

STATEMENT OF ROBERT J. WALKER, CHIEF INVESTIGATOR, ILLINOIS CRIME INVESTIGATING COMMISSION, CHICAGO, ILL.

Mr. WALKER. Mr. Chairman and Mr. Senators, my name is Robert J. Walker. I am the chief investigator of the Illinois Crime Investigating Commission. I have been employed by our commission since May 26, 1964. Before that I was with the Chicago Police Department for 8 years.

Mr. Siragusa has given you details of criminal usury or "juice" racket operations in the Chicago area. I will attempt to furnish you a summary of our investigation of one specific juice mob faction.

The case started on July 29, 1965, when juice victims George Chiagouris and his two brothers, Jack and Al, came to our office. The case ended on August 17, 1965, when we arrested gangsters George Bravos, aged 57, residing at 715 North Pulaski Road, Chicago; Sam Mercurio, aged 47, residing at 3257 North Nottingham, Chicago; and Joseph Lombardi, aged 32, 221 South 30th Garden Apartments, Bellwood, Ill.

The principal defendant, Willie Messino alias Wee Willie alias Willie the Beast, aged 51, of 2037 77th Avenue, Elmwood Park, Ill., escaped, but he surrendered a few days later.

Messino, Bravos, and Lombardi were convicted in Cook County circuit court, Chicago, on charges of aggravated kidnaping, aggravated battery, and conspiracy. Mercurio was convicted on conspiracy charges. The trial started on December 19, 1966, and ended January 21, 1967. The jury was out 8½ hours.

Defendant Messino received a sentence of 10 to 30 years; Bravos received 5 to 20 years; Lombardi 7 to 20 years, on April 25, 1967. Mercurio was sentenced on June 8, 1967, and received 5 years, probation, the first 30 days to be served in the county jail. All the convictions were appealed.

I will explain briefly why these defendants were not prosecuted on the fundamental usury violation. The witness-victims borrowed a total of \$165,000 during the period from June 23, 1964, until July 1965. They paid \$163,000 mostly in interest and still owed \$124,000. Since the events antedated the passage of Illinois' criminal usury law in 1965 we prosecuted the defendants for kidnaping, battery, and conspiracy. In effect, justice was done because penalties for these crimes exceeded the 20-year maximum prison term provided for in the criminal usury statute.

Nevertheless, the news media in Chicago characterized this as the first successful "juice" case prosecution in Illinois.

Juice victims George, Jack, and Al Chiagouris were successful small businessmen. They owned a thriving construction company engaged in modest-priced private dwelling housing developments.

They had an opportunity to purchase a Chicago loop hotel at a significant bargain price.

The outstanding loan with licensed banking institutions did not permit an additional loan from them. The lure of a bargain led them through a long path of violence and severe mental anguish.

They discussed their financial dilemma with Sandor Caravello, a colleague in the construction business. The Chiagouris brothers were