mystery man of Las Vegas. In 1967, the state of Nevada changed the law to allow corporations to own multiple casinos, and eventually Hughes would own seven. In 1970, as Hughes continued to deteriorate, he was spirited out of the country by Intertel, and moved to the Resorts International complex in Paradise Island, the Bahamas, outside the reach of U.S. law.

The modern era of giant public gambling corporations began in the late 1970s, with the creation of the Drexel Burnham Lambert junk bond machine, which pumped hundreds of millions of dollars into the casino companies. Much has been written on the subject of Drexel, most of it disinformation attempting to portray Drexel as a one-man show, that man being Michael Milken. But the names on the door, Drexel, Burnham, and Lambert, tell a different story: The “Drexel” came from a company once known as Drexel, Morgan & Co., as in J.P. Morgan, the most Anglophile commercial bank on Wall Street; the “Burnham” comes from Burnham & Co., founded in 1835 by I.W. Burnham II, the grandson of the founder of I.W. Harper Gin; and the Lamberts are Belgian cousins of the Rothschilds.

This “Milken” machine was actually controlled by the Rothschilds and the Morgans, as a vehicle for using dope money to seize and loot corporate America, while building up their entertainment empire. The so-called “Milken’s monsters” were actually what could be called the “sons” of Meyer Lansky: Meshulum Riklis, Carl Lindner, Victor Posner, et al., and it was their money that made Milken, not the other way around.

The result of this transition was the realization of Lansky’s goal: Today, organized crime has transformed itself into, and indeed taken over large parts of, the business world.

Organized crime, Las Vegas, and Hollywood

That Las Vegas was the company town of organized crime is well known, thanks to countless movies, television shows, and novels. What is not so well known, is Las Vegas’s sister city relationship with Hollywood.

The Hollywood movie business was created by the oligarchy as a tool to brainwash the American population; one of

the first Hollywood blockbusters, “Birth of a Nation,” was a shameless propaganda piece for the British-organized Ku Klux Klan, designed to foster racism. Hollywood has also indoctrinated the population with visions of a hopeless future, of science as the enemy of mankind, and glamorized the sleazy underworld of drugs, sex, and casinos—in effect, one big commercial for Dope, Inc.

While the oligarchy’s psychological warriors dictated the content of the Hollywood productions, the daily operation of the film business was delegated to the mob, through their control over money flows and the newly formed Hollywood labor unions.

One of the powers behind the scenes in both Las Vegas and Hollywood, was Sidney Korshak, the *consigliere* of the Chicago mob, who oversaw many of the mob’s business activities in the region. As such, Korshak was a “consultant” for a large number of corporations in the entertainment and liquor sectors, including MCA, Gulf and Western, Hilton, Hyatt, and Schenley. Korshak was also available to take care of special problems, including representing Benjamin “Bugsy” Siegel, the assassin and longtime lieutenant of Meyer Lansky, when Siegel was questioned in a murder investigation in 1940.

Siegel opened the Flamingo casino outside Las Vegas in 1946, an event which marked the beginning of the development of the Las Vegas Strip as an addition to the existing casinos in downtown Las Vegas. While Siegel would later be assassinated, the Flamingo lived on, today as a Hilton hotel and casino. Other casinos followed on the Strip. Lansky, former Detroit Purple Gang member and Cleveland mobster Moe Dalitz, and others built the Riviera, the Stardust, and the Desert Inn, among others. When Kirk Kerkorian built the MGM Grand, on land purchased from Dalitz, Korshak helped arrange the financing, with help from MCA and Gulf and Western; when Kerkorian sold his Las Vegas interests (he has since returned), it was to Korshak client Hilton, which had its own connections to the Lansky machine.

The corporations move in

The arrival of Howard Hughes in Las Vegas in 1966 was seen by many as the point at which the gaming business began to enter the corporate mainstream. Within a year of his arrival, Hughes had bought three casino properties which reputedly had been owned by organized crime. In the late 1970s, Hughes’s Hughes Tool (later Summa Corp.) was the biggest gambling corporation in Nevada, owning seven casinos, including the Frontier, the Landmark, the Silver Slipper, the Sands, and the Desert Inn.

This shift to corporate gambling was aided not only by the state of Nevada, which changed the law in 1967 to allow corporations to own multiple casinos, but also by the Federal government, which in the mid-1970s sent an FBI organized crime task force to Vegas to take down the remnants of the old-style mob operations, and complete the purge. That task

force was headed by FBI organized crime specialist Emmett Michaels, who later resigned to join Hughes's Summa Corp., and went on to become head of security for Circus Circus.

In 1977, the Stardust, allegedly the last mob-controlled hotel, was stripped of its license, and by the mid-1980s, the FBI had obtained convictions against mobsters in Chicago, Kansas City, and Milwaukee, ending the violent "Mustache Pete" era in Las Vegas.

By 1993, according to the FBI, there was no sign of the mob in Vegas: "We are not aware of any organized crime involvement in the Nevada Gaming Industry . . . [and] it would seem improbable that a significant organized crime presence could exist and we not know about it," FBI Special Agent Burk Smith, of the agency's Las Vegas Bureau, claimed in March of that year.

The second wave of corporate gambling, as noted above, began with the Rothschilds' Drexel Burnham Lambert junk bond machine. Drexel raised the funds for Steve Wynn to open the Golden Nugget in Atlantic City in 1980, and helped launch that firm, today called Mirage Resorts, into one of the giants of the gambling business. (Wynn, now a very rich man, is a big funder of the Anti-Defamation League, the propaganda machine which provided cover for Lansky and the National Crime Syndicate by branding anyone who threatened Lansky an "anti-Semite.") Drexel also raised funds for a number of other gambling companies, including the Riviera, Bally's, and Ramada (today known as Aztar).

In 1983, Drexel raised the funds to take Circus Circus Enterprises, another of today's giants, public. As part of the deal, Drexel installed Glenn Schaeffer at Circus Circus, as a liaison between the casino company and the financial markets, more Wall Street's man in Vegas, than Vegas's man on Wall Street. Schaeffer knew the business: He had previously worked for investment bank Dean Witter; for public relations firm Hill and Knowlton, where he handled the Caesar's World account; and Ramada, which owned the Tropicana casinos in Vegas and Atlantic City. The new Circus Circus was a success, and Schaeffer was rewarded by being on the cover of *Institutional Investor* as one of corporate America's outstanding financiers.

Atlantic City

Meyer Lansky's Resorts International opened up the first casino in Atlantic City in the Haddon Hall Hotel in 1978, after Lansky's forces had engineered the 1976 referendum in which New Jersey voters made gambling legal. Within a couple of years, gambling was in full swing in Atlantic City: Caesar's World, owners of Caesar's Palace in Las Vegas, had opened the Caesar's Boardwalk Regency; Holiday Corp. had opened the Harrah's Marina; Steve Wynn's Golden Nugget was open; *Penthouse* publisher Bob Guccione had broken ground on a casino; and *Playboy* publisher Hugh Hefner opened the Playboy Hotel Casino in April 1981. Hefner would eventually be denied a permanent casino license due to scan-

dals in New York and London, and be forced to sell out to the Pritzker family's (owners of Hyatt) Elsinore Corp., which rechristened Hefner's casino the Atlantis.

Donald Trump arrived in Atlantic City in 1982, the year he got his coveted casino license, and announced plans to build a casino in partnership with Holiday Corp., formerly known as Holiday Inns, which had bought the Harrah's casinos in 1980. The casino was to be known as Harrah's at Trump Plaza; Trump owned the land, and would build the building, while Harrah's would run the casino. Trump bought out Holiday in 1986, renaming the casino the Trump Plaza.

Trump's second casino came in 1985, when Hilton's Barron Hilton was denied a casino license by the New Jersey Casino Control Commission in March, because of Hilton's dealings with Chicago mobster Sidney Korshak (Hilton would be granted a license in 1991, and today owns two casinos in Atlantic City.) In anticipation of obtaining a license, Hilton had already built a casino in the marina area, which was just three months from opening. Trump bought the casino from Hilton, renamed it the Trump Castle, and installed his then-wife Ivana as manager.

In 1987, Trump bought a 73% interest in Meyer Lansky's Resorts International from the Crosby family. Both Trump and Resorts were represented by Bear Stearns, which floated the junk bonds which allowed Trump to buy the stock. Trump became chairman of Resorts International in July 1987. In 1988, Trump, perhaps forgetting that he was only a figurehead, moved to take Resorts private; the board balked, opening the way for a counter offer from entertainer Merv Griffin. In November 1988, Trump and Griffin reached an agreement, in which Griffin would take over the Haddon Hall Resorts casino in Atlantic City, and the Paradise Island casino in the Bahamas, while Trump would keep Resorts' Taj Mahal casino, which was under construction.

Building his empire through heavy borrowing, via bank loans and junk bonds, Trump's properties were loaded down with debt. In 1990, *Forbes* magazine dropped Trump's estimated net worth from \$1.7 billion to a mere \$500 million, and fretted that Trump lacked sufficient cash flow to cover his debts. Those worries proved valid. In 1991, the Taj Mahal, which had opened in 1990, filed a prepackaged Chapter 11 bankruptcy, and the Plaza and Castle did the same in 1992. Trump found his personal empire dramatically downsized, losing his Trump Princess yacht, the Trump Shuttle airline, and the Grand Hyatt Hotel in New York City, and giving up partial ownership of New York's Plaza Hotel, the Taj Mahal, and the Castle.

Donald Trump, not surprisingly, has his own ties to the mob. His father, Fred Trump, was a builder in Queens, New York, where his partners included an associate of the Genovese mafia family, and Fred's activities were the subject of several state and Federal investigations. Meanwhile, Fred toiled around in a stretch limo, while wife Mary had a Rolls.

Donald's mentor, after Fred, was the notorious lawyer

Stock market gambling

Many compulsive gamblers prefer to play in a larger casino: the international financial markets, where the level of wagering easily dwarfs that found in casinos et al. Worldwide, there are some \$100 trillion in derivatives contracts outstanding, with an annual turnover of derivatives and related financial instruments in the range of \$1 quadrillion (\$1,000 trillion) a year.

The players in this *Casino Mondiale*, are mainly big international financial institutions—commercial banks, investment banks, insurance companies—and their customers. The games are different, using complicated formulas instead of cards or dice, but the action is much the same: A gambler bets the house or another player, that a section of the market will move in a certain direction. Picture Wall Street types placing \$100 million bets on a roll of the dice, and you've got the idea.

The same thing goes on, on a smaller scale, with the Dow Jones Industrial Average and other stock indices.

"Oct. 19, 1987 will be remembered by most people as Black Monday—the day that the Dow plunged 508 points. We at the Council will remember it as the day the securities gambler came of age," said the New Jersey Council on Compulsive Gambling. The council noted that in the weeks following the 1987 crash, the percentage of stock market-related calls to their statewide gambling hotline, jumped to 44% of all calls, up from 2% prior to the crash.

Dr. Robert Custer, considered an expert on compulsive gambling, has stated that stock market gamblers represent over 20% of gamblers he has diagnosed, and Gamblers Anonymous has also long recognized the problem.

Given the perilous nature of the financial bubble today, most people who consider themselves "investors," are actually gamblers, who will find that when the bubble bursts, their supposedly solid investments will have no more value than a casino chip, after the casino has closed.

and political fixer Roy Cohn, who served as a liaison between the financial and political powers who ran New York City, and the mobsters who enforced that rule. Cohn represented John Gotti and the sons of Carlos Gambino, and leaders of the various mob families would hold meetings at Cohn's townhouse. One of Cohn's close confidants was Tony Salerno, whose S&A Concrete was involved in building the Trump Plaza. Cohn also had close ties to Sidney Korshak, the man who caused Hilton so much trouble. Trump's connections to Cohn were apparently not a problem for the New Jersey Casino Control Commission.

As of January 1997, Trump controlled 34% of the casino footage and 30% of the gaming revenue in Atlantic City, followed by Hilton (which bought Bally's in 1996) with 13% of the footage and 16% of the revenue, and Aztar, with 10% of both. Overall, there was 987,000 square feet of casino space in the city, with 32,704 slot machines and 1,477 table games. Since 1991, the number of slot machines in Atlantic City has increased 61%, while the number of table games has decreased 6%.

In 1996, the 12 Atlantic City casinos generated \$3.8 billion in gambling revenue, up 29% from 1991. Slot machines accounted for 69% of that revenue, and table games 31%.

Lotteries: Governments get hooked on gambling

Faced with collapsing tax revenues and a cultural trend away from production and toward speculation, state and local governments have been, in the words of Henry Carey, "driven to encourage gambling, drunkenness, and other immoralities,

as a means of extracting revenue from their unfortunate taxpayers." In the process, they went from fighting against gambling, to protecting it as a source of revenue; rather than protecting their populations, they have elected to loot them.

Lotteries, mainly in the form of subscriptions to public infrastructure projects, were common in the early days of the United States; citizens who participated in them were doing so in order to build the country, not merely to win the modest prizes that were awarded.

Today's lotteries are of a different character. After being outlawed early this century, lotteries began a comeback in the 1960s, when New Hampshire and New York reestablished them. By 1975, the year the Federal government lifted the ban on advertising, 11 states had lotteries; today, 38 states participate in this legalized form of the old numbers racket.

In almost all of these states, the lotteries are operated by private companies, under contract to the state government.

Lotteries are destructive on several levels: They pit the states against their citizens; they encourage immorality; and, they pave the way for the spread of other types of gambling.

Lotteries are also the biggest sucker bet of them all, with far worse odds than the casino games and the slots, which is precisely what makes the lottery racket so lucrative. Whereas—at least according to the published stats—the slots pay back some 90-92% of their bets as winnings, and table games pay back some 85%, the lotteries pay out only about 50% of their take to the players. The states, on the other hand, get about 34¢ of every dollar in ticket sales, with the remainder going to the lottery operators and the ticket sellers.

In 1975, the Federal government gave states complete

autonomy over their lotteries, exempting them from the Federal Trade Commission's truth-in-advertising regulations. As a result, while some of the lotteries cite realistic odds in their advertising, others use such tricks as touting the big prizes, while showing the odds for the smallest prizes. Lotteries have also been known to time their advertising barrages with the arrival of monthly welfare and Social Security checks.

Two companies run most of the state lotteries: GTECH, and Automated Wagering International (AWI). Another company, Scientific Games, is the largest supplier of the instant scratch-off tickets used by the lotteries.

One scandal after another

Rhode Island-based GTECH, which runs 29 of the 38 lotteries, is known for its political connections; as noted earlier, GTECH has hired a number of high-ranking political insiders to make sure it wins and keeps contracts with the states. The company has also been subject to grand jury investigations in four states, on charges of bribery and intimidation, and former GTECH vice president and national sales manager J. David Smith was convicted in New Jersey for fraud and money laundering in connection with kick-back schemes. The company, naturally, disclaims any knowledge of Smith's activities.

In Texas, where GTECH was awarded the lottery contract in 1992, the company has been involved in one scandal after another. A former Kentucky lottery official told investigators that J. David Smith boasted to him in 1990 about having bribed eight to ten Texas legislators, even before the lottery had been approved. GTECH has hired as lobbyists Reggie Bashur, the former deputy chief of staff of Gov. George W. Bush, and Cliff Johnson, one of Bush's 1994 legislative liaisons. GTECH has also hired a number of Democrats nationally, and in Texas, the latter including former Democratic Lt. Gov. Ben Barnes, who was paid more than \$3 million a year, and who kicked back \$500,000 of that to Smith, according to prosecutors. GTECH also secretly awarded a \$30,000 contract to the boyfriend of then-state Lottery Director Nora Linares, who was fired when the contract was revealed.

The level of corruption is so high, that the *Houston Chronicle* has repeatedly editorialized that the state should rebid the lottery contract.

The reason why GTECH gets away with such actions, can be seen by looking at its board, which includes Privy Councillor Lord Moore of Lower Marsh; a representative of the Dutch oligarchy's Heineken brewery; and a chairman of a subsidiary of the Donaldson, Lufkin & Jenrette investment bank. The case of the Lord from Lower Marsh is most interesting, as he is a director of Camelot Holdings, which runs the British National Lottery, the lottery set up and run by the Lords Rothschild. GTECH provides lottery equipment for the British Lottery, and owns 22.5% of Camelot. Given the way these things work, it's a pretty sure bet that the Rothschilds and their friends have their hooks deep into GTECH.

Automated Wagering, Inc., which runs seven state lotter-

ies and used to be known as Control Data, is a subsidiary of the Montana-based Video Lottery Technologies. AWI's British connections are a bit more indirect than those of GTECH, but solid. The chairman of its parent company, VLT, is Richard Burt, the former State Department official discussed earlier. Politically, Burt is an Anglophile of the Kissinger-Bush faction. Professionally, he is a member of the international advisory board of the Bank of Montreal, and more importantly, a member of the board of directors of the British-Canadian Hollinger Corp., the successor to Major Bloomfield's Permindex.

Scientific Games, of Alpharetta, Georgia, is the largest maker of instant scratch-off tickets. One of the directors of Scientific Games is a former McDonnell Douglas aerospace engineer, who has turned his talents to designing gambling equipment. Merrill Lynch owns just over 10% of the company, and Morgan Stanley also owns a big chunk.

Indian gambling

As with other forms of gambling, Indian gambling was sold on the basis that it would provide badly needed economic assistance to poor Indian tribes. As usual, Gambling, Inc. was lying.

To understand who benefits from the creation of the Indian gambling sector, the first question to ask is, who benefits? The obvious answer is Gambling, Inc., which provides the gambling equipment at the Indian casinos, often provides the financing to build the casinos, and often gets the contracts to manage the casinos. These are no small considerations, but there are larger issues involved. The creation of the Indian gambling movement advances two key goals of the British Empire: First, the legalization of gambling on Indian reservations outflanked the existing state regulatory apparatus, leading to the rapid expansion of casino gambling in the United States; and, second, the further recognition of Indian reservations as sovereign entities advances the balkanization of the United States, which has long been an element of British geopolitical strategy.

The Indian gambling movement was born in 1978, when the Seminole Indians set up a high-stakes bingo parlor in Florida, and in 1980, the Cabazon Band of Mission Indians set up the first Indian casino, offering poker and other card games, in Riverside, California. The Florida and California state governments challenged these gambling operations, leading to a Federal challenge, and a change in U.S. law.

The Seminole action was the culmination of a long effort by Meyer Lansky and company, to legalize gambling in Florida. Lansky had first made the proposal in 1949, hoping to turn Miami Beach into the Las Vegas of the East. In 1969, the Miami Chamber of Commerce recommended casino gambling (coinciding with a wave of pro-gambling efforts across the country). In 1970, the Miami Beach City Council voted to hold a referendum on gambling, and a bill to legalize gambling was filed in the state legislature. Despite a well-financed propaganda campaign, Lansky and company suffered a set-

back when the gambling proposal was rejected by voters.

The Cabazon casino, which was funded and controlled by organized crime figures, and managed by CIA-connected operative John Philip Nichols, would later play a role in the Iran-Contra scandal. Nichols was organizing the manufacture of weapons on the Cabazon reservation—which had been granted clearance by the Department of Defense to manufacture weapons in 1983—as part of the Contra supply operation. The Cabazons, through Nichols, had entered into a deal with the Wackenhut Corp. to manufacture air-fuel explosives, advanced firearms, night-vision goggles and biological weapons on the reservation, to be shipped to the Contras.

In 1988, in response to a Federal court decision in *California v. Cabazon*, which held that Indian reservations could not set up gambling operations in states in which gambling was illegal, the U.S. Congress passed the Indian Gaming Regulatory Act, which ordered the states to negotiate gambling compacts with interested reservations, and created three classes of Indian gambling facilities:

- Class I covered traditional social Indian games, with small prizes;
- Class II included bingo and related games; and
- Class III was for casinos, slot machines, and pari-mutuel betting.

To regulate the Indian gambling facilities, Congress created the National Indian Gaming Commission.

One of the companies which has obtained contracts to operate Indian casinos is Sun International, the company of South African “casino king” Sol Kerzner. Sun operates the notorious Sun City complex in the South African bantustan of Bophuthatswana, and is so dirty that it was denied a casino license by the British Gaming Board. One of Kerzner’s former partners is Shabtai Kalmanowitch, an agent of the Israeli Mossad. Kalmanowitch, later arrested and convicted in Israel for spying on behalf of the KGB, was part of George Bush’s and Oliver North’s Iran-Contra drug- and arms-running operations. Sun, which recently took over the former Resorts International operation from Merv Griffin, opened the Mohegan Sun Resort in Uncasville, Connecticut, in October 1996, in partnership with the Mohegan Nation.

Other organized crime gangs have involved themselves with Indian casinos. It has been reported that in 1988, the Bruno-Scarfi mob gang held a secret meeting in Toms River, New Jersey, to discuss gambling. The guest of honor at the meeting was Darrell “Chip” Wadena, Tribal Chairman of the White Earth Chippewa Reservation and president of the Minnesota Chippewa Tribe (Wadena was convicted on 15 counts of conspiracy, theft, embezzlement, theft, and money laundering in 1996 according to *International Gaming & Wagering Business*). Also present were Minnesota Chippewa Tribe Attorney Kent Tupper, and Victor Colluci, director of special products sales at GTECH, the lottery company. Colluci, Tupper, and four other men owned Creative Games Technology, which leased video gambling machines to several Chippewa casinos.

Grand Casinos, a major player in the Minnesota Indian gambling market, is reported by informed sources to be a spin-off of the notorious Minneapolis Combination. The Minneapolis Combination was the organized crime gang headed by Isadore Blumenfeld, a.k.a. “Kid Cann,” a major player in Meyer Lansky’s National Crime Syndicate.

Foxwoods Resort Casino, in Ledyard, Connecticut, which advertises itself in the *Wall Street Journal* and other papers as the “largest casino in the world,” is run by the Mashantucket Pequot Tribal Nation; it opened in 1991.

Hollywood comes to Las Vegas

The connection between Las Vegas and Hollywood came full circle, with the rise of the casino theme resorts, created with the help of Hollywood design and special effects firms. Illustrative of the theme casinos are the Circus Circus casinos in Las Vegas: The Luxor is built in the form of a pyramid and a sphinx; the Excalibur has a King Arthur theme; and the Circus Circus actually contains a circus. Not to be outdone, Mirage Resorts has a simulated volcano in its Mirage casino, and its Treasure Island casino features a pyrotechnic pirate ship battle. The latest trend is geographic, with casinos based upon cities, so gamblers can see the world without ever leaving Vegas: New York, New York, a creation of MGM Grand and Primadonna, features one-third size replicas of a number of New York skyscrapers, including the Empire State Building; Circus Circus and Mirage joined forces to build the Monte Carlo resort casino; Hilton’s Bally’s subsidiary is building the Paris Casino Resort; and Mirage is spending \$1.25 billion on its new Bellagio, modelled after an Italian village.

These extravaganzas are beginning to spread to the other gambling centers. Plans have been announced to build a number of Vegas-style casinos in Atlantic City, in an attempt to shift the city, which now primarily caters to a day-trip clientele where visitors come for the day, into a destination resort, where families come for vacations. On a smaller scale, the fantasy themes are beginning to appear in Tunica, Mississippi, just south of Memphis. The Hollywood Casino in Tunica, for example, features movie artifacts such as the Batmobile from Batman, the shark from Jaws, and the Harrier jet from True Lies; to build its Adventure Slots, based on the Temple of Memphis, Hollywood Casino Corp. hired the Hollywood design firm which had done the Indiana Jones thrill ride at Disney World.

Internet gambling

Finally, we have the newest form of gambling, gambling from home over the Internet, via on-line casinos and lotteries. How this will develop, remains to be seen, because there are significant legal obstacles to overcome; a bill has been introduced in the Senate to outlaw Internet gambling. Still, some analysts have projected that Internet gambling could rise to a level of \$10 billion a year or so.