

I shall address my remarks to the thrust of your public hearings, namely the operations of organized crime in the loan-sharking area and the impact on small business.

During my 4½ years with the Illinois Crime Investigating Commission and about 24 years with the Federal Bureau of Narcotics, much has been said about the criminal syndicate's involvement in legitimate business. This has been usually characterized as penetration or infiltration. In recent years the term "domination" becomes more appropriate.

There has been little evidence of gangster involvement in large commercial and industrial complexes. But there has been monumental documentation of the mob's huge participation in what would constitute your definition of small business.

In Illinois we do not use the label of "loan sharking" or "shylocking" for the despicable practice of loaning money at usurious rates of interest. In the East the term of "Vigorish" is applied to the 10- to 25-percent weekly interest rate.

Instead, in Illinois, specifically in the greater Chicago area, we cloak these practices under the more appropriate title of "juice." It is a "juice loan." "Juice" is also applied to the weekly payments which are in excess of 500 percent annually.

The CHAIRMAN. What do they call usurious loans which are less than 500 percent? Are they called juice, too?

Mr. SIRAGUSA. Yes. There are very few charitable juice men that charge less than 500 percent a year. This is "sop" in Illinois. And 10 percent is a very magnanimous rate of interest—per week.

We had a witness that testified before us in some hearings we conducted, and he said the word "juice" is synonymous with "squeeze." He said the juice customer is squeezed of his blood, his morale; and his soul is squeezed. The pressure of meeting 500-percent annual interest rates, and fleeing inexorable physical reprisals when he cannot pay, were unbearable to the point where he is certain that the term of "juice" is much more appropriate than "loan sharking" or "shylocking."

As you know, the term "shylock" derives from the character of the same name in William Shakespeare's "Merchant of Venice." Over the years the name was applied to anyone engaged in the usurious money-lending business in the American underworld. The word "shylock" was unintentionally slurred by gutteral, illiterate hoodlums. The word came out as "shark."

Juice gangsters in the Chicago area epitomize the words of Shakespeare's Shylock. In addressing Bassanio who was seeking a loan, he said:

If you repay me not on such a day, in such a place, such sum or sums as are expressed in the condition, let the forfeit be nominated for an equal pound of flesh, to be cut off and taken in what part of your body pleaseth me.

We recently had in Chicago a rather infamous, not too important gangster, by the name of William "Action" Jackson, who was a petty Chicago muscleman, and a forcer. He failed to meet his weekly juice payments, plus working for a juice gang, and withholding collections—not giving them to his bosses. William "Action" Jackson was strung up alive on a meathook in the basement of a restaurant, the juicemen cut off a piece of his buttocks, stabbed him with ice picks, and burned