

## LACK PROOF OF MOB CRIME IN N.O., COPS SAY

A secret New Orleans Police Department report—made public today—cites little evidence of organized crime in the city but concedes there has been a sharp rise in the city's crime rate.

The report, made to the Orleans Parish Grand Jury June 2, is in conflict with the jury's final report yesterday in which it said it found evidence that organized crime exists.

The special police department probe included studies of handbook and pinball operations, lotteries, prostitution, B-drinking and narcotics in New Orleans.

THE GRAND JURY, in its

outgoing report yesterday, had announced that there was evidence of organized crime "primarily in the area of handbook betting, layoff (wire service) operations, pinball machine gambling and, to some extent, the sale and distribution of narcotics."

Said Giarrusso's report:

"Race horse handbooking prevails to a large extent in this city . . . but a great deal of this is done by telephone, and a bet is phoned in to a central location. This form of operation, even though it exists in many areas, is very difficult to suppress.

"IN RECENT YEARS,

there has been handbooking in baseball, basketball and football betting. This has been more prominent and pronounced within the past 10 years than ever before."

However, the police chief said, it is difficult to obtain the necessary evidence for conviction in a handbook case.

He called on legislatures to enact laws now on federal books that will allow police legally to wiretap in certain instances.

The report also showed that approximately 60 individuals are behind the 1,150 pinball machines currently licensed in the city. The two principal

owners of pinballs are the New Orleans Novelty Company and the TAC Amusement Company, he said.

"WHILE THE VICE squad deposits a great deal of money in pinball machines in an effort to make arrest cases . . . the most effective means to deal with pinball machines is by elimination," Giarrusso said.

He said the legislature should outlaw them.

"New Orleans has its share of prostitution," as arrest records reflect," said Giarrusso. "However, there is no indication that organized pros-

stitution is in existence in this city."

GIARRUSSO SAID there were "still a few well-known panders . . . but the days of the Madame and open houses of prostitution, to our knowledge, are nonexistent at this time."

Giarrusso said vigorous prosecution by the district attorney's office has kept illegal lottery activity at a minimal in recent years.

"Most of the vendors, today, are of the 'walking' variety or bets are telephoned to a central location," he said.

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"The days of the lottery shops, per se, are not too numerous and are a rarity when they become known.

GIARRUSSO SAID, "It appears that most of the people who play lottery are the oldtimers that have been playing it for years. This seems to indicate that lottery is losing a great deal of its appeal and is dying out by attrition," he said.

"B-drinking is most prevalent in the French Quarter and more particularly in some of the establishments on Bourbon Street," he said.

He said some Bourbon Street establishments also are guilty of other alcoholic beverage violations.

Giarrusso recommended tougher jail sentences for B-drinkers and said the City Council should suspend licenses of violators for a longer time or completely revoke the licenses.

Giarrusso said the drug problem in New Orleans follows the national trend in that there is an increase in the number of people engaged in drug abuse.

"IN NEW ORLEANS, however, there is no evidence of syndicated or mafia drug trafficking," he said.

Giarrusso listed these reasons to rebut syndicated drug control:

—"There are various small drug hierarchies in New Orleans which compete with each other rather than one vice overlord controlling the traffic.

—"People within the various hierarchies are known to sell in any section of the city rather than a sectionalized control by a particular group which is characteristic of syndicated control.

—"The price of drugs at both the wholesale and the consumer level is relatively higher in New Orleans than at the usual source point, New York.

—"The potency of the heroin sold in New Orleans is much less than that sold at New York.

"Drug trafficking in New Orleans is predominantly controlled by Negroes. The one non-white addict-peddler, considered the biggest man in New Orleans, is of Jewish extraction. It seems that the people of Italian extraction, who were engaged in drug trafficking in New Orleans, ceased to operate as such during the early 1950s," the chief said.

Giarrusso released the report today after a meeting at City Hall with Mayor Victor H. Schiro and Ivor O. Trapolin, head of the Mayor's Committee on Crime and Delinquency.

He said it was collectively agreed that the report would help to educate and arouse the public on the extent of crime here.