

national list of action priorities. As long as that debate proceeds upon levels of mere generality, there will be no unified counterthrust by our society against organized crime. No solution to this dilemma has yet appeared on the horizon.

Again, these are only highlights of the panorama of organized crime. Each Cosa Nostra family contains various elements of a social structure, a business structure, a governmental structure, a military structure. When one believes, as the leaders of organized crime believe, that man has no inherent worth greater than that of any other animal, the possibilities for achieving wealth and power are unlimited. When the strictures of law and morality play no part in thought or action, as is the case with La Cosa Nostra, who indeed dare stand in the way? And all this is wrapped around an ethos that carries man's basest instincts and desires down unrestricted paths to fruition. Recognizing and exploiting man's faults, organized crime has formed a quiet alliance with many respectable elements in our society. This core of power represents an, at present, unbeatable combination.

It is impossible to measure the annual gross income of the various Cosa Nostra families and their affiliates. Most estimates exceed \$20 billion, or something over 2 percent of the figure for the Nation's gross national product. The National Crime Commission stated that income accruing to organized crime is twice that of all other criminal activity combined. No one has yet devised a measure for the public corruption induced by organized crime, for the inhibiting and debilitating effects organized crime brings to the ghettos, or for the effect of organized crime's activities upon the national economy. Nor can one estimate what an example of successful, businesslike lawlessness can induce in the average citizen's sense of values and morality, or in his faith in government processes.

Slightly over one-hundredth of 1 percent of the Federal budget is devoted to combating organized crime. This is an amount approximately equivalent to the annual Federal expenditure for public assistance purposes in the State of Rhode Island. In the U.S. Department of Justice alone, only about 2½ percent of their budget is expended upon organized crime enforcement.

The CHAIRMAN. Mr. Ruth, before you go to the second section on loan sharking, may we ask you a few questions about your opening statement?

I notice on page 3:

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Would you mind elaborating on that as to what is meant by military structure, governmental structure, and so forth?

Mr. RUTH. Well, I think organized crime, Senator—each family in organized crime is a private government. They have their own rules and regulations, they have their own way of legislating, they have their own way of administering their regulations, and they have their own law, their own judiciary to make decisions about those who violate their rules and their regulations.

Since they pay no heed to society's organization or laws, they have had to replace that with their own structure. I think from a social structure standpoint, the fact that these are cohesive groups of Italian