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Suburbs v. Slot Machines:

The Committee of 500 and the Battle over Gambling in Northern Kentucky

ROBERT GIOIELLI

In 1979, the Las Vegas MGM Grand was one of the largest casinos in the world. Thousands of people, and millions of dollars, went through it every day. Overseeing all of this was Morrie Jaeger, the MGM casino manager. Like many casino veterans, Jaeger was not born in Las Vegas. But one clue to his roots hung on the wall in his office: a picture of Izzy Kadetz. Kadetz was the owner of a chain of delicatessens in Cincinnati, and his picture represented the obscure but direct link between the gambling capital of the world and northern Kentucky.¹

By the late 1970s, Jaeger was one of the scores of Las Vegas dealers, pit bosses, and casino managers who had learned the business in northern Kentucky during the 1950s. The middle part of the twentieth-century was the apogee of Newport's history as "Sin City on the O-Hi-O." A thriving casino business, combined with gangsters, prostitutes, bookies, and loan sharks made this small river town one of the most notorious, and successful, gambling centers in the entire country. Jaeger and the others made their way west in 1961, after a successful clean-up put all of Newport's major gambling houses out of business in less than a year.²

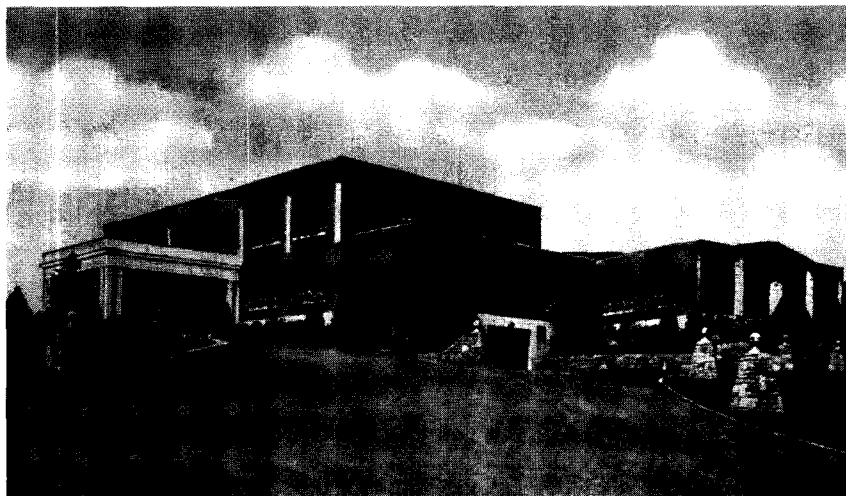
Most accounts give the credit for this reform to a group of Campbell County businessmen, known as the Committee of 500, and popular writers and newspaper reporters have depicted the story of the clean-up of Newport as a heroic battle of good versus evil. But the demise of gambling and vice in the Newport area is complex and multi-layered. What this story is about, ultimately, is not morality, of good versus evil, but of an attempt to reorganize the economic and political structure of a metropolitan community. It is also a small but illuminating part of the history of casino gambling in modern America. Although they stood against casino gambling, the businessmen on



*Newport at night.
Cincinnati Museum Center,
Cincinnati Historical
Society Library*

the committee represent a turning point where opposition to gambling was not based on moral grounds, but on corruption and control by organized crime.

Writers have focused much work on gambling in Newport and northern Kentucky, but most accounts paint a monochromatic picture of the era in that the gamblers were invariably bad, the reformers were unerringly good, and the results were laudatory. The writings are heavy with clichés about organized crime, glorifying either the gangsters or the reformers.³ The wider literature on casino gambling also largely ignores the details and importance of the clean-up in Newport. In *Suburban Xanadu*, David Schwartz argues that the rise of the modern casino resort was in part a response to the anti-gambling crusades of the 1940s and 1950s. As reformers forced gambling out of the cities, Las Vegas casino owners reshaped the gambling industry to appeal to the suburban American consumer.⁴ However convincing is his argument, Schwartz nevertheless generalizes about the anti-vice crusades, depicting them as efforts aimed at improving the moral atmosphere of various urban areas rather than as larger changes in the structure of the community.



Beverly Hills Country Club, postcard. Cincinnati Museum Center, Cincinnati Historical Society Library

event that demonstrated the increasing amount of political and economic power that existed in the suburbs. The clean-up of Newport involved a number of groups and individuals with different strategies and tactics, working over a number of years. Their stories reveal not only what the goals and intentions of the major reform groups meant for the future of the region, but the extent to which gambling was a significant part of the region's economy and social structure. To that end, it is important to gain a sense of how gambling developed in northern Kentucky.

Campbell County and its largest city, Newport, sit directly across the Ohio River from Cincinnati. Since the Civil War, Newport had always been more tolerant of prostitution, gambling, and other vices than had Cincinnati. But by the 1950s, northern Kentucky had evolved one step further. It was not just

The waters of moralism ran deep in northern Kentucky's reform efforts. But when the entire picture is revealed, especially the work of the Committee of 500, the clean-up of Newport was not simply an attempt to improve the moral character of the city. It was the cornerstone of an effort to transform the economy of northern Kentucky into one that was not dependent on gambling. It was also a key

a local vice district, but a regional gambling center. This happened primarily as a result of a compliant local government and an influx of outside capital.⁵ The repeal of Prohibition left many bootleggers and rumrunners with a large amount of cash that they chose to invest in other criminal enterprises, most notably gambling houses. One of these former smuggling rings, the Cleveland Syndicate, controlled a major share of Newport's gambling houses by the 1940s.⁶

The casinos run by the Syndicate, as well as the other larger clubs, were known as "carpet joints," a reference to their carpeted floors. These clubs generally had a luxurious decor, often contained a restaurant, and offered a floorshow. Carpet joints usually had honest gambling: odds were always with the house, but the games were not crooked. Syndicate operators knew that they could make plenty of money just by operating an honest game. As long as they kept people gambling, there would eventually be more losers than winners. The Syndicate's carpet joints, such as the Beverly Hills Country Club, were the crown jewels of the Newport scene, attracting gamblers and tourists from across the Midwest. The other clubs, called "bust-out joints," were usually smaller and seedier, containing only a few tables and some slot machines. Club owners here often rigged the games so that a patron could not get "out" until they had been "busted."⁷

In addition to the chips lost in these green felt jungles, bettors wagered the majority of the money that flowed through Newport on horses, specifically by lay-off betting. Most American cities had bookmakers where people could place bets on various races taking place across the country. But many of these bookies were small-time operators. If they could not cover large wagers they would "lay-off" the bet with another bookmaker to help cover their risk. By the 1950s, Newport was the national center for lay-off bookies, with bets coming in from across the country.

As early as the 1940s, gambling had become big enough to trigger a series of turf wars between local operators and the Cleveland Syndicate that consolidated the latter's power. Reform efforts were a key part of these power struggles. To damage their rivals, different factions within organized crime often manipulated or co-opted the agendas of the anti-gambling groups. In the early 1940s, local operator Glenn Schmidt and an ally, Newport attorney Charles Lester, tried to use state officials in a move against the Syndicate. They filed civil suits against some local officials and a grand jury even took notice and ordered five of the largest clubs to stop operating. But support at the state level vanished when a new governor was elected, and the Syndicate emerged from the struggle as strong as ever.⁸

More heat came in the early 1950s, with the formation of the Kefauver Committee. For two years, Senator Estes Kefauver and his Committee to Investigate Organized Crime in Interstate Commerce focused on the large-scale

criminal organizations like the Cleveland Syndicate that supposedly controlled the entire country. This brought attention to northern Kentucky and eventually galvanized reformers enough to shutdown casinos in Covington, including the Lookout House, Covington's premier carpet joint. In an attempt to stave off the attack, the Syndicate financed a counter-reform group of local businessmen called the Newport Civic Association that campaigned on the slogan "Clean up, not Close up." The Syndicate leaders knew that if they could get rid of the seedier vices like prostitution and dishonest gambling, they could resist the heat that had been successful in neighboring Covington.⁹

The plan worked, and the NCA's reformers were soon voted out of office. For the rest of the decade, gambling not only dominated the economy, but permeated the community as well. Casinos and night-clubs sponsored little league teams and many of the prosperous gamblers lived in Ft. Thomas and belonged to the Highland Hills Country Club, where they rubbed elbows with the businessmen who would eventually close them down. By the late 1950s, one could imagine that Newport, in some form or another, would always be a gambling town. Casinos were such an accepted part of the northern Kentucky landscape that locals considered them "legitimate, illegal operations." Thus any reform effort was seen by many as a naïve attempt to unseat the most powerful forces in the city.¹⁰

If it bothered Christian Seifried to be called naïve, he never said anything about it. For more than five years, this middle-aged letter carrier was the driving force behind the anti-gambling reform efforts and its moral voice. The work of the group that he led, the Social Action Committee of the Newport Ministerial Association (SAC), has often been lumped in with the Committee of 500. Although they were both trying to shut down gambling, the ministers and laymen of the SAC framed the problem differently than the businessmen in the Committee. To them, gambling was one of the many vices, including prostitution and drinking, that needed to be eradicated for the overall moral and spiritual health of Newport. The SAC members were naïve and moralistic, and this contributed to their lack of success. But their story is essential to explaining and understanding the achievements of the Committee. Contrasting the actions of the SAC with the Committee shows why the latter group was able to turn the gamblers out of Newport. The Committee was more focused, better organized, and well funded. But the work of the SAC was vitally important. It laid the groundwork for the Committee of 500 by raising awareness about how corrupt Newport actually was.

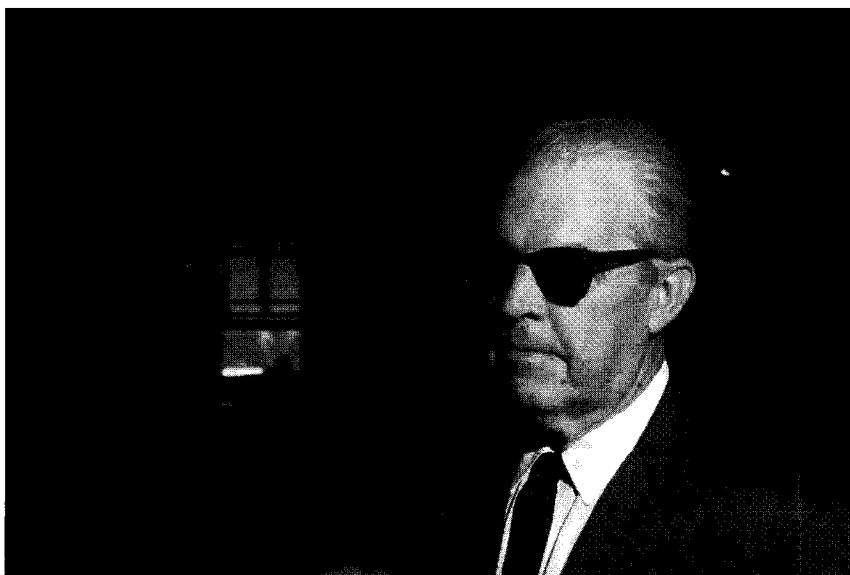
Throughout his career as chairman of the SAC, Seifried pointed to one document that motivated him to take action against the elements of vice and corruption in Newport. In 1957, *Esquire* magazine stated that Newport "is now reported to be America's most wicked city." The article was one of the many produced by out-of-town journalists during the late 1950s and early

1960s. These pieces were less muckraking exposés than voyeuristic peep-shows for middle-class readers, allowing the hoi-polloi to get a look at life in a town supposedly run entirely on vice. According to Seifried, this national attention motivated some of the laymen of the local protestant churches to take action. They approached the ministerial association and, in April of 1957, formed the Social Action Committee.¹¹

From the beginning, the SAC based its strategy on the tenets of Christian Social Action. This had its benefits and its drawbacks. On one level, despite the fact that they made almost no progress, it helped the members of the group sustain their efforts for more than four years. But it also harnessed them with blinders of a sort. According to social action principles, the group needed to gather information about the situation and then work with law enforcement and other officials to find a solution. For two years, SAC members wrote scores of letters to local and state officials, asking them to enforce the liquor, gambling and prostitution laws. Seifried and the ministers then met with these officials, many of whom

pleaded ignorance when it came to gambling and prostitution. Sometimes the officials would make a token effort and fine someone for selling liquor after hours or for not properly displaying a permit. After a year and a half of almost fruitless action, the SAC decided to plead its case before the Campbell County Grand Jury.¹²

The SAC argued that vice was rampant in Newport, and everyone knew about such activities; thus local police and officials were clearly not enforcing the law. To prove this, the SAC knew it had to present evidence to jurors. For months, the committee members frequented casinos and other gambling joints, ordering drinks, placing quarters in slot machines, and betting on horses. They then compiled this evidence and presented it to numerous grand juries, which promptly took no action. The testimony of Seifried and others could not have been more explicit. "I played the 5¢ machine and won 10 nickels on 3 oranges," read an affidavit. "I played 5 back and kept 5 for evidence. Mr. Bennett played the quarter machine and won on this machine."¹³ The SAC had faith, both earthly and spiritually, that if it presented clear evidence of gambling and other types of vice to those in power, those officials would act



Charles Lester, Newport attorney, convicted of federal conspiracy charges in 1963 for his role in the Ratterman frame-up. Cincinnati Museum Center, Cincinnati Historical Society Library

honestly and take action. But the SAC failed to understand the nature of the system. Newport was not inhabited simply by a few bad apples. The economy and political structure of the entire city were both dependent on gambling and other forms of vice, and support for it pervaded among not only the local law enforcement officials, but also the judges, the district attorney, and members of the grand jury. No evidence implicated any grand jury members, but they were easily manipulated. As later efforts would show, Commonwealth Attorney

William Wise and Judge Ray Murphy were not particularly interested in enforcing local vice laws. With their guidance, the grand jury essentially ignored the SAC for two years.¹⁴

Eventually the SAC realized that the only way to reign in corrupt officials was to remove them from office. Under Kentucky state law, the governor can bring ouster proceedings against law enforcement officials for not enforcing local and state statutes. In the summer of 1960,



Lookout House. Cincinnati Museum Center, Cincinnati Historical Society Library

the SAC contacted Jesse Lewis, a Frankfort attorney who had worked in the Covington anti-gambling crusades of the early 1950s. Lewis was sympathetic to their cause, but told the group that if it wanted to be successful, his services would cost some five thousand dollars. Because the governor controlled the entire process, he knew that ouster proceedings were tricky and inherently political.¹⁵ The SAC was able to raise Lewis's initial thousand-dollar retainer, but building up a war chest proved harder to accomplish. The Committee eventually approached local businessmen, including Jack Wadsworth and Claude Johnson, to raise the rest of the money.

Wadsworth and Johnson were both residents of Ft. Thomas, an affluent, middle-class suburb that sat outside of Newport, in Campbell County. They were also businessmen. Wadsworth sold road construction equipment while Johnson owned an electrical supply business. Neither had been involved in any of the anti-vice crusades. But things changed in December of 1960, when the Newport gamblers hit Wadsworth right in the pocketbook, even though he had never set foot in a casino. While they were in town for a conference, two of Wadsworth's clients got rolled in one of Newport's bust-out joints. Wadsworth talked to Rev. Harold Barkhau,

the head of the ministerial association, and then went straight to Johnson's office. "I'm fed up," he said. "These ministers need \$5,000.00 quick to retain a lawyer and bring ouster proceedings. Let's get ten fellows and chip in \$500.00 apiece."¹⁶

Johnson was intrigued, but made two counter proposals: first, they should try to spread the contribution around by asking fifty men for one hundred dollars each, and second, they should form a civic group of their own. It would be a "a powerful type of good government league" that would support an "honest man for office."¹⁷ Wadsworth, referring to the Newport Civic Association, said that this type of thing had been tried before but the vice peddlers had waited out the reformers and reappeared after the short-lived clean-up.¹⁸

Johnson was aware of the NCA and had been watching the SAC's quixotic efforts for more than three years. Based on these observations, he, Wadsworth and the other businessmen they contacted made some key early decisions. Their group would be non-partisan, as northern Kentucky had active Republicans and Democrats. Its membership would also be secular; like Cincinnati, Newport had a large Catholic population. The efforts of the SAC and other groups had aroused resentment among Catholics and the Archbishop of northern Kentucky had rebuffed the Committee's overtures to his office. Overall, the Catholic community was concerned that anti-vice efforts would spill over into banning church fund-raisers like bingo, and would initiate local ordinances that would lead to the prohibition of alcohol. These businessmen knew that political success meant creating a mass movement with as few internal divisions as possible. They could not afford to alienate any possible supporters.¹⁹

So if their orientation was not politics or religion, what united the men who sought to bring down the biggest gambling establishment east of the Mississippi? At first glance, the primary connection of all the leaders of what would become the Committee of 500 is their residence: they were all from Ft. Thomas. But this was not just a suburban reform effort. What all these men really had in common (and they were all men) was their collective business orientation. They would eventually go on to build a large-scale organization with more than five thousand dues paying members, but the core of the Committee of 500 was a group of prominent businessmen. In addition to Wadsworth and Johnson, there was Henry Hosea, who owned an export and repackaging corporation, and Edwin Hengelbrok, a Newport banker. Their reform candidate for sheriff, George Ratterman, was a tax lawyer and investment counselor for a prominent Cincinnati firm. These men were successful in business and independent; many of them owned their own firms. And although they lived in Ft. Thomas many of them worked in Cincinnati, which meant they had to drive by the Newport casinos every day.²⁰

This business culture extended to everything the men did. They consciously set up the Committee of 500 like a corporation, with officers, directors, and vice presidents in charge of different divisions. The membership certificates

they had printed up said the owner held a share of stock “in the good government of Campbell County, Kentucky.”²¹ Equally important, they knew they needed to consult people skilled in professional politics. Their attorney was Henry Cook, a former United States District Attorney for the Eastern District of Kentucky. He had a broad knowledge of politics and public policy at the local and state level, and, as an active Republican, he helped bolster the Committee’s non-partisan credentials, given that a number of active members, like Johnson, were Democrats.²²

But even the SAC had known enough to hire a lawyer. The Committee realized that the eradication of vice and corruption in Campbell County was a battle they would fight in the public eye as well as in the courts. To fill this role, they hired Leonard Sive, an active member of the Charter Party, Cincinnati’s non-partisan municipal party, as well as the founder of one of Cincinnati’s largest advertising firms. Sive’s knowledge of politics and public relations would be a key part of the Committee’s success. He gave them advice on political basics such as party structure, fund-raising and how to deal with the press, and then designed a professional advertising campaign that included spots on radio and television.²³

As good businessmen, the Committee members realized that if they did not have the skills to do something, they needed to hire men who did, like Cook and Sive. Although a common culture brought these men together and helped them work so effectively, it did not motivate them to take on the multi-million dollar gambling industry. From the beginning, they intended, both explicitly and implicitly, to remake the economy of Campbell County into one more oriented towards corporate America.

The economy that these men sought to displace was complex and deeply entrenched. The profits garnered from northern Kentucky’s various forms of gambling are unknown. Estimates place the average annual “take” at about \$100 million during the city’s peak, and gambling related businesses employed around 1,500 people. Because of its illicit nature, local economic surveys did not take gambling and other vice related industries into account, making it hard to know the real proportion gambling took from the overall economy. But those not directly employed by the gambling industry were still dependent on it. In addition to the dealers and waitresses in casinos, men drove the linen trucks to restaurants and clubs and wholesalers supplied them with food. In a city of thirty thousand, a significant number of families made their living from vice. For this reason alone, many Newport locals were hostile to the work of the SAC and the Committee of 500. Indeed, their livelihoods were directly tied to the maintenance of the current economy.²⁴

In addition to this service and entertainment economy, what Gary Potter and Michael DeMichelle have correctly identified as an economy of corruption existed in the region. Officials in Newport and Campbell County did

not enforce the law because it was not in their interest to enforce it. Court proceedings eventually revealed an elaborate payoff system, where everyone from judges to police detectives received weekly or monthly payments from each casino or brothel. The amount of money exchanged on a yearly basis has never been estimated, but in a community where vice and gambling was a multi-million dollar business, the total amount of bribes must have been significant. Contemporaries considered the sheriff's office alone to be worth ten to twenty-five thousand dollars a year. And much like tax collection, state and county authority enforced the collection of bribes. If someone did not pay, they could expect a raid by the police or sheriff's office.²⁵

One must consider bribery as part of northern Kentucky's economy because much of the profits from gambling left the Newport community. Most of the major investors in the big clubs, such as Beverly Hills, were out-of-towners. Thus much of the take from the actual games of chance left northern Kentucky, but almost all of the money from bribes and pay-offs stayed in the local area.²⁶ None of this money made it into the



hands of the members of the Committee of 500, and it never would. They made their fortunes in the sale and production of legal products and services like shipping and electrical switchers. The Committee's leaders participated in a fundamentally different economic structure, one it was determined to establish in Campbell County. Although there was some industry in northern Kentucky during this period, most workers made their living in Cincinnati.²⁷

The Committee of 500 was not engaged in a moralistic crusade, as was the SAC. Rather, it envisioned a concerted endeavor to restructure the economy of northern Kentucky. To clean up Newport was simply the first, most important step. The group's leaders wanted to create an environment by which Campbell County would attract businesses and corporations. According to the Committee's statement of purpose, "to bring about a better community and a healthier, more progressive business climate" it had to restore "a sound moral and political atmosphere." Many of these men were active in the Campbell Country Chamber of Commerce and industrial recruitment efforts.

*Gambling in Newport.
Cincinnati Museum Center,
Cincinnati Historical
Society Library*

They were convinced that, because vice and corruption in Newport had scared away corporations that had seriously considered relocating or opening up a plant in Campbell County, the key to economic development lay in creating a sound political atmosphere.²⁸

Discussions of industrial recruitment, especially from Cincinnati, are evident in many of the Committee's documents and public statements. When he announced his candidacy for sheriff, George Ratterman said "businessmen will not risk investing in a community with such corruption in local government." But other letters show that his was not just a political tactic; it was a conscious

priority of the Committee's members. Henry Hosea, Jr., who was president of the Committee for most of its existence, said he did not get involved for moral or religious reasons, but to promote industrial recruitment. He believed that businesses had been hesitant to locate in Campbell County because of the community's reputation for vice. "One of the first questions asked by an industry," he opined, "is the political atmosphere and from all of our recent publicity, I do not think we can answer that question too well."²⁹



Governor Bert Combs.
From the Charles W.A.
McCann Collection. The
Filson Historical Society

The Committee's pro-business intentions remained in the background for most of 1961. Wadsworth and Johnson started raising money in January; by the end of the month they had collected more than eight thousand dollars, which the Committee handed over to the SAC to fund the ouster proceedings. It then decided to focus the efforts of its new organization on getting a man elected as the Campbell County sheriff. Henry Cook had argued that the Committee had a better chance at success if its members focused

their energy and resources on one race, and the sheriff had wide-ranging powers over the entire county. Going after the sheriff's office was also a savvy political move. The Committee members knew that their base of support was going to be outside of Newport, especially in Ft. Thomas. Their only chance of winning was to elect a countywide official, such as the sheriff.³⁰ After deciding that this would be their main goal, the Committee members made their first key move: they met with Kentucky's governor, Bert Combs, in March 1961 and convinced him to work with them, thus marshaling the larger power of the state government.

According to Wadsworth, Combs was supportive, but said he could not embarrass the governor's office by "spinning his wheels" and claimed that he had "one bullet to fire."³¹ Although Combs' response may seem lukewarm, up until this point state officials had been at best reluctant to assist northern

Kentucky reform efforts, and at worst, openly hostile. When a reporter asked former governor A.B. “Happy” Chandler about the early efforts of the SAC, he said famously: “The people of Newport have a right to have it dirty,”³² reflecting the hands-off attitude that many state officials had about the situation in northern Kentucky. Even if they did not think that the community’s residents had a right to sanction vice peddlers, these officials argued that it was not within their prescribed powers, much less politically advantageous, to meddle in local affairs.

Chandler’s seemingly indifferent quip spoke volumes about the SAC’s numerous and unsuccessful attempts at state intervention. The minister’s group first approached the state’s attorney general, Jo Ferguson, in early 1959, complaining that the Campbell County Grand Jury’s failure to respond to their call for better law enforcement compelled the state to investigate grand jury procedures. Ferguson’s position was that under Kentucky law the state could not intervene in this type of local situation, and thus the only authority “empowered to investigate the failure of the 1959 grand jury” was “the next grand jury.”³³ After John Breckinridge replaced Ferguson later that year, the new attorney general, although more willing to listen to the SAC, was equally hesitant to get involved. He also argued that the state attorney general had no authority to intervene in local affairs. According to the Kentucky constitution, only local law enforcement had jurisdiction in cities as large as Newport.³⁴

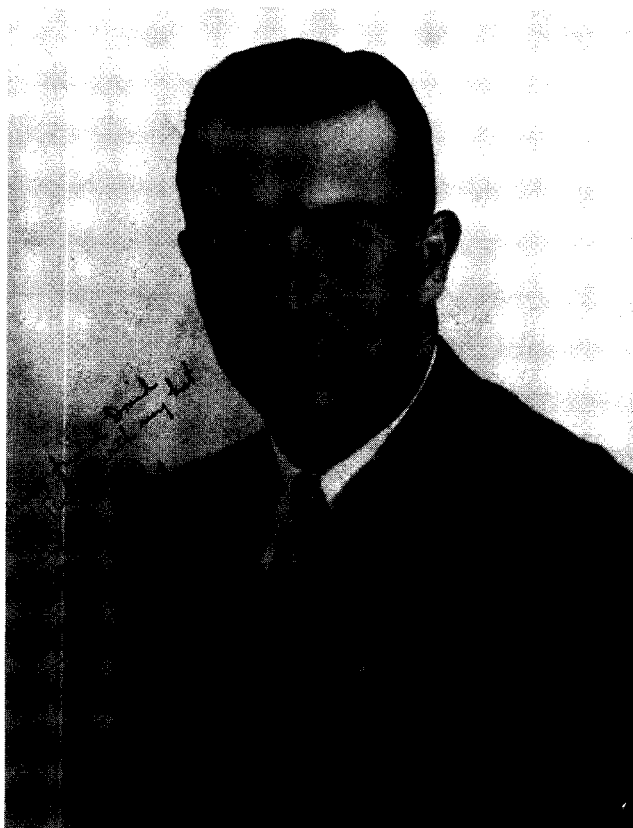
In truth, both Breckinridge and Ferguson were using the law as political cover. Although Kentucky’s statutes may have limited their ability to act, they still had a broad range of powers that allowed them to exert pressure in local affairs. Breckinridge himself proved as much in 1961. A year after he turned down the SAC’s request for action he provided significant assistance to both the SAC and the Committee of 500.³⁵ Why this sudden change? It would appear that both Breckinridge and Combs were convinced that the Committee of 500 was finally the group that had a real shot at cleaning up Newport, and considered it worth the political risk to support them.

Combs presented himself as a pro-business reformer, which is probably why he was able to connect with the Committee of 500 more than with the church-based Social Action Committee. But he was also a politician, and he knew that backing a successful clean-up effort could be politically advantageous; a failed one would prove detrimental, and he was willing to risk only so much political capital.³⁶ Fortunately, the ministers’ group had given Combs the perfect opportunity to make a low-risk move that would appear as if he were taking real action. With Jesse Lewis’s help, the SAC had filed a petition in March 1961 asking that the governor remove seven Newport and Campbell County officials from office. When Combs met with the Committee of 500 later in the month, he shrewdly promised the businessmen that he would go ahead with

the ouster proceedings, which would take several months. During this time Combs could see how things played out with the Committee of 500.³⁷

A week after meeting with Combs, the businessmen held their first board meeting of the Committee of 500, and tried to decide whom they would draft as their candidate for sheriff. After discussing the idea with Johnson, George Ratterman decided that he would volunteer. It would have been hard to find a better candidate. A native Cincinnati, Ratterman had lettered in four sports at St. Xavier High School and the University of Notre Dame. A stand out quarterback for the Fighting Irish, he left college early to play professional

football. After ten seasons he retired in 1956, moved to Ft. Thomas, his wife's hometown, finished his law degree at the Chase College of Law, and by 1960 was a tax and investment counsel for a prominent Cincinnati firm. On the weekends he did football commentary for ABC Sports. Ratterman was a political neophyte, but this was an asset in corruption-filled northern Kentucky,³⁸ so obviously so that Leonard Sive, the Committee's political consultant, remarked, "If you can't win with him, you may as well fold up your tents."³⁹



*Happy Chandler, 1953.
From the Herbert F. Boehl
Collection. The Filson
Historical Society*

Popular accounts have emphasized Ratterman's football star status; his personal beliefs and position in the community made him a particularly attractive candidate. Ratterman was not simply a pretty face the Committee's leaders brought in from outside: he was one of them, a neighbor and friend who ran in the same social and business circles. Ratterman was also a Catholic, which had both a real and symbolic importance in the area. The SAC had been trying to get the support of the Catholic church for years,

but encountered resentment from local Protestants, who formed the core of the SAC. Much like the state officials, the northern Kentucky Bishops were unwilling to ally themselves with a small group of crusaders, especially when so many Catholics were connected to the gambling industry. When Ratterman declared his candidacy, Bishop Richard Ackerman finally came out in support of the clean-up.⁴⁰ This proved a real coup for the Committee, allaying the fears of many Newport Catholics who had been worried that the Committee, like the SAC, was on a moral crusade to clean-up vice and rigidly enforce the liquor laws. With Ackerman's support, and in its policy statements and public pronouncements, the Committee was careful to assert that their primary goal was honest government, not a sweeping moral cleanup.⁴¹

Ratterman announced his candidacy for Campbell County sheriff in April 1961. He was the only candidate for the “Switch to Honesty” Party, the Committee of 500’s political arm, which was created specifically to put reform candidates in office. The former quarterback’s announcement was a carefully staged event, with Ratterman giving a speech that declared his intentions as a candidate and those of the Committee of 500 in general. Gambling and vice interests saw this as a declaration of war, and they quickly, if ineptly, retaliated.⁴²

In his ten years in professional football, Ratterman had spent a number of seasons with the Cleveland Browns. During this time he did some promotional work for Thomas Paisley, who ran a marketing company out of Medina, in northern Ohio. Paisley was also friends with another ex-football star, Tito Carinci. A native of Steubenville, Carinci had played football at Xavier University and later pursued a career as a Newport casino owner. By 1961 he ran the Tropicana Club on York Street in Newport. Locally owned, the Tropicana was known as a bust-out joint. In addition to gambling, it had a restaurant and a burlesque show.⁴³ At the end of April, Carinci contacted Paisley and said he was interested in meeting with Ratterman. He said he wanted to get out of the gambling business and “go legit” and was wondering if their mutual friend, the recently announced reform candidate for sheriff, would lend him a hand. On May 8, 1961, the three men had drinks at a Cincinnati hotel. By the next morning, Newport police had arrested Ratterman for soliciting a prostitute, among other charges. He claimed Carinci had drugged him and taken him to the Tropicana against his will, placing him in some compromising positions with Juanita Hodges, one of the club’s strippers, where the police found him. Later tests revealed that Ratterman had a large dose of choralyhydrate, also known as knockout drops, in his system. At the trial a few weeks later, he was cleared of all charges.⁴⁴

The Ratterman trial became a media circus, as Carinci and his co-conspirators had planned. But instead of making Ratterman look like an adulterous hypocrite, and thus discrediting the Committee of 500, the trial had the exact opposite effect. It put the bumbling, two-bit nature of the gamblers into sharp relief. The key testimony in the case came from Nancy Hay, the mother-in-law of a local photographer, Thomas Withrow. Hay, who lived with Withrow, asserted that Charles Lester, a Newport attorney and the not-so-mastermind of the frame-up, had tried to contact Withrow in the days before the incident. Lester wanted the photographer to be at the ready to take pictures when the police, who were in on the frame-up, arrested Ratterman. Smelling a rat, Withrow declined to take the job. But Carinci and Lester went ahead with the plot anyway, probably thinking that the lurid headlines would be enough to discredit Ratterman.⁴⁵

To observers, that the gambling interests attempted a frame-up was no

surprise. Over the years, they had used similar tactics to discredit various reformers and do-gooders. But the amateurish nature of this job shows that things had changed in Newport. Carinci and Lester were part of the local faction of Newport's gambling interests and had the most to lose from a successful clean-up. The Ratterman incident was not so much a cleverly hatched plan as a last-ditch effort by desperate men. The more sophisticated Syndicate operators just closed up shop once it looked like vice was on its way out; their Newport holdings were only one part of a large empire that was rapidly expanding, legally, in Las Vegas. Carinci, Lester, and the other local casino owners had no other interests. Their entire livelihood was tied in to Newport's gambling economy.⁴⁶

The small-time nature of these men clearly contrasts with the Committee of 500, which brought the same kind of intelligence to the clean-up of Newport that the Syndicate had brought to its befoulment. Clearly, the Committee handled Ratterman's trial extremely well. Pictures of the trial show Carinci flanked by Hodges and Rita Desmond, another stripper, while Ratterman's wife Anne, mother of their eight children, sat by his side, a telling juxtaposition of vice and virtue. The Committee knew that the trial was as much a public performance as a judicial procedure. Its leaders had also made key moves in the moments after the incident. They bailed Ratterman out of jail and, when he said that Carinci had drugged him, had their candidate tested immediately by a doctor. By the evening of his arrest, they had already prepared a statement for the press, and Ratterman met with some reporters at his home. Newspaper headlines immediately lined up in favor of Ratterman. Instead of lambasting the decrepit morals of the reform candidate, they hinted at a frame-up.⁴⁷

The results of the Ratterman case helped the Committee of 500 gain momentum. The group recruited hundreds of new members, and this groundswell of support likely convinced Combs at last to announce the ouster hearings. Seeing that the Committee was a serious organization that had a good chance of success, given that its members had deftly ducked the best shot the gamblers had thrown at them, Combs sensed that the tide was clearly turning in northern Kentucky. The Committee was also getting help at the federal level. Indeed, the U.S. attorney general, Robert Kennedy, had earlier voiced his support of the clean-up efforts, and in the summer of 1961, the Federal Bureau of Investigation began a probe to see if Lester, Carinci, and their cohorts had violated Ratterman's civil rights.⁴⁸

With the increasing amount of local and federal support for anti-gambling efforts, Combs sought to seize its momentum. In June 1961, four months after the SAC had filed its petition, he announced that the state would pursue ouster proceedings against Campbell County Sheriff Norbert Roll and Police Chief Harry Stuart, Newport Police Chief George Gugel and the city's chief of

detectives, Leroy Fredericks. No speeches about corruption and reform accompanied the executive orders authorizing these proceedings. Yet Combs made clear that he was only following the law, not leading the charge in an anti-vice campaign, a calculated move to support the reformers while not going out of the way to identify with them.⁴⁹ Combs appointed a Lexington attorney to oversee the ouster proceedings, and the trials were another publicity bonanza for the Committee of 500. Over the summer, while Ratterman was on the campaign trail, hard evidence about the conditions in Newport was presented daily at the hearings in Frankfort. Some of the most damning testimony came from Hattie Jackson, a former Newport brothel owner, who gave a detailed description of the elaborate payoff system that kept the casinos and brothels in business. Peace officers like Chief Gugel and Newport's police chief, Upshire White, received from \$100 to \$150 a week from each of the major clubs. According to Jackson, some of the policemen had interests in the clubs or brothels.⁵⁰



Corruption was Newport's worst kept secret, but the testimony of Jackson and other evidence presented at the hearings provided daily headlines that supported the Committee of 500's pronouncements. This publicity kept the gambling issue in the public's mind all summer after having been seared there by the Ratterman trial. The real value of the ouster proceedings lay in the publicity, as the actual results hardly stamped out vice and corruption. Although Frederick and Stuart resigned in order to avoid being ousted, Roll and Gugel were elected officials whose terms expired during the proceedings. Thus, even if they had stayed in office, neither would have been convicted of any criminal wrongdoing. Under Kentucky law, the only punishment for an ousted official, other than removal from office, was that they could not run again for four years.⁵¹

Although they benefited from the publicity, the Committee of 500, unlike the Social Action Committee, had nothing to do with the ouster proceedings. Consequently, where the ministers' group did so little in more than four years, the Committee of 500 was able to bring about major changes in less than nine months. Removing officials like Roll and Fredericks was not the solution; these men were not criminal masterminds, but cogs in the machinery of vice and corruption. If removed, other corrupt officials would simply have replaced

George Ratterman (b. 1926), Sheriff of Campbell County, 1962-65. Cincinnati Museum Center, Cincinnati Historical Society Library

them. The members of the Committee of 500 understood this. They had seen the previous futile attempts to clean up Newport and understood that, to be truly successful, they had to enact reform on a large scale. The SAC's strategy of removing officials to solve the problems demonstrates not only their naïveté, but their essentially negative and limited intentions. Where the SAC simply wanted to get rid of vice, the Committee of 500 saw vice as an obstacle to be overcome in their larger program to remake the community.

No serious effort emerged to oppose Ratterman in the November election, and he won the election handily, with about 12,600 votes out of 26,600 cast. The "liberals," as locals referred to supporters of vice and gambling, inexplicably split their support behind two candidates, a Republican and a Democrat. Democratic candidate Johnny Peluso garnered almost 8,000 votes, while Republican Al Howe received about 6,000 votes. Although the Committee of 500 had succeeded in making this election a referendum on the future of gambling in Campbell County, its candidate hardly won a landslide victory. If the gambling interests had united behind one candidate instead of splitting their vote between Howe and Peluso, the bright-faced football star may never have been elected. Indeed, the Committee of 500 had also endorsed four reform candidates for the Newport City Commission, who were all soundly defeated. In fact, Ratterman actually lost in Newport, where Peluso won thirty-nine percent of the city's vote; Ratterman received thirty-eight percent. Ratterman's strongest support was in Ft. Thomas, where he garnered sixty-nine percent of the vote.⁵²

Just like the inept execution of the Ratterman frame-up, the gambling interests' lack of organization during the election was another sign of their weakening power. For years the Cleveland Syndicate had been the only group with enough muscle to enforce any type of discipline in Newport. But as the Syndicate leaders turned their attention toward Las Vegas and other areas friendlier to gambling, the factional nature of the vice interests became fully visible. This was not a cabal of criminal masterminds. It was a turf-hungry group of in-fighters who had, with muscle and a lot of money, been able to control the city of Newport for years. But they were not invincible, and the Committee of 500 knew this and was able to exploit it. The businessmen were also well financed. One estimate said they spent almost \$100,000 on the sheriff's race, a huge sum for a local office.⁵³

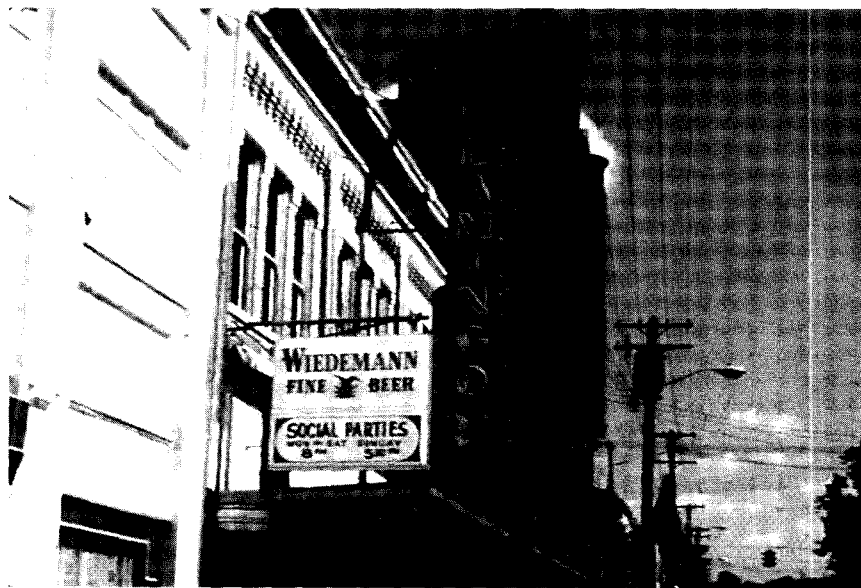
With the full power of the sheriff's office behind him, Ratterman was able to clean up Campbell County in less than a year. Although an uncooperative judge and district attorney would try to blockade some of the new lawman's efforts, overall he was remarkably successful. By the end of 1962, the county had gone from having more than 180 federal gambling stamps (the permit required by the federal government for any gambling operation) to six. The Committee's strategy had worked. By focusing on one office that had broad

powers of law enforcement, it had been able to rid the county of gambling in a relatively short period of time.⁵⁴ According to Ratterman, various Syndicate representatives approached him numerous times during his early days in office, essentially to learn what his price was; to their amazement he would not take a bribe. Unlike Norbert Roll or George Gugel, to whom public service was an opportunity to cash in on Newport's economy of vice, Ratterman had his own fortune. He had no need to take bribes, and was not interested in them.⁵⁵

With Ratterman in charge, the Committee focused on other issues. It created four permanent sub-committees, three of which were designed to maintain its political power and assist Ratterman. The fourth committee would deal with industrial development.⁵⁶ The Committee of 500 would run two more political campaigns, one in 1963 and another in 1965. In the intervening years, its members devoted much of their time and energy to improving the economy of Campbell County, efforts designed to point out that with vice and gambling on the way out the community was now more acceptive of legitimate industries. The week after Ratterman was elected, Claude Johnson suggested that the Committee start an advertising campaign to appeal to prospective businesses. "You say you have heard of the questionable political atmosphere in Campbell County in the past," he argued, "but have you heard of the Committee of 500?"⁵⁷

The Committee's effort to bring in new businesses was as much a pragmatic tactic as a long-term

goal. Part of the argument against the Committee's campaign had been that, without gambling, Newport's tax base would falter. In their efforts to lobby the federal government to locate a new Internal Revenue Service processing center in Newport, Committee leaders argued that new jobs and economic development were intertwined with their attempts to clean up the city. Newport, and the Committee, needed the IRS building and the hundreds of jobs it would bring, to accomplish the "goals of replacing undesirable business with sound business."⁵⁸ The eradication of gambling might hurt Newport's tax base, but the Committee needed new development for entwined political and economic reasons; to demonstrate that the community could be just as prosperous without vice and corruption as it had been with it.⁵⁹



Flamingo Club. Cincinnati Museum Center, Cincinnati Historical Society Library

Similar arguments were made in 1963, when the Committee lobbied for the placement of Interstate 275, Cincinnati's beltway, within Campbell County. Arthur Heckerman wrote to U.S. Senator John Cooper, linking the highway with the clean-up efforts that started in 1961: "The people of Campbell County have been working diligently to replace the unattractive economic and social atmosphere with an inviting, wholesome and vigorous atmosphere of prosperity and progress."⁶⁰ The tone of Heckerman's letter fits in with the Committee's industrial development strategy. The Campbell County Chamber of Commerce and the local governments could handle the specifics of tax breaks, land costs and infrastructure. The Committee's job was to approach potential industries and "sell" them on the county as an attractive place to relocate their business. Putting Ratterman in office was the Committee's first, and most important,

step in changing the community's image. Now it had to convince potential investors that it had been successful.⁶¹

The Committee needed to convince the local electorate to support its efforts. In 1963 another slate of local offices opened up and the Committee decided to run a candidate for Commonwealth's attorney, Frank Benton, and for circuit judge, a retired U.S. army



Tropicana Club. Cincinnati



Historical Society Library

general, Fred Warren. The committee's leaders decided to target the legal system because Ratterman had run into trouble trying to get convictions against the criminals he arrested. Because they oversaw the grand jury process, these two offices had broad powers that could be used to ensure that gambling and corruption would stay out of Newport. Warren and Benton were each elected to six-year terms. Once again, each candidate received an overwhelming amount of support from Ft. Thomas, but both lost in Newport. Warren and Benton polled over seventy percent in the suburb, while gaining about forty-five percent in the city. The Committee's reform candidates for the Newport city commission were also defeated.⁶²

In the months leading up to the 1963 election, the economic situation in Newport and Campbell County became an issue. A loss of business revenue for the city of Newport in early 1961 caused a tax crunch, and many of

Newport's officials claimed that their city was a ghost town, with boarded up businesses and unemployed workers. "I'm not saying gambling industry was good or bad, but it was industry of a nature," grouched Newport Mayor Ralph Mussman in a newspaper article on the subject. The Committee, of course, argued the opposite, proclaiming that the community was a boomtown and that many new businesses had opened since the clean-up. Yet it could point to no large industries that had brought in desired manufacturing jobs, but rather the expansion of existing businesses and the construction of a few new retail outlets. The writer of the article concluded accurately that the city was "neither ghost town nor boom town," but it was "clean" even though there may be "many wistfully recalling 'the good old days.'" ⁶³ Although the Committee of 500 looked hard to find the business growth that had occurred since 1961, none of it was as large as they had hoped. ⁶⁴

After Benton and Warren were elected in 1963, the Committee of 500 ran one more campaign in 1965. Owing to Kentucky law, Ratterman could not seek reelection for sheriff so he ran for a judgeship. His deputy, Ed Stevens, ran for the sheriff's seat. Both men lost. Ratterman's opponent was A.J. Jolly, a popular Democratic incumbent. With reform accomplished, the Committee of 500 did not have much to hang its hat on, and although there were accusations of corruption against Jolly, none were proven. Stevens was running on Ratterman's now-weakened coattails, as the old football star would move to Denver in 1967. By that time, Committee members admitted that they were no longer active, but they still existed, just in case the gambling interests ever reared their heads again. ⁶⁵

For the Committee of 500, further political action would have been unnecessary after 1965. The Committee had formed to accomplish a certain set of goals; to eliminate vice in Campbell County. Once achieved, it served no further purpose. Although its members were motivated by a desire to make Campbell County more welcoming to corporate America, they were a reform group, not an industrial development corporation, despite their lofty intentions. They had accomplished their mission by removing the blight of gambling and corruption, and ending the economy of corruption in Campbell County. Although it had made efforts to bring new businesses to Newport, the Committee never really succeeded. The city of Newport remained what it had always been: Cincinnati's entertainment district. In the 1970s, the new Riverfront Stadium and the river city's enormously successful baseball team, the "Big Red Machine," brought large crowds to Newport on summer nights, attracted to the late-closing, topless bars that were illegal in Cincinnati. As long as the vestiges of vice remained safely within Newport's municipal boundaries and did not attract national attention, the Committee of 500 considered its goals accomplished.

In the years after the clean-up, residents would often conflate Ratterman,

Seifried, the Committee of 500 and the Social Action Committee, usually with the help of newspaper reporters who dredged the story up for some nostalgia about “old” Newport. And as the reformers have been bunched, so have the gamblers. A recent story in the *Cincinnati Post* referred to the gambling interests simply as “the mob.”⁶⁶ More legend than reality, such generalizations ignore the larger context of gambling in Newport, which formed the core of northern Kentucky’s regional economy. The alternative economic vision that the Committee of 500 offered sought to do more than stamp out vice. It meant they had to get rid of gambling and organized crime, and the political system based on corruption.



Kentucky investigation of Newport city officials, July 1961. Cincinnati Museum Center, Cincinnati Historical Society Library

it could be argued that the Committee of 500’s goals, like the SAC’s, were essentially negative; they just wanted to rid Newport of gambling and vice. In truth, the Committee’s efforts resulted only in the largest vice peddlers leaving the city. But because the Committee was focused on the entire county, not just Newport, it ultimately opted to contain vestigial vice within Newport’s municipality rather than eliminate it completely, so long as it did not stain the remainder of Campbell County, especially Ft. Thomas. If Newport languished because of a lack of investment, the success of the county’s larger community made up for it. By the end of the 1960s, when state officials decided to locate a new northern Kentucky state university in Highland Heights, another near-Campbell County suburb, this success was tangible. Former Committee members attributed this achievement to the reforms they had enacted earlier in the decade.⁶⁷

The clean-up of Newport does not just add depth to the history of northern Kentucky and the greater Cincinnati area; it is also an important landmark in the history of modern casino gambling. Despite the recent casino boom, the legalization of casino gambling has been a relatively slow process. During the past few decades, a pervasive fear of problem gambling has not actuated

The Committee’s efforts also demonstrate the political influence that the suburbs could wield in the urban core. Ratterman’s victory in 1961 did not represent a fundamental shift of political power to the northern Kentucky suburbs. But his election and the election of Benton and Warren in 1963 both reflect the power that suburban voters could exert on the larger community. Yet these voters soon retreated to more traditional voting patterns, as shown by Ratterman’s loss in 1965. With this disengagement

the main opposition to casinos; rather, it derives largely from a concern over the criminal ownership of casinos and attendant political corruption. When New Jersey legislators considered the legalization of gambling to reinvigorate Atlantic City in the 1970s, their main concern was that criminal elements would control the casinos. To protect against this outcome, the state legislature set up a series of regulations that ensured that large, relatively transparent corporations would run casinos. Similarly, during the 1970s, control of Las Vegas casinos shifted to large corporations.⁶⁸ By the late 1980s, both Las Vegas and Atlantic City were models for how corporations could run honest casinos with a huge profit margin. This set the stage for the rapid expansion of casino gambling during the 1990s, when many states and Native American tribes began to see casinos as economic development panaceas.⁶⁹

The Committee of 500's clean-up of Newport, though often portrayed as a moral victory against the evil forces of the underworld, was very much in keeping with modern American attitudes towards wagering. George Ratterman is a prime example of this attitude. None of the records from his campaign show Ratterman railing against the evils of games of chance. Like the other members of the Committee of 500, Ratterman's focus on Newport derived from a concern that illegal gambling on a large scale invariably engendered corruption. "I would just as soon see gambling legalized as not," he said in an interview twenty years after he was elected. "I have no complaint about gambling."⁷⁰

Thus the shift from the SAC to the Committee of 500 portended the larger shift in American attitudes towards gambling. It was not about the evils of games of chance, but of criminal control. The story's greatest irony is that although Claude Johnson, George Ratterman and Henry Hosea started their campaign not only to rid Campbell County of corruption, but also to stop urban blight and promote economic development, thirty years later, civic boosters are making the exact same arguments in their attempts to legalize gambling in towns and cities across the country, including Cincinnati and Newport. Judging by the modern debate over legalized gambling in the region, in but a few decades, blackjack tables and slot machines went from being an urban menace to an urban savior. ♣

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1. David Hunter, "How Newport Died and Went to Heaven," *Cincinnati Enquirer Magazine*, April 8, 1979, 17-25. The casino where Jaeger worked is now known as Bally's. The MGM Grand relocated to a new location in 1993, and is currently the largest casino in Las Vegas.
 2. Hal Rothman, *Neon Metropolis: How Las Vegas Started the Twenty-First Century* (New York: Routledge, 2002), 125-28.
 3. See, in particular, Hank Messick, *Syndicate Wife* (New York: The MacMillan Company, 1968); and Messick, *Razzle Dazzle* (Covington: For the Love of Books

Publishing, 1995). Messick covered the clean-up of Newport as a reporter for the *Louisville Courier-Journal*, and these two books are basically a summary of that work. Two recent articles provide more perspective and analysis on the northern Kentucky situation. See Matthew DeMichele and Gary Potter, "Sin City Revisited: A Case Study of the Official Sanctioning of Organized Crime in an 'Open City,'" paper presented at the Academy of Criminal Justice Systems meeting, New Orleans, La., March 2000; Jason G. Shearer, "Urban Reform in Sin City: The George Ratterman Trial and Election of 1961 in Northern

- Kentucky," *The Register of the Kentucky Historical Society* 98 (Autumn 2000): 343-65.
4. David G. Schwartz, *Suburban Xanadu: The Casino Resort on the Las Vegas Strip and Beyond* (New York: Routledge, 2003). See also Rothman, *Neon Metropolis* and John M. Findlay, *People of Chance: Gambling in American Society from Jamestown to Las Vegas* (New York: Oxford University Press, 1986). Findlay argues that gambling developed in America as part of a frontier culture, with Las Vegas being the final frontier. But he leaves out any discussion of gambling east of the Mississippi in the twentieth-century. Other works have emphasized how the anti-gambling crusades of the 1950s were a response to a perceived organized crime conspiracy. See William Howard Moore, *The Kefauver Committee and the Politics of Crime, 1950-1952* (Columbia: University of Missouri Press, 1974); Mark H. Haller, "The Changing Structure of American Gambling in the Twentieth Century," in *Crime and Justice in American History, Vol. 8: Prostitution, Gambling, Drugs and Organized Crime*, ed. Eric H. Monkkonen (New York: K.G. Saur, 1992), 313-40; Michael Woodiwiss, *Crime, Crusades and Corruption: Prohibitions in the United States, 1900-1987* (London: Pinter Publishers, 1988).
 5. By the 1930s, criminal entrepreneurs realized it was easier to buy off suburban governments than to deal with large city bureaucracies, many of which had purged their corrupt elements during the progressive era. This led to vice districts in towns like Cicero and East St. Louis, Illinois, and Newport, where urban customers were only a car ride away. See Michael Woodiwiss, *Organized Crime and American Power* (Toronto: University of Toronto Press, 2001), 206.
 6. Confidential Report on the Syndicate's Activities in Newport, undated, John Breckinridge Papers, box 160, folder 7, Wendell H. Ford Research Center and Public Policy Archives, University of Kentucky (hereafter cited as John Breckinridge Papers). This report, apparently prepared for Kentucky Attorney General John Breckinridge in 1961, details the percentages that each of the Syndicate's principles had in their Newport casinos, netting each of them \$40,000 to \$65,000 a year.
 7. Messick, *Razzle Dazzle*, 57.
 8. Messick, *Syndicate Wife*, 16-18.
 9. *Ibid.*, 31-42; *Kentucky Post and Times Star*, November 7, 1961, 1.
 10. Claude Johnson, oral history interview, transcript, 32-33, Newport History Collection, box 8, folder 2, Department of Special Collections and Archives, Frank Steely Library, Northern Kentucky University (hereinafter cited as NHC); Claude Johnson, to Henry Hosea, Jr., December 20, 1961, NHC, box 1, folder 13; Jack Cook, oral history interview, transcript, 27 [date incomplete], NHC, box 8, folder 2.
 11. Christian Seifried "The Story of the Social Action Committee of the Newport Ministerial Assn.," NHC, box SAC, folder 1966; Monroe Fry, "Cross Section U.S.A.: Sin Town," *Esquire*, May 1957, 84.
 12. Christian Seifried, "The Story of the Social Action Committee of the Newport Ministerial Assn.," NHC, box SAC, folder 1966. Seifried outlines the principles of Christian Social Action in this speech that he gave to various religious and civic groups. SAC, Affidavit presented to the Campbell County Grand Jury, February 16, 1959, NHC, box SAC, folder 1959.
 13. Christian Seifried, notes from the December 1958 meeting of the Social Action Committee, NHC, box SAC, folder 1958; Christian Seifried, "Gambling Testimony of Chris Seifried," January 30, 1959, NHC, box SAC, folder 1958.
 14. In 1961 the SAC charged Wise and Murphy with criminal malfeasance, bringing the case to the county grand jury. These accusations forced Murphy to recuse himself, so the state appointed Edward Hill as acting judge. Hill then temporarily replaced Wise with local attorney Frank Benton, a member of the Committee of 500. Only under Hill and Benton did the grand jury finally make extensive investigations into Newport's conditions of vice and corruption. See Campbell County Circuit Court "Report of the Special Grand Jury," September 17, 1961, John Breckinridge Papers, box 160, folder 2; Edward G. Hill, Cincinnati, to John Breckinridge, telegram, August 16, 1961, John Breckinridge Papers, box 160, folder 4; Edward G. Hill, "In the Matter of Appointing the Hon. Frank V. Benton III, as Commonwealth Attorney Pro-Tem," August 21, 1961, NHC, box 12, folder 1.
 15. SAC Meeting Minutes, May 26, 1960; Jesse Lewis to Christian Seifried, June 14, 1960, NHC, box SAC, folder 1960.
 16. Claude Johnson to anonymous, October 31, 1964, NHC, box 8, folder 2. Johnson's letter contains his own short history of the Committee of 500. This first meeting between Johnson and Wadsworth is also recounted in Edwin A. Lahey, "They Still Hope to Reform 'Sin City'," *The Free Press*, July 9, 1961.
 17. Claude Johnson to anonymous, October 31, 1964, NHC, box 8, folder 2.
 18. *Ibid.*; Claude Johnson, oral history interview, transcript, 6, NHC, box 8, folder 2.
 19. Claude Johnson, oral history interview, transcript, 11, NHC, box 8, folder 2; Claude Johnson, speech to the Committee of Ft. Thomas, April 25, 1961, NHC, box 1, folder 12.
 20. "Committee of 500 Press Release," March 31, 1961, NHC, box 2, folder 3; E.B. Kennedy to Jack Wadsworth, October 20, 1961, NHC, box 1, folder 15; Ralph Mussman to Henry Hosea, Jr., January 4, 1964, NHC, box 3, folder 3.
 21. "Committee of 500 Share of Stock," NHC, box Joseph Stegeman.
 22. Claude Johnson, oral history interview, transcript, 11, NHC, box 8, folder 2; Jack Cook, oral history interview, transcript, 7, 26, NHC, box 8, folder 2.
 23. *Ibid.*, 12.
 24. Northern Kentucky Planning Commission, *Northern Kentucky's Economy* (Newport, Ky: Northern Kentucky Planning Commission, 1964); Real Estate Research Corporation, "Excerpts from *Housing Market Analysis, Urban Renewal Area, Newport, Ky.*," 1958, NHC, box SAC, folder 1958. The planning commission did not acknowledge a separate gambling or entertainment industry, but the real estate study did recognize "the significance to the local economy of the entertainment industry." *New York Times*, September 24, 1961; Claude Johnson, oral history interview, transcript, 31, 53, NHC, box 8, folder 2; Henry Hosea, Jr., oral history interview, transcript, 17, NHC, box 8, folder 4; Messick, *Razzle Dazzle*, 178. Hosea says federal officials estimated that Newport gamblers earned about \$100 million a year in profits. Messick concurs with this figure, breaking it down to \$60 million from sports wagering and \$40 million from the various casinos and brothels.
 25. DeMichele and Potter, "Sin City Revisited," 22. Former brothel owner Hattie Jackson testified in 1961 that while she worked at one club in the late 1940s she arranged hundreds of dollars a week in payoffs, from "\$100.00 to

- \$75.00 for the higher ups, then gradually down the line on the list to \$50.00, \$25.00, \$15.00, \$10.00, and even \$5.00 as the men appeared in importance." Hattie Jackson, ouster proceeding testimony, John Breckinridge Papers, box 163, folder 2; Jack Cook, oral history interview, transcript, 25, NHC, box 8, folder 2; Edie Cook, oral history interview, transcript, 26, NHC, box 8, folder 2.
26. The Syndicate members, especially Moe Dalitz, used the profits from their Newport operation to finance the purchase of legitimate casinos in Las Vegas, especially the Desert Inn. Dalitz would go on to become a pillar of the Las Vegas community, funding hospitals, shopping malls, a university, and numerous charities. See Alan Balboni, "Moe Dalitz: Controversial Founding Father of Early Las Vegas," in *The Maverick Spirit: Building the New Nevada*, ed. Robert O. Davies (Reno: University of Nevada Press, 1999); Messick, *Syndicate Wife*, 28-29; Messick, *Razzle Dazzle*, 137.
 27. E.H. Davis, John Nuveen, and Company, "Over the River," memorandum concerning water and sewer service in Newport and Campbell County, June 30, 1961, NHC, box 1, folder 14; James L. Walsh, Campbell County Chamber of Commerce "Reasons why the new federal building should locate in the Northern Kentucky Section of the Cincinnati metropolitan area," undated, NHC, box 2, folder 6. The memo by Davis points out that most Campbell County residents were employed in the Cincinnati area. The chamber report said that northern Kentucky had nineteen percent of the population in the Cincinnati area, but only nine percent of the jobs.
 28. Committee of 500, "Statement of Purpose," June 20, 1963, NHC, box 1, folder 12; Claude Johnson to Henry Hosea, Jr., May 23, 1961, NHC, box 3, unmarked folder; Claude Johnson, oral history interview, transcript, 39, NHC, box 8, folder 2; E.B. Kennedy to Jack Wadsworth, October 20, 1961, NHC, box 1, folder 15. Kennedy, Kentucky's economic development commissioner, argued that businesses wanted a sound political and moral atmosphere so their managers and executives would want to live in the community.
 29. Henry Hosea, Jr., oral history interview, transcript, 27-28, NHC, box 8, folder 4; Henry Hosea, Jr., Speech to the Rotary Club, undated, NHC, box 2, folder Miscellaneous; George Ratterman Announcement Speech, April 27, 1961, NHC, box 1, folder 11.
 30. Claude Johnson, oral history interview, transcript, 12, NHC, box 8, folder 2.
 31. Jack Wadsworth, Ft. Thomas, to Bert Combs, March 20, 1961, NHC, box 2, folder 4.
 32. Messick, *Razzle Dazzle*, 69.
 33. Jo Ferguson to Christian Seifried, March 10, 1959, NHC, box SAC, folder 1959.
 34. John Breckinridge to Christian Seifried, March 18, 1960, NHC, box SAC, folder 1960.
 35. By May 1961, Breckinridge had his staff researching the multiple ways his office could attack gambling and corruption in northern Kentucky, a far cry from his earlier position. See William Watson to John Breckinridge, May 29, 1961, John Breckinridge Papers, box 160, folder 7.
 36. "Kentucky: New Track," *Time*, March 28, 1960, 32. By the end of the year, Combs considered the clean-up of northern Kentucky one of his most significant achievements. A poll commissioned by Combs to prepare for his reelection campaign asked respondents about eight of his achievements, one of which was the clean-up of Newport. The results were overwhelmingly supportive. Burns Roper to Gov. Bert Combs, Bert Combs Papers, box 21, folder 7, Wendell H. Ford Research Center and Public Policy Archives, University of Kentucky (hereafter cited as Bert Combs Papers).
 37. Claude Johnson, Ft. Thomas, to Bert Combs, March 20, 1961, NHC, box 2, folder 4; Jack Wadsworth, Ft. Thomas, to Bert Combs, March 20, 1961, NHC, box 2, folder 4; John Breckinridge to Bert Combs, April 14, 1961, John Breckinridge Papers, box 122, folder 16; Gov. Bert Combs, Executive Orders Nos. 61-442, 61-443, 61-444, 61-445, John Breckinridge Papers, box 161, folder 3.
 38. George Ratterman, oral history interview, transcript, 9, NHC, box Messick; "Committee of 500 Press Release," March 31, 1961, NHC, box 2, folder 3. Ratterman would eventually run for Congress as a Republican, but as of 1961 he had not been active in either party.
 39. Claude Johnson, to Bert Combs, March 20, 1961, NHC, box 2, folder 4. Johnson credits this quote to Sive.
 40. Messick, *Razzle Dazzle*, 53; Jack Cook, oral history interview, transcript, 12-13, NHC, box 8, folder 2; George Ratterman, oral history interview, transcript, 7-8, NHC, box Messick. Ratterman asserts that he became interested in the clean-up efforts as a Catholic; he had been embarrassed that his other co-religionists did not want to get involved, and wanted to put some pressure on Ackerman.
 41. Claude Johnson, speech to the Committee of Ft. Thomas, April 25, 1961, NHC, box 1 folder 12.
 42. George Ratterman Announcement Speech, April 27, 1961, NHC, box 1, folder 11.
 43. Messick, *Syndicate Wife*, 156.
 44. Shearer, "Urban Reform in Sin City," 343-65. Most of the details of the Ratterman case come from Shearer's account, which is by far the best summary of the incident.
 45. *Ibid.*, 360.
 46. Most of the Syndicate's casinos had closed up by the 1961 election, when it looked likely that the reformers were going to be successful. But many of the smaller joints stayed open until Ratterman shut them down over the course of 1962. Claude Johnson, oral history interview, transcript, 44-45, NHC, box 8, folder 2; Henry Hosea, Jr., oral history interview, transcript, 19-20, NHC, box 8, folder 4.
 47. Shearer, "Urban Reform in Sin City," 357; Messick, *Razzle Dazzle*, 114.
 48. Gov. Bert Combs, Executive Orders Nos. 61-442, 61-443, 61-444, 61-445, John Breckinridge Papers, box 161, folder 3; *Cincinnati Post and Times Star*, October 28, 1961, 1. Lester and a police officer were eventually convicted on federal conspiracy charges in 1963. Combs later said that he was reluctant to act until there was a large amount of support for reform. Bert Combs, oral history interview, transcript, 7, NHC, box 8, folder 1.
 49. Gov. Bert Combs, Executive Orders Nos. 61-442, 61-443, 61-444, 61-445, John Breckinridge Papers, box 161, folder 3; Messick, *Razzle Dazzle*, 136. Messick says that by the spring of 1961 the editorial board of the *Louisville Courier-Journal*, the largest paper in Kentucky, had made the Newport clean-up a statewide issue, putting pressure on Combs to take action. See *Louisville Courier-Journal*, April 7, 1961, A12.
 50. Hattie Jackson, ouster proceeding testimony, John Breckinridge Papers, box 163, folder 2.
 51. Bert Combs, "Executive Order: Removal of George Gugel From Office," October 10, 1961, Bert Combs Papers, box 72, folder 2; *idem*, "Executive Order: Removal of Norbert

- Roll From Office," December 7, 1961, Bert Combs Papers, box 71, folder 25; John Breckinridge, oral history interview, transcript, 3, NHC, box Messick.
52. *Cincinnati Enquirer*, November 8, 1961, 1; "Official Vote General Election, Campbell County Ky., Nov. 7 1961," Election Results: Official Sheets, 5/53-11/89, folder General Election 11/7/61, Campbell County Board of Elections, Newport. Ratterman also won in the towns of Dayton and Bellevue with forty-eight percent and forty percent of the vote, respectively, and in the outlying areas, with forty-two percent.
53. Jack Cook, oral history interview, transcript, 21, NHC, box 8, folder 2.
54. *Louisville Times*, April 2, 1962, 1; Committee of 500, "Questions and Answers about the F red Warren Campaign," May 1963, NHC, box 1, folder 22; George Ratterman, oral history interview, transcript, 26, NHC, box Messick.
55. George Ratterman, oral history interview, transcript, 20, NHC, box Messick.
56. Committee of 500 Board Meeting Minutes, November 14, 1961, NHC, box 1, folder 7.
57. Claude Johnson to Jack Wadsworth, November 24, 1961, NHC, box 1, folder 14.
58. Frank Benton, Jr., to the General Services Administration, December 5, 1961, NHC, box 2, folder 6. The center was eventually located in Covington.
59. Claude Johnson to Re Brent Spence, December 14, 1961, NHC, box 2, folder 6; E.J. Hengelbrok to Sen. John Cooper, December 7, 1961, NHC, box 2, folder 6; George Ratterman to Mortimer Caplin, January 17, 1962, NHC, box 2, folder 6.
60. Arthur Heckerman, Ft. Thomas, to Sen. John Cooper, Washington, D.C., July 3, 1963, NHC, box 1, folder 14.
61. Claude Johnson to James Sheehan, November 29, 1961, NHC, box 1, folder 14.
62. George Ratterman, oral history interview, transcript, 42-43, NHC, box Messick; *Louisville Courier-Journal*, November 5, 1963, A3; "Official Vote General Election, Campbell County Ky., Nov. 5 1963," Election Results: Official Sheets, 5/53-11/89, folder General Election 11/5/63, Campbell County Board of Elections.
63. Ralph Mussman to Henry Hosea, Jr., January 4, 1962, NHC, box 1, folder 3; *Cincinnati Enquirer*, January 6, 1963, 4G.
64. "New and Expanding Industry in Campbell County," December 4, 1962, NHC, box 1, folder 14.
65. "Official Vote General Election, Campbell County Ky., Nov. 2 1965," Election Results: Official Sheets, 5/53-11/89, folder General Election 11/2/65, Campbell County Board of Elections; *Cincinnati Enquirer*, July 3, 1966, 3G.
66. *Cincinnati Post*, April 24, 2004.
67. Claude Johnson to the Northern Kentucky State College Site Selection Committee, December 23, 1968, NHC, folder 1, box 16.
68. Christian Marfels, "Casino Gambling," in *The Structure of American Industry*, ed. Walter Adams and James W. Brock (New Jersey: Prentice Hall, 1995), 223-26; Balboni, "Moe Dalitz: Controversial Founding Father of Early Las Vegas," 37; William R. Eadington, "Paper 84-1: The Political Economy of the Legal Casino Gambling Industry in the United States," (Reno: Bureau of Business and Economic Research, 1984), 6, 11.
69. William Eadington, "Emerging Public Policy Challenges from the Proliferation of Gambling in America," paper presented to the Second Annual Australian Conference on Casinos and Gaming, Sydney, N.S.W, October 27, 1992, 4-8.
70. George Ratterman, oral history interview, transcript, 12-13, NHC, box Messick.