THE history of the slot machine in America has become inexorably tied up in the popular consciousness with that of its gangsters. It is beyond the scope of this article to enter into a detailed analysis of the growth of organised crime in America, a topic which has already been the subject of numerous books. The following is therefore only a brief glimpse into what is one of the most fascinating subjects of 20th Century social history, in an attempt to reconcile the position of the slot machine in relation to organised crime.

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THE social and historical context of the slot as a gambling machine has inevitably tended to place it beyond the pale of 'respectability' and has therefore determined its use as being undesirable and ultimately illegal.

However the suppression of an object which can be seen by many as being 'desirable' merely enourages organised crime to flourish upon the supplying of that commodity, the more 'desirable' it is the greater the success of the criminal element. There is no greater example of this than that provided by the American social scene of the 1920s and '30s.

The organised illegal use of the slot machine was essentially a by-product of an even greater illegal industry brought into existence by the American state itself when on January 16, 1920 the Volstead Prohibition Acts came into effect, forbidding the manufacture, sale, and consumption of alcoholic drink. By attempting to wipe out the previously legitimate drinks industry it created a tremendous vacuum which in pre-prohibition days was worth about two billion dollars per annum.

In the specific instance of Chicago, home of the slot machine industry, there was an even greater twist. As early as 1910, with the arrival of Johny Torrio—a former member of the Five Points Gang of New York—to Chicago, the slot machine was already coming within the sphere of influence of organised crime. The controlled operation of the slot machine rapidly became entangled with the long standing and overtly crooked practices of the city's politicians. Of all the political demagogues who ever held power in Chicago the greatest was surely Big Bill 'The Builder' Thompson, who in 1915 by hook or by crook—as the saying goes—was elected for his first term of office as Chicago's mayor. His election marked the beginnings of the great criminal morass which was to engulf the city in the next two decades. Promising everything to everybody, especially himself, he literally threw the city wide open, carefully developing through his many associates the drink, vice, and gambling trades. He fostered friendships in all the right quarters ranging from Big Jim Colosmo, the head of the city's vice rackets—and the man who brought Johny Torrio to Chicago—to Herbert Stephen Mills, the founder of the Mills Novelty Company.

On May 11, 1920, just four months after the Prohibition Act came into effect, Big Jim Colosmo was laid to rest, with a little help from his friend Johny Torrio. The estimated turnover of the fledgling 'business' in that first prohibition year was a relatively modest $100,000 gleaned mainly from the operation of vice rackets, dance halls, gambling dens, and slot machines. In that same year Johny Torrio accepted help from another former member of the Five Points Gang, one Alphonse Capone. By 1924 as a direct result of Prohibition, Big Bill Thompson's corrupt policies, and a ruthless application of the now legendary Torrio-Capone business method, the estimated annual turnover of the enterprise topped the $5,000,000 mark. In 1925 Torrio retired from the Chicago scene to New York following an assassination attempt, leaving Capone in effective control. By 1927, with a large part of the State of Illinois monopolised, including members of its police, judiciary, and State Legislature, the estimated revenue reached a high of $105,000,000 per annum. A breakdown of this figure puts it into perspective. $60,000,000

heard of anyone being forced to have fun—AL CAPONE

from beer and other liquor; $25,000,000 from gambling establishments and dog tracks; $10,000,000 from vice, dance halls, road houses and other resorts; $10,000,000 from other rackets. The revenue from slot machines, especially if one considers all the types of 'controlled' gambling available undoubtedly represented only a small proportion of the total sum. The gangsters of the prohibition era were first and foremost 'bootleggers' or drinks men. The slot machine entered their field of operation not only because it was a form of gambling—there were far more lucrative forms of gambling—but also because it had long since become one of the customary trappings of a saloon or bar, in much the same way as the operation of jukeboxes was to enter the criminal field in later years.

Al Capone is often quoted as saying: "All I ever did was to sell beer and whisky to our best people. All I ever did was to supply a demand that was pretty popular. Why, the guys that make my trade good are the one's that yell the loudest about me . . .

"The funny part of the whole thing is that a man in this line of business has so much company. I mean the customers. If people did not want beer and wouldn't drink it a fellow would be crazy for going around and trying to sell it.

"I've seen gambling houses too, in my travels, you understand, and I never saw anyone point a gun at a man and make him go in. I never heard of anyone being forced to go to a place to have some fun . . ." An ironic statement, with a lot of truth in it.

That the slot machine was initially of peripheral interest to the big time racketeers is instanced by the Torrio-Capone takeover of Cicero, a large suburb town of Chicago, in the early 1920s. Prior to this the city had been dominated by a corrupt catholic administration which tolerated only the illegal drinks racket run by the O'Donnell brothers, but positively did not allow brothels or gambling, apart that is from a string of slot machines run by 'Big' Eddie Vogel, an influential local politician.

With typical calculated efficiency Torrio twice opened a brothel in Cicero, each time making no attempt to secure 'protection'. Both times the places were raided by the local police who arrested the women and closed the brothels. Torrio then pulled strings with the higher authorities in Chicago who promptly sent in a

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The crunch begins in the early 1920s with Chicago deputy police commissioner John Stege using his axe to dispatch a bunch of Mills Operator Bells. The top reproduction catches New York City mayor Fiorello LaGuardia doing a similar job himself in 1934. A Mills Silent F.O.K. is about to get the chop!

squad of deputy sheriffs to confiscate every slot machine in sight. The theatricality of the situation pleased Torrio no end. Vogel could have his machines back for certain concessions. A diplomatic solution was arrived at following a meeting between Torrio, Vogel and the O'Donnell brothers. Vogel could run his machines, the O'Donnell's could keep their liquor rights in the areas they now controlled, in exchange Torrio would open no brothels, to appease the O'Donnell's catholicism—a promise later broken—but would be allowed to freely sell liquor anywhere outside the O'Donnell's territory, and to open gambling joints and night clubs wherever he wanted. Torrio had achieved his first objectives.

Major symbol

Despite the relatively small role that the slot machine played in relation to the growth of organised crime in America it became a prime target for the media by the late 1920s. Undoubtedly it was the machines tangeability and its easy access as a commodity which facilitated its use as a scapegoat for the wider evils of society, the end result of which was to make the slot machine a major symbol of the corruption endemic in the United States. The more nebulous, yet far more lucrative, parts of the criminal empire which flourished around the prohibition era were far harder to assimilate as ready made symbols of corruption in the popular consciousness.

In November 1932 *Fortune* magazine published what was considered by many a definitive article on the subject entitled 'Plums, Cherries, and Murder'. It purported to be an exposé of the profits made by racketeers from slot machines. The article gave figures of $20,000,000 as the turnover from such machines in 1931 in Greater New York alone, and a figure of $150,000,000 for the whole of the country. Figures which on closer examination appear to be exaggerated. An interesting insight into the composition of the article was later provided by Bert Mills of the Mills Novelty Company in an interview. When asked many years later if he remembered the article he replied: "Yes, I remember it. The reporter who wrote the article came to me to ask all about the percentages on the reel machines. I made up all of the percentages from the very beginning. They had a phoney story on the reels and asked me to help them correct it. I helped them out, but they didn't publish it the way I told it to them. It was erroneous . . . You see, they twisted the story. They took stuff out of context, and said that we said it. Like most reporters, they wanted to build up the story, and so they changed it to suit themselves".

However, it would be equally misleading to present the role of the slot machine in relation to the growth of organised crime as a totally passive one. On a localised level it was most certainly not. On a more sinister level one could ask, if the information was forthcoming, just how close the friendship was between Herbert Mills and Bill Thompson? Or find significance in the fact that the export drive in slot machines began in earnest in 1923, the very year that Thompson was defeated at the polls by William E. Dever, at that time a seemingly clean politician. Other instances are forthcoming, however, to imply a deeper involvement on the part of the manufacturers other than one of economic expediency would be at best tenuous with the present available information.

With the imminent repeal of the Prohibition Laws in the early 1930s, due wholly to the catastrophic nature of their effect, it was inevitable that the actual, and, more significantly, the relative importance of the slot machine to organised crime would increase. The early '30s were therefore presented as peak years of criminal activity concerning its use, as people were seen fighting for their control pending the repeal of prohibition.

Gunman's bullet

In Chicago in 1931 Anton J. Cermak defeated Bill Thompson in his bid to serve as mayor for a fourth term. As ever a new development in the city meant a more sinister one. The nation commented: 'Perhaps Big Bill Thompson was vicious as his defamers pictured him. To a practical and unprejudiced observer it appears that Chicago has simply swopped one evil for another'. Indeed it had. By 1933, the year in which Cermak lay dying in the arms of President-elect Roosevelt, the victim of a hired gunman's bullet, he had effectively gained control of the organised gambling rackets, which he had early on recognised had great political and financial potential. Inevitably the slot machine became one of the trappings of state. Just one

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month after his death the Prohibition Laws were repealed. Cermak had left to his heir, later collectively known as the Kelly-Nash machine, a rich legacy. For the next 14 years, with Edward J. Kelly as mayor, it remained a more ruthless and more efficient operation than at any time previously, controlling about 7,500 protected gaming establishments.

Public issue

In the meantime the role of organised crime had become a major public issue in America. The early '30s had literally spawned a new generation of anti-heroes for the media to publicise. Names like John Dillinger, 'Baby Face' Nelson, 'Pretty Boy' Floyd, 'Machine Gun' Kelly, Bonnie Parker and Clyde Barrow became household words. In the specific instance of Chicago the federal authorities had sent Elliot Ness and other government agents into the city to clean it up. With hindsight their success was largely symbolic, yet it promoted a widespread public response against any of the trappings of a criminal empire. The slot machine, among other coin-operated machines, was the most obvious candidate. From the Kelly-Nash viewpoint its suppression would placate the media, in that they would be seen to be combating crime, while at the same time doing little damage to their criminal enterprise. In 1935 the Chicago Anti-Slot Ordinance was passed banning the operation in the city of all coin-operated machines.

In 1938 the *Automatic World* wrote, with a certain degree of naivety, that: 'Chicago during many years has had such a bitter experience of racketeering, often at pistol point, that the authorities having lost faith in kid glove methods of 'cleaning up' decided that by a simple process of wiping out the whole flock they were destroying the black sheep among them . . . and the industry has taken no concerted action to counter this outlawry . . . it reminds us of the rhyme of 'Humpty Dumpty' brought right up to date:

A Cheeky Coin Machine
Sat on a wall.
That Cheeky Coin Machine
Had a great fall.
All the machine makers
And millions of Cash
Couldn't do a thing
To lessen the Crash.'

A parallel situation to that experienced in Chicago had developed in New York. By the



In the city of Portland, Oregon, raids led by the crusading city commissioner J. E. Bennett resulted in the destruction of hundreds of "Iron Mikes" as the slot machines were referred to in the newspapers. The manner of destruction was rather unique. Under the direction of a police sergeant, the machines were trucked to the Enterprise Foundry where they were poured into a blast furnace and melted into sash weights.

early '30s under the 'open' policies of Mayor Jimmy Walker slot machine operations had become centralised, largely under the control of Frank Costello. Although nominally illegal, anyone could in practice install a machine on their premises, so long as it had previously been sanctioned by him. Authorised machines were provided with a sticker, the colour of which was periodically changed. If a machine had no sticker it immediately became subject to criminal action and police seisure. Costello was a man with influence, an instance of which is cited by Valachi, when he refers to a police patrolman in Manhattan, who for some unspecified reason, poured a bottle of ketchup down a 'protected' machine. On the next day he was transferred to another district.

By 1933 Mayor Jimmy Walker, facing charges of municipal corruption, had been forced to resign. He was replaced by Fiorello H. La Guardia, who in response to media pressure, embarked upon a widely publicised crusade against slot and other related machines, vowing to run them out of the city. Newsreels of him, literally axing his way through machines were shown in cinemas across the country. Like a latter day Carrie Nation, his was the most symbolic gesture in the anti-slot movement which was to culminate in the Johnson Act of 1951 banning the sale and manufacture of all automatic gambling machines.

La Guardia's rise to power in New York was a bitter blow to Costello, who despite his reduced political influence was still able to gain a court injunction against La Guardia interfering with his machines. La Guardia simply broke the rules. He ignored the injunction and sent in squads of policemen to smash up machines wherever they were found. Distressed at this criminal action Costello gave in and accepted the invitation of a friend of his, Huey Long the Governor of Louisiana to move to New Orleans and set up his business there.

Payouts banned

By 1938, 45 of the States had banned the use of virtually every type of payout game, setting the seal on a legal situation which is only just now changing in America, 40 years later. Such action had a two-fold effect. It improved things for Costello. His slot machine racket, by this time almost national in scale, was booming. So too were his other operations in bookmaking, and gambling casinos, including the famous Beverly Club outside New Orleans. So too was his silent

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partnership in a wholesale liquor firm which was bringing him in about $500,000 per annum as the exclusive U.S. distributor for Kings Ransom Scotch, a legacy from his bootlegging days.

On the other hand, there was a general slump in the industry because of the reduced market. The major manufacturing companies in Chicago as a means of maintaining profitability turned to the production of, among other things, vending machines. In another report the *Automatic World* wrote: 'The Mills Novelty Company has a reputation for its fruit machines, but that questionable product having at one time or another become extremely unpopular with the authorities in almost every civilised country in the world, especially the United States, this mammoth concern is nowadays wisely concentrating on coin machines made for the sale of products, for example in 1937 they brought out a golf ball vender—this was in fact a three-reel slot machine which paid out in golf balls rather than cash—and now (1938) a canned beer vender . . .'

It is important to keep the role of the slot machine in perspective. America is a very large country. In writing about the big time gangsters it might appear as if one were writing about the whole country. This is not so. Although there was organised crime on a large scale in a number of the major cities, it succeeded nowhere to the same extent as in Chicago, if it had then one would surely have seen a President Capone rather than a President Hoover or Roosevelt.

The localised position throughout many parts of the country bore a closer resemblence to England, with its petty crime, than to Chicago. However, the Capone era and its immediate inheritors became sheer spectacle on a Hollywood stage, blown up to the proportions of a myth as indestructable as Superman. The slot machine became a readily identifiable symbol of that larger myth and was condemned disproportionally as a consequence.

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