

## MILLIONS PAID AS PROFITS TO RACKET KINGS

Organized Crime, Using Guns and Bombs, Nation's New 'Big Business.'

Editor's Note: This is the first of a series of eight daily articles by James P. Kirby, special writer for The Times and NPA Service, on the alarming and heretofore unreported work of a trained investigator and author of textbooks on criminology, has personally investigated the conditions of which he writes.

**BY JAMES P. KIRBY**  
Special NPA Service Writer  
CHICAGO, Sept. 11.—Racketeer  
now is Big Business.

The Racket, organized graft, corruption and crime—has grown to proportions that seem magnified beyond imagination.

In Chicago alone—the birthplace of the "racket"—the receipts of these organized gangsters are from \$50,000,000 to \$75,000,000 annually, it is conservatively estimated.

In addition to garnering huge profits from bootlegging, gambling and vice, racketeers now either control or are active in fifty larger and 150 smaller lines of business and other activity in Chicago and collect an enormous tribute for protection from their own violence.

For years, the "racket," has been distinctively a Chicago institution. But it has been found such a profitable form of crime there that it is spreading to the other large cities of the Middle West.

### Invade Other Cities

St. Louis, Detroit, Cleveland and Pittsburgh, heretofore complacent in their disdain of Chicago's terrorism, are awakening to find an invasion of racketeering with the accented weapons—dynamite, stench bombs, the torch and machine guns.

It is much safer and more profitable to form racketts than it is to plan big mail or bank robberies.

"Dividends" so far have been paid with amazing regularity.

In Chicago, there is a large number of "mobs," as the gangs of racketeers are now called. At the head of each mob is an acknowledged and undisputed leader.

These leaders apparently have reached agreements to divide up the forms of graft and tribute and collections.

For instance, Al Capone, the outstanding racketeer, controls the beer trade and is said to direct all the racketts in the loop—Chicago's principal business section.

Other "mob" leaders have other districts and indulge in other forms of racketeering.

### Leaders are Shrewd

The rather frequent outbreaks of gang warfare generally can be traced to some violation or suspected violation of these agreements.

The men at the head of the racketts are extremely shrewd and skillful, with a genius for organization.

Racket mobs in Chicago now control practically all the bootlegging, gambling and vice, but in addition have extended their domination to many forms of legitimate business.

The stunt of the racket is to increase or keep up prices in any line of business and for this service (for which the public must pay) extort enormous sums from business men. Defiance of the racket generally brings violence.

This kind of racket started in the dry cleaning industry, with the public and the dry cleaners being taken for a "cleaning."

**Next:** Chicago murders and gang warfare.

### SLACK SPEAKS AT NEW ZION PARISH

Congratulates Church at Rites of Dedication.

Declaring that not only the Zion Evangelical Church, but the community itself should be congratulated upon the erection of the new Zion Parish Hall, Mayor L. E. Slack delivered an address at a community meeting in the new auditorium Monday night.

A number of pastors from neighborhood churches brought congratulatory messages from their respective congregations.

A dedication supper will be held in the new parish hall dining room Wednesday evening.

### SURVEY NEGRO CREDIT

Business League to Make Study of Ratings Here.

Exact status of Negro business men in commercial ratings will be determined by the National Negro Business League survey commission, which has started a four-day survey of Indianapolis.

Results will be announced at the annual convention of the league here next August, when ways of improving credit standings will be evolved.

### PLAN MISSOURI FIGHT

Democrats Gather to Draft State Platform.

JEFFERSON CITY, Mo., Sept. 11.—Confronted with the classification of this State as doubtful, Democratic leaders were to convene here today to prepare a platform.

The prohibition question loomed large.

Charles M. Howell probably will be named as State chairman.

### Melons Below Standard

SEYMORE, Ind., Sept. 11.—Jackson county's famous watermelon crop has been placed on the market within the last few days. It is reported to be a little below the standard in quality this season. Large shipments of cantaloupes to outside markets also are being made.

### Another Queen



### AL WILL GO TO MID-WEST AS CRUSADER

Seeks to Attract Vote That Swung to La Follette in 1924.

**By THOMAS L. STOKES**  
United Press Staff Correspondent  
ALBANY, N. Y., Sept. 11.—Governor Alfred E. Smith has decided to go into the West and Northwest on his first campaign tour, somewhat in the role of a crusader, with an open bid for that numerous mixture of farm, liberal, labor, wet and foreign voters who rallied in such astonishing numbers about the banners of the late Senator Robert M. La Follette in 1924.

Democrats deserted the party in droves in the Northwest, leaving John W. Davis for La Follette.

The Democratic candidate has received reports that much of the La Follette vote will swing to him. Republicans who deserted Coolidge as well as the Democratic bolters.

Accordingly, he has determined to make a strong appeal with his farm relief program, his labor record, his water power policy and his prohibition modification stand issues which appeal to the various elements.

Former Senator Gilbert M. Hitchcock, Nebraska, told Smith last night:

"The situation in Nebraska is shaping up quite favorable to Governor Smith."

Polls taken through the State indicate that a large proportion of the La Follette vote, which was 100,000, will go to Smith, that the German vote which left the Democratic party in the war is coming back, and that the farmers are dissatisfied with Herbert Hoover's position on agricultural relief. The German vote makes up about 15 per cent of the total, he explained.

### SET JACKSON RITES

Burial Services Arranged for Wednesday.

Funeral services for Mrs. Edith Elizabeth Jackson, wife of Lafayette A. Jackson, head of the Standard Grocery Company, will be held at the home, 2258 N. Illinois St., Wednesday at 2:30 p. m.

Burial will be at Crown Hill cemetery.

Mrs. Jackson was a native of Wayne County and came to Indianapolis in 1900 to attend art school. She met Mr. Jackson here and was married soon afterward.

She was a member of the Et Cetera Club, Woman's Department Club and the Monday Club. She belonged to the Central Christian Church.

Surviving, besides the husband, are: A daughter, Mrs. Edward Wiest; two stepsons, Chester A. and Howard Jackson; a stepdaughter, Miss Charlotte Jackson; a sister, Mrs. W. A. Wynn, and a brother, Ora H. Jackson, and two grandchil-

dares.

DAILEY SCORES G. O. P. FOR WASTE OF MONEY

Declares State Expenses Increased Under Republican Rule.

**By Times Special**  
TERRE HAUTE, Ind., Sept. 11.—John L. Lewis, president of the United Mine Workers of America, has been called in an effort to reach an agreement on a wage scale following the failure of the operators' and miners' sub-committee here to effect a settlement.

Operators here have been holding out for a return to the \$5 scale of 1927, which has been adopted in the Ohio mines. The miners have insisted on adopting in Indiana the new Illinois scale of \$6.10.

Further negotiations are expected to be at a standstill for the next few days until Lewis can be consulted.

### LEWIS CALLED IN COAL MINERS' WAGE PARLEY

#### Sub-Committee Agrees to Consult Union Leader.

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#### ENDS SENTENCE; FACES AUTO THEFT CHARGE

Lad, 19, Will Be Taken to Texas for Trial.

Stepping from the Indiana State reformatory at Pendleton into arms of a deputy United States marshal, Howard Hostetter, 19, today faces transfer to Laredo, Texas, for trial on a Federal charge of motor theft.

Hostetter and his brother Robert were convicted of automobile banditry Sept. 9, 1927, in Criminal Court, in connection with a bank robbery, Howard drawing a one-to-ten-year term in the reformatory, of which he served the minimum; his brother a five-to-twenty-one-year sentence in State prison.

#### MEET ON PENSIONS

Disciples of Christ Discuss Plans For Ministerial Fund.

Trustees of the board of ministerial relief and the pension fund of the Disciples of Christ met on Monday afternoon at the Columbia Club to discuss plans for raising the \$8,000 quota set for the fund.

Final plans will be worked out at a similar meeting here Oct. 1, it was announced.

#### SPUR ARTISTIC BUILDING

State Congress to Recognize Superior Craftsmen.

To stimulate interest in the artistic side of construction, the Indiana Building Congress has formulated plans to reward expert workers in the building trades with a certificate of superior craftsmanship.

A prize contest for certificate designs has been announced. First prize is \$25, second \$15 and third \$10. The contest, open to the public, closes Oct. 1.

#### ADDRESSES G. O. P. CLUB

Hoover Lauded by Schortemeler Before Wayne Republicans.

Because of his broad experience in national and international affairs, Herbert Hoover is particularly fitted to be President, Frederick E. Schortemeler, Secretary of State, told members of the Wayne Republican Club Monday night at a meeting at 327 Bellevue Pl.

Seventeen Are Killed in Wreck

VIENNA, Sept. 11.—Seventeen persons were killed and thirty-three injured when the Paris-Budapest express train missed a signal and collided with a freight train near the railway station of Salitz, near Lundenburg in Czechoslovakia, advised from Prague said today.

Charles M. Howell probably will be named as State chairman.

#### Melons Below Standard

**By Times Special**  
WILLOWOOD, N. J., Sept. 11.—Capt. Hilding Peterson of the fishing schooner Clifton prevented his crew from throwing a black cat overboard. In rescuing the cat from the rigging he sighted a school of bluefish which sold for \$7,000.

AYERS' Cherry Pectoral for COLDS and COUGHS HOSPITAL CERTIFIED

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### Black Cat Luck to Sailors

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