

extraction in the tradition of the Sicilian Mafia, binds them together much more than if they were just groups of people from all parts of society. From the military aspect, I think their table of organization parallels the military. The boss in effect is a general. His orders go, whether they are reasonable or unreasonable. They must be obeyed.

From a business standpoint, I would compare a lot of families to diversified corporations that are producing and selling many products, but the income is flowing into the one central business. That is what I mean by elements of each of these four.

One of the problems, Senator, is that sociologists have only just begun to become interested in this problem, and I think until they have done more studying from the available information, we are not going to have a completely comprehensive description from a sociological standpoint of what this entity of organized crime really represents in our society.

The CHAIRMAN. What is the relationship, if any, between the Cosa Nostra and the Mafia?

Mr. RUTH. Well, I think the Cosa Nostra is the name that grew up maybe 4 or 5 years ago really as a replacement for what used to be called the Mafia. The Mafia really is the Sicilian organization, and the Cosa Nostra is what grew up as the American counterpart to the Mafia in Sicily.

The CHAIRMAN. All right.

Mr. EVANS?

Mr. EVANS. Mr. Ruth, this estimate on page 3—most estimates exceed \$20 billion. How was this derived, where did you get the information?

Mr. RUTH. I would not give it much credence. That is why I say it is an estimate. And it is a conservative estimate. Most of the \$20 billion estimates have to do with gambling alone. It is a figure built up by law enforcement officers—really a projection from records seized in gambling cases, as to how much gambling must be going on in the United States reduced by a certain percentage that would not be connected with organized crime.

My personal view—and I would have no way of charting this or backing it up actually—would be this may be a conservative figure, because we know so little about the revenue from loan sharking and we know so little about the revenue organized crime obtains from legitimate business.

The CHAIRMAN. In those areas where—and I assume this is the case—where some of these groups you talk about have interest in what we would call legalized gambling, you know about how much they make from that. Do they have interest in legalized gambling—for example we have in our own State, they have in New York, several types of gambling which are legal. Are those operations—they are at that point scrutinized by the State authorities. When you talk about gambling, you have reference actually to illegal gambling.

Mr. RUTH. That is right, sir. As I recall the annual gross from the horse and dog tracks is somewhere around \$5 billion, which would be the figure for that kind of legal gambling. I am referring to the illegal gambling. Again, I do not think it is unrealistic to say the illegal gambling is four times that of legal gambling. I think it is conservative.