

The Gambling 'Economy' Is Destroying Whole Cities

by Marianna Wertz

Just as the Roman Empire kept its subjects passive and “entertained” with “bread and circuses,” so today, the financial speculators who run the U.S. economy have taken over whole cities and states and turned them into gambling dens, with all the attendant, lucrative hotel and restaurant business. In the following two interviews, with constituency leaders from the nation’s two biggest gambling havens—Las Vegas and Atlantic City—*EIR* presents a picture of both the destruction that is occurring to the *human* population that inhabits these gambling centers, as well as the fight that is beginning against these criminals.

In Nevada, State Sen. Joe Neal, a 28-year veteran of the legislature and current chair of the Legislative Black Caucus, is leading an initiative petition effort to place an additional 5% tax on those casinos which gross over \$1 million per month on gaming revenue. It is estimated that the tax would

raise about \$388 million a year, from the casinos’ \$60 billion annual gross gaming revenue. As Senator Neal recounts, he has come under massive harassment for this, with a challenge to his recent re-election paid for by the casino interests and, when that failed, a lawsuit aimed at overthrowing the election altogether.

In Atlantic City, Housing Authority Commissioner Steve Young recounts in passionate terms the destruction that has been wrought on the largely African-American population of the city, by the “ethnic cleansing” instituted by the casinos in their takeover.

These are not isolated accounts. The same picture is emerging in virtually every state in the nation, as the agricultural and industrial economy is increasingly being shut down and replaced with every form of gambling and the growing “prison-industrial complex.”

Interview: Joe Neal

Senator Battles To Tax Nevada Gambling Casinos

Nevada State Senator Joe Neal (D) has served in the Nevada Senate since 1972. He has served on every committee in the Senate and has chaired both the Human Resources and Natural Resources Committees. He currently serves as chair of the Nevada Legislative Black Caucus and as a member of the Finance Committee and the Committees on Government Affairs, and Taxation. In 1991, he was elected by the full State Senate (Democrats and Republicans) as Senate President Pro-Tem, in which Constitutional position, he served as Acting Governor in 1991.

Senator Neal spoke with Marianna Wertz on Oct. 3.

Flash: As *EIR* went to press, the news was received that the Governor of Nevada, following Sen. Neal’s personal campaign against electricity deregulation, announced that the

planned deregulation would not go into effect. At the same time, Senator Neal learned that the lawsuit, on behalf of casino interests which attempted to challenge his re-election, had been dismissed.

EIR: What’s going on in your fight to raise the tax on Nevada’s gaming industry?

Neal: We have an initiative circulating to increase the gross gaming tax, from 6.25% to 11.25%. Let me explain how the taxes are acquired here on the gaming industry. It’s a three-tier tax. The first \$50,000 per month is taxed at 3%. The next \$84,000 is taxed at 4%. Everything over \$134,000 is taxed at 6.25% of gross gaming revenue per month.

We are circulating a petition to create a fourth tier, in which everything over \$1 million gross gaming revenue per month would be taxed at 11.25%. The gamers are fiercely opposed to that.

