



ADDRESS

by

HONORABLE J. HOWARD McGRATH  
ATTORNEY GENERAL OF THE UNITED STATES

at the

ATTORNEY GENERAL'S CONFERENCE  
ON LAW ENFORCEMENT PROBLEMS

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10.30 A.M.

Civic leaders as well as lawyers are accustomed to look for and benefit from precedents. In arranging this conference of municipal, State and Federal law enforcement officials, we observed that in recent years, since the First World War, this country has had a number of challenging crime problems, nation-wide in scope, which have lent themselves to the technique of cooperative conference, study and action, by a cross-section of the country's enforcement agencies.

Beginning in 1929, the lawlessness precipitated by war and Prohibition was examined into by the National Commission on Law Observance and Enforcement. In 1934, the fast-moving violent gangster and racketeer, successor of the bootlegger, was the cause for concern, and resulted in the calling of a Conference on Crime. In 1940 enforcement problems relating to national defense caused the summoning of the Federal-State Conference on Law Enforcement Problems of National Defense. In 1946, Attorney General Clark summoned the National Conference on Prevention and Control of Juvenile Delinquency. All of these conferences resulted in notable developments in law enforcement.

Today, a new phase of the old problem is upon us, requiring the concentration of the combined efforts of all our law enforcing agencies. The mobsters of the 1930's have not been entirely eliminated. But their leadership is being supplanted. The modern version combines the worst features of big business manipulations with violence and corruption to clamp a monopoly or monopolies on the illegal businesses of bookmaking, slot machines, "policy" or the numbers game, and other forms of commercialized gambling. These operations of the American public cost billions of dollars and threaten to make a mockery of respectable local self-

government. There is reason to believe that such operations are tied in with prostitution and narcotics, and the more violent forms of underworld criminal activity.

Bookmaking, slot machines, numbers games and the like are illegal in almost every state. It is, therefore an inescapable conclusion, evidenced by the surveys of a number of local crime commissions and a few successful prosecutions, that in this modern society gambling as a private business cannot operate on its present gigantic scale without corrupting what it touches.

In organized gambling, we are dealing with the biggest illicit traffic since Prohibition. Everywhere the pattern is the same -- struggling and double-crossing, to eliminate competitors for the right to cheat the public. The racket produces nothing. It contributes nothing to society but trouble --

As an example, the modern numbers racket has been built upon the nickel and dime bets of hundreds of thousands of our poorest people. In more recent years it has moved into offices, shops, and factories where the money wagered makes it a business estimated by investigators to yield two billion dollars annually. Employee absorption in the play has so affected production in plants in some localities as to cause company and union investigations, and combined action to drive out those employees acting as numbers runners.

Businessmen's associations are concerned, not only with the numbers racket, but with bookmaking, slot machines, punch boards, and all forms of lotteries. They find that in communities where the business of gambling openly flourishes the clientele of the legitimate businesses are not paying bills and are dissipating their earnings.

I need not dwell on the demoralizing effect upon our children, who are everywhere bombarded, by sight and by hearing, with the temptations of gaming and lotteries. Benjamin Franklin wisely said, "Keep flax from fire, youth from gaming."

The people of this country, State by State, painfully and painstakingly evolved a public policy against the gambling business. At one time public gambling in lotteries was an accepted means of raising funds for public use. The State legislatures, and even Congress, authorized lotteries and chartered private companies to conduct them. The corruption that flowed from the lotteries, marked by the bribery of public officials and the mere trickle of funds into the public treasuries as compared to the huge sums raised, led gradually to the prohibition by the state of lotteries and other forms of gambling. This policy was capped by Congressional legislation in 1890, forbidding the sending of lottery tickets in the mails, and supplemented five years later by legislation forbidding the transportation of lottery tickets in interstate commerce.

Still later, in 1934, Congress forbade radio broadcasting of advertising and information concerning lotteries.

This basic nation-wide public policy against the gambling business, which grew from local roots, has remained steadfast. The only substantial deviation has occurred in the situation where, by judicial decision or direct legislative action, approximately half the states have made an exception for betting at the track on horse or dog races, usually in connection with the so-called pari-mutuel system. This has not been accompanied by validation of the professional off-the-track betting, generally described as bookmaking. And, except for a very few states which have allowed local

option in permitting the licensing of certain kinds of gambling, I believe we are justified in taking the view that throughout the United States there is, and has existed for many years, a public policy that condemns organized gambling and makes it activities criminal.

Are we then to allow that policy to be set at naught?

The President has expressed his grave concern with the increase of crime. We know that there are many sources and causes from which this condition arises. From information that has been coming to me, from your letters, and from the resolutions of your organizations forwarded to me, I believe we are in agreement that if there is a single most prolific source, constituting one of our greatest dangers, it is the continued flourishing of organized gambling, about which, as the most lucrative of the illegitimate enterprises, revolves many nefarious activities of the underworld. Out of this conviction, and in order not to dissipate our energies in a one-day session devoted to exploration, I have felt constrained to focus attention without delay upon this major problem.

This is your meeting, called principally at your request. It is your views that will be most important. You are free to discuss all phases of organized crime. Our interdependence in matters of law enforcement, our need and determination to cooperate and help in our mutual problem will carry us forward.

I believe the agenda will develop clearly what are the fundamental problems, and from the discussion we will perceive the means for studying their solution. As part of our thinking upon solutions, we cannot avoid

being acutely aware of the division of governmental responsibilities in dealing with crime. Let it be stated at once on behalf of the Federal agencies that it will not be the purpose of the Federal Government to usurp the functions of the state and local police, or to conduct activities that extend beyond constitutional limitations or the usages of our people. We must never lose sight of the fundamental principle that local responsibility, fully realized, makes for sound government and healthy law enforcement. That is the true meaning of "states rights" and "home rule." Conditions which breed contempt for law can only become worse if we allow ourselves to be lured away from sound principle by the temptation to pass off state and municipal responsibilities to the Federal government. Nevertheless, adherence to this view will not detract from the common purpose to assist and complement the law enforcing agencies charged with primary responsibility, and to devise means of aiding each other, within the limits of law, however responsibility is vested. In this connection, I draw your attention to the presence here, not only of representatives of the United States Attorneys and the various divisions and bureaus of the Department of Justice, but of the several specialists in particular kinds of law enforcement representing, among others, six units of the Treasury Department, the Post Office Department and the Federal Communications Commission. The enforcement programs of these Federal agencies and their programs of cooperation with local authorities are known to you; but their representatives have promised to be available to inform you further, and to consult on means of advancing the purposes of this meeting.

It may be that the discussions today will reveal the need for new legislation of a municipal or state or Federal character. I believe that there is much that can be done by way of re-examining and modernizing local codes which the pressure of the past war and related absorptions have caused us to neglect. In fields where cooperation among the states is required it may be useful to review and strengthen what has been done in the field of interstate compacts pursuant to the blanket congressional consent given in advance to all compacts entered into by any two or more states for the prevention of crime or the enforcement of criminal laws and policies. There should also be a complete review by both Federal and state authorities of the present so-called Fugitive Felon Act. If it is found that Federal legislation is needed we must take care that we do not recommend laws which will bring back the Prohibition era. We must at all times be conscious of the need to present a program acceptable to our people and capable of effective enforcement. And, certainly, I think we would all prefer to see that the methods adopted represent a direct approach to the problems requiring solution rather than any indirect or disguised method of prosecution. I would judge that the detailed study and continuing efforts necessary for the development of the various phases of a program of work can best be handled by committees, or a similar form of continuing machinery, to be provided by this conference. It may be that a further and broader conference will be required, when the detailed preparatory work is ready, in order to consolidate these efforts.

But whatever be the methods or techniques propounded in this fight against crime, we must not lose sight of the big, vital factor -- the need

of public support. I have already mentioned the insidious and clever propaganda activities of the organized gambling fraternity to legalize some of their operations. The American Municipal Association and others have informed me of well organized and financed drives, now under way and conducted by the same fraternity, to oust mayors and other public officials who have had the temerity to stand for enforcement of the law. These activities and this kind of attempted intimidation indicate powerful opposition, which is being unwittingly aided by perhaps well-meaning but misguided appeasers, who believe that since the desire to gamble is found in many persons it must be a virtue which should be legalized and permitted to flourish commercially. It will take fertile minds and strong backs to plan and disseminate a campaign of persuasive education, which will interpret for the public the work you public officials are undertaking to do. Until the psychology of our people is so affected with an abhorrence of the kind of crime we are seeking to eliminate, high-minded public officials will continually be fighting an uphill battle.

I think the time is ripe for the drive for public support thru press, radio, motion pictures, civic clubs, business leaders, churches, schools, labor unions, and every form of decent organization. The stage is set for you to capture the popular imagination in a stirring campaign to crush organized crime in your communities. I want you to know that in this effort I stand ready to give you every possible assistance.