

²⁹Alan Balboni, *Beyond the Mafia: Italian Americans and the Development of Las Vegas* (Reno: University of Nevada Press, 1996).

³⁰Alan Balboni, "Southern Italians and Eastern European Jews: Cautious Cooperation in Las Vegas Casinos," *Nevada Historical Society Quarterly*, 38:3 (Fall 1995), 153-73.

³¹Simich and Wright, *Peoples of Las Vegas*.

³²The concept of Las Vegas as a "transgressive environment" is developed by Karin Jaschke in her essay "Casinos Inside Out" in *Stripping Las Vegas: A Contextual Review of Las Vegas Casino Resort Architecture*, Karin Jaschke and Silke Otsch, eds. (London: Verso, 2003), 109-32.

³³Claytee White, "The Role of African-American Women in the Las Vegas Gaming Industry, 1940-1980" (M.A. thesis, University of Nevada, Las Vegas, 1997).

³⁴Myoung-ja Lee Kwon, "An Interview with Sook-ja Kim: An Oral History (Las Vegas: University of Nevada, Las Vegas, 1997).

³⁵See, for instance, Adam Woog, *Frank Sinatra* (San Diego: Lucent Books, 2001); P. F. Kluge, *Biggest Elvis* (New York: Viking, 1996); Daniel Mark Epstein, *Nat King Cole* (New York: Farrar, Straus and Giroux, 1999); Wil Haygood, *In Black and White: The Life of Sammy Davis, Jr.* (New York: A. A. Knopf, 2003).

³⁶Robert Venturi, Denise Scott Brown, and Steven Izenour, *Learning From Las Vegas: The Forgotten Symbolism of Architectural Form* (Cambridge: Harvard University Press, 1977); Frances Anderton and John Chase, *Las Vegas: The Success of Excess* (London: Ellipsis Konneman, 1996).

³⁷A summary of Bill Friedman's thought can be found in Jaschke and Otsch, *Stripping Las Vegas*, 69-86. See also Bill Friedman, *Designing Casinos to Dominate the Competition: The Friedman International Standard of Casino Design* (Reno: Institute for the Study of Gambling and Commercial Gaming, 2000).

³⁸Elizabeth Warren, "The History of Las Vegas Springs: A Disappeared Resource" (Ph.D. diss., Washington State University, 2001). The University of Nevada Press will be publishing an updated and expanded version of this work.

³⁹In 1977, the City of Las Vegas, at the behest of Mayor William Briare, commissioned an inventory of sites and structures worthy of preservation. See Charles Hall Page and Associates, Inc., *Historic Preservation Inventory and Guidelines: City of Las Vegas* (San Francisco: n.p., 1978). This report still serves as a reference for preservation activists and would be an excellent source for anyone writing about the area's preservation history and early architecture. Unfortunately, it is currently out of print and in need of updating. In addition, the inventory covers only the city of Las Vegas. We have no comparable volumes for Henderson, North Las Vegas, Boulder City, or Clark County.

⁴⁰Edward E. Baldwin, "Las Vegas in Popular Culture (Ph.D. diss., University of Nevada, Las Vegas, 1997).

⁴¹Ed Reid and Ovid Demaris, *The Green Felt Jungle* (New York: Pocket Books, 1963).

⁴²Ovid Demaris, *The Last Mafioso* (New York: Bantam Books, 1981); Drosnin, *Citizen Hughes*; Steven Brill, *The Teamsters* (New York: Simon and Schuster, 1978); Sheehan, *The Players*. See also Peter Wiley and Robert Gottlieb, *Empires in the Sun: The Rise of the New American West* (New York: G. P. Putnam and Sons, 1982), 191-216; Nicholas Pileggi, *Casino: Love and Honor in Las Vegas* (New York: Simon and Schuster, 1995).

Civil Rights and Employment Equity in Las Vegas Casinos

The Failed Enforcement of the Casino Consent Decree, 1971 - 1986

JEFFREY J. SALLAZ

INTRODUCTION

Alongside the explosive growth of Las Vegas during the midtwentieth century, there arose a cottage industry of popular, academic, and governmental exposés condemning the secret source of the city's success: financing by organized crime syndicates.¹ As publicly traded corporations have come to dominate the Nevada casino market since the 1980s,² the dominant narrative of this part of Nevada history has shifted in tone from denial to a mythology that treats mob funding as a necessary, even romantic, stage in the evolution of an industry long shunned by moralistic mainstream investors.³ Another of the industry's former stigmas has received similar treatment: the Las Vegas casinos' discriminatory practices toward racial minorities. Once labeled bosses of the "Mississippi of the West" because of their refusal to allow minorities to gamble in their stores, Las Vegas casino owners during the 1960s and 1970s—with a little prodding from civil-rights groups and progressive state politicians—opened up their pits to gamblers of all stripes. As with the usurpation of the mob's domain by corporate capital, the casino's "modernization" of their treatment of minority consumers is viewed as having been overdetermined by economic forces, namely, the profit motive: "For the casino owners, economic self-interest would beat out racial anxiety every time . . . The casino resort was now a truly democratic institution that took the money of all gamblers without regard to race, religion, sex, or creed."⁴ Today, the racial demographics of visitors to Las Vegas are remarkably representative of the population of the United States as a whole.⁵

The author is a Ph.D. candidate in sociology at the University of California, Berkeley. His dissertation is a comparative ethnography of table-game operations in Nevada and South Africa. He has also published on the legalization of tribal casinos in California, the experience of blackjack dealing in Nevada, and conventions of casino design around the world. For advice and assistance concerning the present article, he wishes to thank Alan Balboni, Michael Burawoy, Su-Kim Chung, Michael Green, Eugene Moehring, Hal Rothman, and David Schwartz.



The main pit of the Sands, 1959. Prior to the 1960s, African Americans were officially excluded as both customers and workers from Strip casinos. (University of Nevada, Las Vegas Special Collections)

Though it has received less attention, the struggle to integrate minorities as casino employees exhibits, at first glance, a history parallel to that of consumers. Long excluded from the best casino jobs, racial minorities—after a period of activism and mobilization in the late 1960s—now enjoy substantial representation throughout the casino.⁶ A closer examination of employment statistics, however, reveals that while nonwhite employment has increased substantially, very little progress has been made in integrating African Americans into the better jobs of the casino. They have, in a phrase, been leapfrogged by newer immigrants to southern Nevada from Latin America, east Asia, and even Africa.⁷ Consider the case of casino dealers, historically one of the more prestigious and top-paying positions in the casino (because of the tips—or tokens—that dealers receive). While African Americans constitute 10 percent of the state's population, they currently hold only 7 percent of all dealing jobs in the state; conversely, Asians, who constitute 5 percent of the population, represent 31 percent of the state's dealers.⁸

The under-representation of African Americans is puzzling, considering that they have been established in the Las Vegas community since the World War II era. It also reflects more than just inertia or habit on the part of casino managers, for the hiring and incorporation of African Americans into the pits has been an ongoing concern of civil-rights groups and the federal government for the past three decades. The apex of this struggle is generally acknowledged to be the signing of the civil-rights Consent Decree in June 1971,⁹ according to which the eighteen largest casinos and four main labor unions in Las Vegas were to modernize their labor practices to ensure employment equity. While the decree may be labeled a success in that it improved racial diversity in the casino, it must, in terms of its stated purpose of increasing the representation of African Americans on the casino floor, be considered a failure. Using histori-

cal analysis of the Consent Decree's genesis and subsequent administration, this article will explain the inability of the federal government and civil-rights groups in Nevada to enforce it. First, I describe the events leading up to the decree during the decade of civil-rights activism in the 1950s and 1960s. Second, I revisit the 1971 signing of the Decree itself. Third, the failed attempt by the federal government to expand the terms of the Decree in 1974 is recounted. Finally, I report upon a second failed attempt to enforce the decree, this time by a nonprofit organization representing African Americans in Las Vegas in 1984.

DUAL ATTEMPTS TO DESEGREGATE DURING THE 1950'S AND 1960'S

The End of Consumer Discrimination

We may discern two separate objects of civil-rights activism regarding African Americans during the 1950s and 1960s. The first focused upon their exclusion as consumers, the second as employees. The standard method of casino operation in Nevada prior to World War II entailed prohibiting the state's minorities from gambling in white-owned clubs. Though exceptions were sometimes made for Chinese and Native Americans, African Americans were routinely told to take their business elsewhere.¹⁰ Their play was restricted to clubs operated by Chinese businesspeople and clubs in west Las Vegas owned by African Americans—per a 1931 Las Vegas city resolution stating that casino licenses may be granted to “persons of the Ethiopian race [provided they] cater only to others of that race.”¹¹

The vast investments of federal capital in southern Nevada during the construction of Boulder Dam in the 1930s and the Basic Magnesium plant in the 1940s led to a mass influx of workers and job seekers. The share of African Americans in the state's population increased from 0.6 percent in 1930 to 4.7 percent in 1960, as they migrated from the South in search of work in both federal construction projects and the burgeoning casino industry, which was viewed as offering a chance to make “8 dollars a day in the shade.”¹² During this period, the segregation of minority gamblers intensified. Casino owners justified their practices through reference to the supposed prejudices of the new clientele: conservative tourists and white migrants from the South would be frightened away if asked to share a blackjack table with African Americans. As the editor John F. Cahlan remembered:

People who were operating the hotels and motels of the community were afraid that the tourists from the other parts of the United States—California especially—would resent having to visit a place that was occupied by a black It was just the fact that they wanted to keep their place what they called “clean.”¹³

State officials attempted unsuccessfully to integrate Nevada's casinos and hotels through legislation in 1939, 1949, 1953 and 1957.¹⁴ The election of a progressive governor, Grant Sawyer, in 1958 saw the beginning of the most

sustained attempt by state officials to alleviate consumer discrimination. Motivated in part by fears of adverse publicity preceding the 1960 winter Olympic Games at Lake Tahoe, Sawyer and his allies launched a campaign that eventually overcame the opposition of conservative members of the state legislature; they ultimately succeeded both in establishing a Commission on the Equal Rights of Citizens (CERC) in 1961 and in pushing through a state civil-rights law in 1965. Sawyer later admitted, though, that both were largely symbolic gestures, inadequately funded and enforced.¹⁵ The governor recognized that the only effective form of leverage against casino operators was not through general state labor law, but through the licensing function of the state gambling commission. In an important 1960 opinion, however, Nevada's attorney general Roger D. Foley ruled that the prohibition of discriminatory practices is outside of the purview of gaming regulation.

[Nevada law empowers] the Commission to attach conditions [to a state gaming license] only when those conditions are directly related to *licensing* and *controlling* gaming within the State of Nevada For the Commission, as an administrative agency, to pronounce what civil rights must be observed by state gaming licensees is to extend the Commission's authority beyond the sphere of gaming.¹⁶ [emphasis in original]

The end of official consumer segregation was brought about not by state officials, but through activism on the part of the state's leading black advocacy group, the National Association for the Advancement of Colored People (NAACP). Through a series of public actions during the late 1950s—the most important of which was a threatened march down the Las Vegas Strip in 1960—the NAACP was able to exert enough direct economic pressure on the leading coalition of casino operators to extract a pledge to desegregate. This concession was solidified in a 1960 meeting at the Moulin Rouge casino. From all accounts, the Moulin Rouge agreement was a success, and casinos effectively desegregated for consumers after 1960. It is interesting, however, that several NAACP leaders later came to view their success as a Pyrrhic victory, insofar as the opening of Strip facilities to African-American consumers led to the disappearance of many Westside businesses.¹⁷

INITIAL ATTEMPT TO INTEGRATE CASINO WORKERS

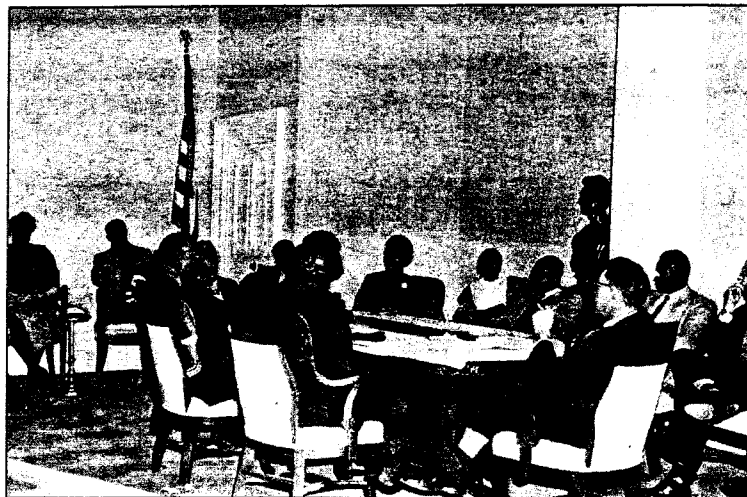
Having succeeded in integrating casino clients, the NAACP leaders turned their sights to the situation faced by casino workers. The problem, in essence, was the widespread practice of segregating the internal labor market so that African Americans were excluded from the best-paying and most prestigious positions—typically those on the casino floor. While such practices were legally codified only during the first decade of legal gambling—during which the city of Las Vegas banned nonwhites as gaming employees in white-owned casinos—discrimination subsequently became an ingrained aspect of industry



Las Vegas civil rights leaders meet in the late 1950s. From left, attorney Charles Kellar, Woodrow Wilson, Clarence Ray, Jim Anderson and the Reverend Willie Davis. (Clarence Ray Collection)

practice.¹⁸ During the 1940s and 1950s African Americans were routinely employed only in "back of the house" jobs such as maids, porters, and cooks; only rarely did they work as dealers, slot attendants, casino cashiers, and other "front of the house" occupations.¹⁹ The immediate reason for such segregation was the "juice" system that organized casino labor markets. In brief, access to casino jobs was under the control of casino managers and pit bosses, who staffed the pits by drawing upon their personal networks organized around family, ethnicity, city of origin, or personal referral.²⁰ Through this system, Italian-American men came to dominate dealer and floor-management positions in the casinos during this era.²¹

The Las Vegas NAACP's attempt to combat discrimination in the workplace received minimal assistance from Governor Sawyer or the state's Commission on Equal Rights. The organization thus attempted in the first few years of the 1960s to reproduce its successful tactics in fighting consumer segregation during the preceding years. In 1963 James McMillan, president of the NAACP, planned a public picket line on the Strip to protest racially biased labor practices.²² Directly confronted, casino managers defended their hiring and job-placement decisions in several ways: Black dealers would scare away white patrons, lacked the necessary skills, and were unable to complete required training programs. It was even argued that African Americans lacked the inborn skills of numerical calculation necessary to deal the card games:



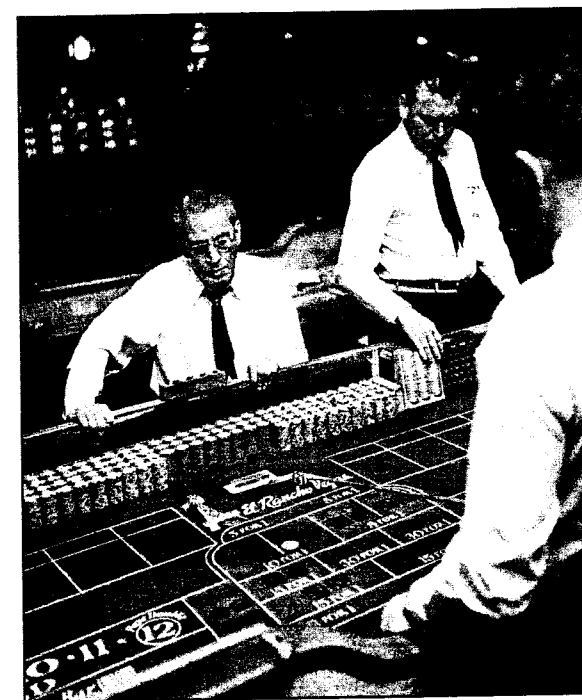
Nevada civil-rights leaders meet with Governor Grant Sawyer, concerning discrimination against black workers in Nevada's casinos, 1961. (University of Nevada, Las Vegas Special Collections)

The personnel director of one of the [casinos] told me . . . "We have a black boy that we just think the world of . . . We all love to see him get ahead . . . We've spent a lot of time and money on him, and we tried to make a 'Twenty-One' dealer out of him . . . But," he said, "there's just one thing that you can't overcome . . . you've got to be able to count up to twenty-one. And," he said, "this boy just couldn't do it."²⁴

Nevertheless, as their plans for a public action progressed, the NAACP received a verbal commitment from casino management to begin training and employing African-Americans as workers, especially dealers. In 1966 the first African-American male dealer was hired on the Las Vegas Strip, followed in 1970 by the first African-American female dealer.²⁵ In general, however, such workers served as "tokens," as the overall percentage of African-American dealers increased only slightly in the 5 years following the 1963 verbal agreement.²⁶ As Clarence Ray, an African-American inspector for the Gaming Control Board, reported, "there were waiters and there were even black cocktail waitresses...[the casinos] were hiring blacks to do everything but deal."²⁷

Confronted with continued noncompliance, the NAACP in 1967 bypassed negotiations with the casinos and reliance upon state agencies; it instead filed suit with the National Labor Relations Board in San Francisco.²⁸ The casinos responded with further pledges to accelerate their hiring of African-American workers; in 1970, the Nevada Resort Association (NRA) even proposed a wide range of remedial measures such as diversity training for white managers, targeted job recruitment in west Las Vegas, and a \$75,000 grant to the Clark County

NAACP.²⁹ Again, however, there was no follow-through on the commitments. By 1971, African Americans represented just 4.9 percent of Strip dealers and less than 1 percent of floor managers,³⁰ leading the United States Justice Department to intervene in early 1971. During initial negotiations between the two sides, lawyers for the NRA advised casino owners that integration was inevitable. Casino management, however, continued to press for exceptions regarding dealer positions and the hiring of other minority groups besides African Americans.³¹ Justice Department officials refused, and it was in this context that federal authorities opted to file a complaint of civil-rights violations. The casino representatives in turn agreed to a remedial consent decree.



Because of the juice system, white men dominated dealer positions. (University of Nevada, Las Vegas Special Collections)



In the 1960s, casino operators claimed that African Americans lacked the numerical skills necessary to deal casino games. Here, Calvin Washington runs the crap games at the El Morocco Club in Las Vegas, Westside, 1954. (*University of Nevada, Las Vegas Special Collections*)

THE CASINO CONSENT DECREE: 1971-1974

In the decade following passage of the federal Civil Rights Act of 1964, thousands of complaints were received from workers in every American industry. To deploy their limited resources most efficiently, federal authorities routinely attempted to avoid litigation against discriminators by instead negotiating consent decrees. Though less efficacious as an enforcement tactic, the decrees avoided the costs and time spent on lawsuits.³² The Consent Decree with the Nevada casinos, along with the accompanying complaint, was filed in United States District Court on June 4, 1971. The Nevada Resort Association was among those named as defendants, as were the following:

Aladdin (of Prell Hotel Corp.)
 Castaways, Desert Inn, Frontier, the Sands, Silver Slipper (of Hughes Tool Co.)
 Caesars Palace (of Desert Palace Inc.)
 Circus Circus (added to the decree on June 28, 1972)
 Dunes (of M & R Investments)
 Flamingo (of Flamingo Resort, Inc.)
 Hacienda (of Las Vegas Hacienda, Inc.)
 The International (of Las Vegas International Hotel, Inc.)
 Landmark (of Hotel Properties, Inc.)
 Riviera (of Hotel Riviera, Inc.)
 Sahara (of Sahara Nevada Corporation)
 Stardust (of Karat, Inc.)
 Thunderbird (of Dewco Services, Inc.)
 Tropicana (of Hotel Conquistador, Inc.)
 Local 995, Professional, Clerical, Ground Maintenance, Parking Lot Attendants,
 Car Rental Employees, Warehousemen and Helps
 Local 720, International Alliance of Theatrical Stage Employees and Moving
 Picture Machine Operators
 Local 226, Culinary Workers Union
 Local 165, Bartenders Union

As is standard protocol with antidiscrimination consent decrees, the complaint laid out a series of charges and the decree proposed remedial steps, though the defendants in signing the decree admit to no past wrongdoing: "This decree...shall not constitute an adjudication or finding on the merits of the case and shall not constitute or be construed as an admission by the defendants."³³

The complaint alleged a series of violations of Title VII of the Civil Rights Act of 1964.³⁴ In general, while African-American workers achieved widespread employment in the casino work force (they held 3,600 of 20,000 total jobs, or 18 percent), they suffered from intra-firm discrimination: 90 percent of African-Americans, it said, "are limited to the lowest-paying, less desirable duties and occupations."³⁵ The complaint pointed to three sorts of business practices responsible for the reproduction of discrimination against African-Americans:³⁶ First, the personal-network juice system used for finding workers, i.e., "hiring employees for certain jobs by relying upon word-of-mouth referrals and

personal contacts of incumbents." Second, job placement of current employees according to race rather than objective qualifications. Third, failure "to provide opportunities for training, advancement and promotion to black applicants and employees equal to those provided white[s]."³⁷

The decree in turn specified a series of steps to alleviate discrimination in the three areas of hiring, job placement and promotion. Regarding *hiring*, the system of selecting employees from the casino managers' personal network must end, as each casino was to "establish and thereafter maintain a central personnel office" to handle hiring.³⁸ Job openings would be advertised in newspapers and on radio stations with predominantly black audiences in Clark County, and regular meetings would be held with the NAACP to further disseminate information on openings to the black community.³⁹ Regarding *job placement*, the casinos must establish training programs for new African-American hires. For instance, each casino must set up a dealer-training program to teach sixty African-American trainees each year. And a quota system of job placement must be put in place: For each two new dealer openings, one African American must be hired until African Americans constituted 12.5 percent of all dealers.⁴⁰ As for *promotions* into supervisory positions, word-of-mouth was no longer appropriate for selecting managers. Rather, notifications of vacancies must be posted "near the employee time clock or other location[s] to which employees have regular access." All current African-American workers would complete a skills inventory, and casino executives would "engage in affirmative recruitment of black persons for future vacancies [as] 'Officials and Managers.'"⁴¹

To monitor the casinos' labor practices, the Consent Decree required the casinos to submit to the Department of Justice quarterly reports listing the racial composition of all job categories as well as the identities and personal details of all African-American job applicants. Copies of these reports were also to be sent to both the District Court in Las Vegas and the Nevada Commission on the Equal Rights of Citizens. In addition, the decree required that records must be kept of all personnel decisions, which could be inspected on site by government officials, "provided requests for such documents shall not be so frequent as to impose a burden or expense on defendants."⁴² In turn, any casino that demonstrated that it had maintained a 12.5 percent composition of blacks in an occupation for a six-month period would be released from further monitoring of that category. And after three years, if all jobs had reached the 12.5 percent goal, the casino could petition for release from the Decree.⁴³

During the first two years of the administration of the decree, all casinos named as defendants filed reports and established personnel offices. As Burton Cohen, then president of the Thunderbird Casino, recalled, "Like in sports, we figured the rules do sometimes change, and you have to adapt . . . we had to get it done and we did it."⁴⁴ And it appeared, too, that the Justice Department was monitoring the casinos and believed, on the whole, that they were

complying. In response to a 1972 inquiry from Elmer R. Rusco, a professor at the University of Nevada, Reno, the department reported:

Copies of the quarterly reports from the resort industry are filed with this office, where they are given close attention and analysis. The reports themselves are keyed to Section VI of the Decree, which . . . provide a comprehensive picture of the employment practices of the respondents . . . In addition, we keep in close contact with the hotels concerning their performance under the decree.⁴⁵

CONSENT DECREE ENFORCEMENT: THE ATTEMPTED INTERROGATORIES OF 1974

In May 1974, the jurisdiction for monitoring the Consent Decree was switched to the new Equal Employment Opportunity Commission (EEOC). In opposition to the claims of the Justice Department, Jennifer Gee, the lead attorney for the EEOC, reported that Justice had had no contact with the casinos over the previous eighteen months. While the San Francisco office of the EEOC received the files and reports from Washington during its first few months, it also established contact with the Las Vegas NAACP and Nevada Commission on the Equal Rights of Citizens. Both reported to the EEOC that they believed the casinos were not complying with the terms of the decree, and listed several allegations. First, casinos were employing blacks only temporarily in order to report them in the quarterly reports, after which they were fired: "a black individual could be hired into a position, for instance, as a keno writer and be fired a week later and his employment would still be reported to us." Second, no progress had been made in promoting black workers into managerial positions. Third, hiring was still done by pit bosses, while the "personnel office is just a bureaucratic establishment."⁴⁶

Gee and several other EEOC attorneys believed that confirmation of these allegations could not be achieved if based solely on the quarterly reports, which were not standardized and in a few cases were written out by hand. Nor did they have the resources at the time to conduct detailed on-site investigations of Las Vegas casinos. The EEOC opted instead to send each casino a series of interrogatories requesting more detailed information on casino labor practices. Packages were mailed in early July 1974 to each casino.⁴⁷ The forty-eight interrogatories in essence sought to elicit the procedural details showing how the casinos conducted their labor practices, in order to produce a larger picture of the extent to which casinos were complying with the spirit of the Consent Decree. The interrogatories were extremely detailed; an idea of the extensiveness of the questioning is conveyed by a typical example:

Interrogatory 15: Identity all job vacancies that have arisen in the jobs listed in Section II, Paragraphs 2, 3, and 4 of the Consent Decree since June 4, 1971, and for each vacancy state:

- (a) The date the vacancy arose;
- (b) The date the vacancy was publicized to the employees;

- (c) The date the vacancy was filled;
- (d) The name, address, race, previous job, and date of hire of the person hired or upgraded to fill the vacancy;
- (e) Whether the person who filled the vacancy was promoted, newly hired or had changed jobs;
- (f) How the person who filled the vacancy learned of the vacancy;
- (g) The name, address, position held at that time, and the date of notification of each Black employee notified of the vacancy;
- (h) Whether the person who filled the vacancy was related in blood or kinship to another employee in a supervisory or managerial position.⁴⁸

In August 1974, attorneys for the casino defendants filed in United States District Court motions for protective orders from the interrogatories. They argued for protection on three counts. First, no action was pending before the court and thus the EEOC had no ground for expanding the decree's requirements. Second, the Consent Decree specified that plaintiffs could inspect defendants' records and files provided it imposed minimal costs or burdens on casinos, but compiling the detailed procedural information required by the "overly broad" interrogatories would be "oppressive and burdensome."⁴⁹ Third, the casinos were in fact complying with the decree, as evidenced by the "detailed and voluminous records . . . filed with the court," while additional information could be requested only with a "prima facie showing by the aggrieved party of disobedience of the order."⁵⁰

The EEOC immediately filed a motion to compel answers to its interrogatories. In several memoranda, it addressed each of the casinos' three defenses. First, a Consent Decree by its very nature is always pending before the court, which in turn is empowered to expand or change the reporting requirements. Second, while admitting that compiling the requested information would be burdensome for casinos, the EEOC argued that the burden must be weighed against that upon the EEOC itself: "Though the Interrogatories may be burdensome on the Defendants, the burden would be overwhelming for the Commission." Third, as proof of the casinos' disobedience, the EEOC offered five affidavits from African Americans who claimed to have been denied employment at or fired from Las Vegas casinos because of their race. The EEOC claimed that "a prima facie showing has been made herein by the attached affidavits of persons who allege discriminatory treatment . . . The significance of these affidavits is sufficient to invoke this Court's ancillary jurisdiction and enable it to compel answers to the Commission's Interrogatories."⁵¹

In response to the EEOC's motion to compel discovery, the casinos attacked the commission on two broad counts. First, the affidavits were insufficient as evidence to prove disobedience. In a memorandum to the court dated January 1975, attorney for the defendants pointed out that one of the affidavits alleged discrimination at the Mint Casino, which was not even a party to the decree, and thus was immaterial. The remaining four affidavits were then framed not as providing evidence of systematic discrimination, but as "so-called evidence [that] at most hints at the possibility of individual acts of discrimination, not acts

by [casino] defendants."⁵² The casinos also argued that the EEOC advanced a "fallacious interpretation of the Consent Decree" by pointing out that many job classifications were not currently above the 12.5 percent threshold:

The Decree has been fully complied with . . . once a defendant has achieved 12.5% for six months in any twelve month period. Thus to select, as the EEOC has, the most recently ended quarterly period and then to set forth current ratios is an irrelevant exercise. Such figures cannot demonstrate noncompliance since the hiring paragraphs of the Decree may have lapsed as to particular defendants. With respect to the majority of classifications at the properties of the defendants . . . this has been the case.⁵³

After nearly a year of dispute over the interrogatories through memoranda and hearings, Magistrate Joseph L. Ward on May 9, 1975, granted all of the defendants' motions for protection from the interrogatories, denying the EEOC's motion to compel answers on the grounds that they were in fact oppressive and burdensome relative to the terms originally laid out by the decree. Having suffered a defeat in its attempt to force the casinos to document the procedures of their labor practices, and lacking the resources to systematically audit them, the EEOC subsequently made minimal attempts to monitor compliance with the decree, preferring instead to handle complaints from minority workers on a case-by-case basis.⁵⁴

ENFORCEMENT ATTEMPT BY MINORITIES RESEARCH AND DEVELOPMENT CORPORATION

During the ten-year period following the denial of the EEOC's attempt to force answers to its interrogatories, there was little official action on the Consent Decree. The casinos continued to send reports to the EEOC, although as of 1982 they were sent on a semiannual, not quarterly, basis. As they reached their target 12.5 percent quotas for a six-month period in each occupation, the casinos were released piecemeal from the Decree. This slow dissolving was hastened in 1978 when several of the Summa Corporation hotels petitioned for and received a release from further monitoring, per the original stipulations of the decree. In addition, as new casinos were built and commenced operations in Las Vegas, they were not included as parties to the decree. To do so would have entailed separate filings and hearings for each new property, which the EEOC lacked the time and resources to accomplish. Thus, while the eighteen casinos listed as defendants on the original decree represented practically the entire Las Vegas market as of 1971, their share decreased with the opening of new casinos during the 1980s. In 1981, a separate decree was negotiated for women workers, and compliance was achieved so quickly that it was dissolved by 1986.⁵⁵ Regarding race, however, the casinos' compliance reports demonstrated that by the early 1980s, African Americans still were not reaching proportionate representation in the key positions for which the Consent Decree had been created.⁵⁶

In 1984, one last attempt was made to resurrect the Consent Decree for African-American workers. An African-American woman with a background in law enforcement, Ella R. Pitt-Williams, applied at casinos throughout Las Vegas for work in security or cashiering. According to her affidavit of October 17, 1984, she was not only unable to receive a single job interview, but was told directly by an official at the Frontier Hotel that black females were never hired in personnel, security, or credit positions regardless of their qualifications. In the course of investigating her legal options, she happened upon the 1971 Consent Decree, "for all intense [*sic*] and purposes, dead, unenforced and without effect for want of proper supervision and enforcement."⁵⁷ Pitt-Williams then contacted the EEOC, whose attorneys told her that the agency no longer systematically monitored the casinos, but suggested as a possibility that, given her law enforcement experience, she could herself form a nonprofit corporation and apply for intervention to take over the monitoring of the decree.

On August 14, 1984, Pitt-Williams and two others incorporated the Minorities Research and Development Corporation (MRDC). On October 15 of that year they applied in the District Court in Las Vegas for permissive intervention to monitor and enforce the 1971 Consent Decree. In its application the MRDC leveled several broad accusations and complaints against the casinos, many of which had first been voiced by EEOC lawyers in their interrogatory attempt a decade earlier. First, African Americans were hired only temporarily in order to meet reporting quotas. If the MRDC were granted intervention, however, "no longer will black employees be herded like cattle into employment to meet numerical criteria and discharged after the end of the reporting period." Second, discrimination in hiring and job placement remained rampant, as African Americans continued to be concentrated in menial positions without effective training programs or affirmative recruitment into managerial positions. Third, the compliance reports were routinely fabricated because casino managers had no fear of independent verification by the EEOC. Curiously, the MRDC stopped short of fully blaming casino management for not hiring African-American workers; it admitted that, because of "years of ghetto environment and isolationism, the majority of African-American applicants possessed inferior communication skills and demeanors." Yet the casinos had established none of the training programs to which they had committed in the Decree; these would have provided African Americans with the "skills necessary for positions requiring mental skills."⁵⁸

On September 25, 1984, counsel for the EEOC filed a motion in support of the MRDC's request to intervene. On the one hand, their argument attempted to link intervention to the notions of "small government" and deregulation prevalent during the presidency of Ronald Reagan. All parties would benefit, efficiency would increase, and cost-effectiveness would be maximized. "Complaints from charging parties oftentimes could be resolved on a very informal, effective basis, through the accessibility of a local entity." On the other

hand, the EEOC admitted that the original decree was weak in terms of providing subsequent leverage for proving discrimination—"the Consent Decree memorialized the position of the defendants in that they did not discriminate against blacks"—while the EEOC's own culpability may be pointed out as a reason for the past and ongoing failure to monitor Las Vegas labor practices—"Economic costs make on-site inspections and viable working relationships with employers through frequent contact, more of a future goal than an immediate one."⁵⁹

Counsel for the casinos responded through a series of countercharges. First, the attempt by the MRDC was untimely, coming after a "thirteen-year unexcused, unexplained delay in seeking intervention." Second, the MRDC was less an objective party capable of effectively monitoring the decree than a disgruntled job applicant unqualified for the positions for which she had applied. Pitt-Williams, rather than pursuing the proper channels of seeking remedy with the Nevada Commission on Equal Rights, formed a "sham corporation with a fancy, important sounding name" which is in fact "no more than three individuals with an attorney." Third, the EEOC was using the MRDC as a scapegoat by which to shirk its own duty to monitor the terms of the Consent Decree. Rather than bringing in a new party, attorneys for Summa Corporation argued, "if the EEOC is not willing to carry out its responsibilities, the dissolution of the Decree is the more appropriate response."⁶⁰

On November 6, 1984, United States District Court Judge Roger D. Foley ruled in district court for the MRDC, granting it permissive intervention to monitor casinos' compliance with the Decree. Counsel for defendants promptly appealed, and nearly two years later, on June 20, 1986, the Ninth Circuit Court of Appeals overturned the decision. The court's justification for this ruling focused upon procedural miscues by Pitt-Williams and the MRDC. First, the court rejected the defendants' argument that the MRDC was a "sham corporation" with no rights to bring action under the terms of the Consent Decree. Relying upon civil rights case law, the court ruled that an organization such as the MRDC could bring suit even if it itself has not suffered harm.⁶²

The MRDC therefore had the right to intervene on behalf of Pitt-Williams in defending her Title VII claim of discrimination based upon her race. Title VII claims by individuals, however, must first be pursued through filing a complaint with the EEOC.⁶³ Only after exhausting such channels could a third party then intervene. During her extensive initial communications with the EEOC prior to forming the MRDC, Pitt-Williams apparently had never filed an official discriminatory complaint. The Court thus ruled, "There is no evidence Pitt-Williams filed charges with the EEOC [therefore] MRDC cannot rely on Pitt-Williams' Title VII claim as an independent basis for jurisdiction over its petition for intervention." Neither Pitt-Williams nor the MRDC appealed this decision, effectively bringing to an end legal action related to the 1971 Consent Decree.

CONCLUSION

The 1971 casino Consent Decree still technically remains in effect. However, only two casinos—the Tropicana and the Riviera—still send out the required semiannual reports. A caller to the Los Angeles office of the EEOC, meanwhile, will be hard pressed to locate anyone with knowledge of the decree's existence. Rather than proactively monitoring the labor practices of casinos, EEOC officials view their role as one of collecting and storing data on work-force demographics (mainly through annual compiling of the EEO-1 documents by which employers self-report the race and gender composition of their workers) to be used as evidence should they receive individual complaints from workers who wish to pursue litigation against employers. The agency receives approximately eighty-five thousand individual charges of discrimination each year, of which fewer than four hundred are litigated. The chances that any individual business will go to court over its employment practices, in short, are a long shot.

This is not to deny that changes have occurred in the Las Vegas casino industry. Whites are now a minority among low-level workers (though not in the management hierarchy), while all casinos now have personnel offices and engage in assiduous record keeping on their employment practices. By comparing the state of the industry today with the requirements of the Consent Decree, however, we see that beneath such surface diversification and modernization there is a high degree of continuity with past practices; African Americans continue to be under-represented in positions such as dealer, and the personal-network-based recruitment and hiring procedures still persist. Aspiring dealers, for instance, will look in vain for work by walking into a personnel office off the street and filling out an application form; some form of personal contact with a current manager is still necessary. "The juice system may be on life support," a current casino manager told me, "but it ain't dead."⁶⁴

In general, the Consent Decree failed in its stated objectives because of inadequate federal resources devoted to monitoring compliance with its requirements. The two failed attempts to enforce compliance—the 1974 interrogatories and the 1984 intervention by the MRDC—display similar strategies on the part of the EEOC to outsource the task of collecting information (in the former case, by delegation to the casinos themselves, and in the latter, to a local organization). This lack of enforcement contrasts with that found in other casino jurisdictions, where the casino license privilege is explicitly tied to various employment policies. In Detroit and in Windsor, Canada, for example, licenses were granted to Nevada corporations on the condition that casinos permit union organizers access to their premises—a policy long resisted in Nevada itself. And in postapartheid South Africa, casino licenses were issued only in conjunction with detailed affirmative-action plans for advancing minority workers into all occupations and management positions, while provincial gambling

boards conduct monthly on-site visits to ensure that such quotas are met.⁶⁵ It is also useful to contrast the attempt to integrate casino workers with parallel attempts to end the segregation of casino clients. While the latter was accomplished quickly and for the most part painlessly, the former was attempted only begrudgingly and with minimal success. The history of the 1971 Consent Decree has suggested that for Nevada casino firms, minority civil rights will be fully granted if and when they are perceived to be compatible with increasing the bottom line.

NOTES

¹For example, Ed Reid and Ovid Demaris, *The Green Felt Jungle* (New York: Trident Press, 1963); Estes Kefauver, *Crime in America* (Garden City, N.Y.: Doubleday and Company, Inc., 1951), 229-37.

²While corporations operated the majority of Las Vegas casinos by the late 1970s, the official end of the "wise guy" era in Nevada is commonly dated to the break-up of the Stardust skimming operations during the 1976-79 period. See Hal K. Rothman, "Colony, Capital and Casino: Money in the Real Las Vegas," in *The Grit beneath the Glitter: Tales from the Real Las Vegas*, Hal K. Rothman and Mike Davis, eds. (Berkeley: University of California Press, 2002), 324-27.

³William R. Eadington, "The Casino Gaming Industry: A Study of Political Economy," *The Annals of the American Academy of Political and Social Science* 474 (1984), 23-35; Hal K. Rothman, *Neon Metropolis: How Las Vegas Started the Twenty-first Century* (New York: Routledge, 2002), 14-22.

⁴David G. Schwartz, *Suburban Xanadu: The Casino Resort on the Las Vegas Strip and Beyond* (New York: Routledge 2003), 131. For other historical accounts emphasizing the casinos' profit motive as a driving force behind consumer desegregation, see James B. McMillan, "Fighting Back: A Life in the Struggle for Civil Rights," (Reno: University of Nevada Oral History Program, 1997), 93; Earnest N. Bracey, "The Moulin Rouge Mystique: Blacks and Equal Rights in Las Vegas," *Nevada Historical Society Quarterly* 39:4 (1996), 272-88.

⁵Las Vegas Convention and Visitors Authority, *Las Vegas Visitor Profile* (San Francisco: GLS Research, 2002), 88.

⁶Eugene P. Moehring, *Resort City in the Sunbelt: Las Vegas 1930-1970* (Las Vegas: University of Nevada Press, 1995), 185; Claytee D. White, "The Roles of African-American Women in the Las Vegas Gaming Industry, 1940-1980," (M.A. thesis, University of Nevada, Las Vegas, 1997); Rothman, *Neon Metropolis*, 73.

⁷For an analysis of similar dynamics among African Americans and new immigrant groups in New York City, see Roger Waldinger, *Still the Promised City: African-Americans and New Immigrants in Postindustrial New York City* (Cambridge: Harvard University Press, 1996).

⁸Figures on population are based upon U.S. Census 2000; figures on dealing demographics derive from the author's own survey of a random sample of twenty-five casinos in Las Vegas.

⁹Consent Decree, Civil Action 1645, U.S. District Court, Las Vegas, filed June 4, 1971 (hereafter cited as Consent Decree.)

¹⁰Eric N. Moody, "The Early Years of Casino Gambling in Nevada, 1931-1945" (Ph.D. thesis, University of Nevada, Reno, 1997), 232.

¹¹"Definite Policy Outlined Last Night at Meeting," *Las Vegas Evening Review and Journal* (10 April 1931), p.1.

¹²U.S. Bureau of the Census; White, "Roles of African-American Women."

¹³John F. Cahlan, "Fifty Years in Journalism and Community Development" (Reno: University of Nevada Oral History Program, 1987), 226; see also Dwayne Kling, ed., "Every Light Was On: Bill Harrah and His Clubs Remembered" (Reno: University of Nevada Oral History Program, 1999), 63.

¹⁴Moehring, *Resort City*, 176.

¹⁵Grant Sawyer, "Hang Tough!: Grant Sawyer: An Activist in the Governor's Mansion" (Reno: University of Nevada Oral History Program, 1993) 97, 103; see also Clyde H. Mathews Jr., "Oral Autobiography of a Modern-day Baptist Minister" (Reno: University of Nevada Oral History Program, 1969), 174; James W. Hulse, *Forty Years in the Wilderness: Impressions of Nevada, 1940-1980* (Reno: University of Nevada Press, 1986), 93; Elmer R. Rusco, "Racial Discrimination in Nevada: A Continuing Problem," Bureau of Government Research, *Governmental Research Newsletter*, 11:5 (1973), 9.

¹⁶State of Nevada, *Official Opinions of the Attorney General*, #143 (8 March 1960); see also "Gaming Board Cannot Forbid Discrimination," *Las Vegas Review-Journal* (11 March 1960), p.1; "Imperial Palace Bias Charge Turned Over to Equal Rights Panel," *Las Vegas Review-Journal* (14 December 1988), p.5; Sawyer, "Hang Tough," 102, 104.

¹⁷For insider accounts of the Moulin Rouge agreement, see McMillan, "Fighting Back," 90-93;

Lubertha Johnson, "Civil Rights Efforts in Las Vegas: 1940's to 1960's" (Reno: University of Nevada Oral History Program, 1988), 61-65.

¹⁸"Aliens Banned as Employees in Gambling Palaces," *Las Vegas Evening Review and Journal* (9 April 1931), p.1.

¹⁹Johnson, "Civil Rights Efforts," 36; "Many Black Hotel Workers Charge Loss of Jobs Due to the Color of Their Skin," *Las Vegas Sun* (19 February 1979), p.13. Black entertainers were of course permitted in the front-stage areas of the casino, though they were not permitted to stay after their shows. See Moody, "Early Years," 132.

²⁰For two of the more insightful and entertaining accounts of the working of the juice system from the inside, see Lee Solkey, *Dummy Up and Deal* (Las Vegas: GBC Press, 1980), 38-47; H. Lee Barnes, *Dummy Up and Deal: Inside the Culture of Casino Dealing* (Reno: University of Nevada Press, 2002), 112.

²¹Alan Balboni, *Beyond the Mafia: Italian Americans and the Development of Las Vegas* (Reno: University of Nevada Press, 1996).

²²McMillan, "Fighting Back," 128.

²³Sawyer, "Hang Tough!," 98; Andrew Michael Nyre, "Union Jackpot: Culinary Workers Local 226, Las Vegas, Nevada, 1970-2000," (M.A. thesis, Department of History, California State University at Fullerton, 2001), 32-33.

²⁴Robbins E. Cahill, "Recollections of Work in State Politics, Government, Taxation, Gaming Control, Clark County Administration, and the Nevada Resort Association" (Reno: University of Nevada Oral History Program, 1977), 1395.

²⁵White, "Roles of African-American Women."

²⁶Nevada Equal Rights Commission, *Biennial Report* (Carson City: Government Press, 1969).

²⁷Clarence Ray, "Black Politics and Gaming in Las Vegas, 1920's to 1980's" (Reno: University of Nevada Oral History Program, 1991), 95.

²⁸Moehring, *Resort City*, ch. 6.

²⁹Rusco, "Racial Discrimination," 9.

³⁰Figures compiled from quarterly reports submitted per the 1971 Consent Decree.

³¹Cahill, "Recollections," 1383-88.

³²John D. Skrentny, *The Minority Rights Revolution* (Cambridge: Harvard University Press, 2002), 85-142.

³³Consent Decree, 3.

³⁴Civil Rights Act of 1964, 42 U.S.C., sec. 2000e (hereafter cited as Title VII); Complaint, Civil Action 1645, U.S. District Court, Las Vegas, filed 4 June 1971 (hereafter cited as Complaint).

³⁵Complaint, 7.

³⁶Because of space constraints, this article focuses only upon the complaints against the hotel casinos, and not those against the labor unions. The complaints against the two parties were very similar, although the main complaint against the unions was the practice of not sending out African Americans for jobs.

³⁷Complaint, 6.

³⁸Consent Decree, 6.

³⁹Consent Decree, 14.

⁴⁰Consent Decree, 11.

⁴¹Consent Decree, 9.

⁴²Consent Decree, 15.

⁴³Consent Decree 10, 19.

⁴⁴Burton Cohen, interview with author, Las Vegas, 8 December 2003.

⁴⁵U.S. Department of Justice to Elmer R. Rusco (25 February 1972), University of Nevada, Las Vegas, Leid Library, Special Collections, Box T-123.

⁴⁶Transcript of proceedings held before Magistrate Joseph L. Ward, U. S. District Court, Las Vegas (26 March 1975). This and all subsequent source materials on the Consent Decree are found in the National Archives and Records Administration, Pacific Region, Case file CV-S-71-1645, Box 1 of 51 (hereafter cited as NARA).

⁴⁷See, for example, letter dated 2 July 1974, from June Wooliver, assistant regional attorney for the EEOC, to Burton M. Cohen, president and general manager of the Thunderbird Hotel (NARA).

- 48"Plaintiff's Interrogatories," U.S. District Court, Las Vegas (2 July 1974, NARA).
- 49"Motion for Protective Order," Lionel, Sawyer, Collins, and Wartman, attorneys for Nevada Resort Association *et al.*, U.S. District Court, Las Vegas (5 August 1974, NARA).
- 50"Motion for Protective Order," Gibson, Dunn, and Crutcher, attorneys for Hughes Tool Co., U.S. District Court, Las Vegas (29 August 1974, NARA).
- 51"Memorandum in Support of Plaintiff's Motion to Compel Discovery," EEOC (19 August 1974, NARA). See also EEOC memorandums dated 21 August 1974 and 3 February 1975.
- 52"Memorandum of Points and Authorities of Certain Defendants in Opposition to Plaintiff's Motion to Compel Discovery" (13 January 1975, NARA).
- 53"Memorandum of Points and Authorities of Certain Defendants in Opposition to Plaintiff's Motion to Compel Discovery," Gibson, Dunn, and Crutcher, attorneys for Hughes Tool Co. (14 February 1975, NARA).
- 54EEOC attorney responsible for western region compliance, interview with author, 24 November 2003.
- 55U.S. EEOC *v. NRA et al.* 13 January 1981, CV-LV-81-12-RDF.
- 56Consider the percentage of black dealers as of 1981 for the following casinos: Circus Circus (5.9 percent); the Aladdin (7.8 percent); the Stardust (4.5 percent); Tropicana (9.8 percent); Sahara (11.5 percent). All figures compiled from the compliance reports on file at U.S. District Court, Las Vegas.
- 57"Reply to Defendants' Opposition to Motion to Intervene" Gary E. Gowen, Attorney for Minority Research and Development Corporation, U.S. District Court, Las Vegas (17 October 1984, NARA).
- 58"Memorandum in Support of MRDC's Attempt to Intervene," (21 December 1984, NARA).
- 59"Motion to Court in Support of MRDC's Attempt to Intervene," EEOC (25 September 1984, NARA).
- 60"Memorandum to Court in Opposition to MRDC's Attempt to Intervene," Gibson, Dunn, and Crutcher, attorneys for Summa Corporation (9 October 1984, NARA).
- 61U. S. District Court, District of Nevada, No. LV-1645 RDF.
- 62EEOC and MRDC *v. NRA et al.* 792 F.2d 882 (9th Circuit 1986).
- 63Title VII charges by private parties are governed by 42 U.S.C. sec. 2000e-5.
- 64Anonymous casino executive, interview with author, November 2003.
- 65John Bebow, "The Roots of the Windsor Strike," *Casino Executive*, 1 (May 1995), 17.
- 66Adrian Kenyon, "Waiting for the Curtain to Rise in Gauteng," *Gaming for Africa*, 10 (March 1997), 12.

Dollars, Defense, and the Desert *Southern Nevada's Military Economy and World War II*

ROBERT V. NICKEL

Modern Las Vegas has come to inhabit a unique place in the American imagination. A neon mirage glittering amid the desolate Mojave Desert, Sin City is both celebrated and scorned as an oasis of gambling, nightlife, and entertainment. Consistently ranked among the nation's fastest-growing metropolitan areas, Las Vegas has experienced sensational economic, infrastructural, and demographic growth in recent years. The dizzying pace of this development makes it difficult to imagine that the city was once anything other than the bustling urban playground it is today. Like many great western cities, Las Vegas came of age during the World War II era. A mere hamlet of 8,422 residents in 1940, it had nearly tripled in size by 1950.¹ Many believe Las Vegas to be synonymous with its gambling economy, but war, not wagering, triggered the city's first period of dramatic growth. A sizeable military presence, established during World War II and sustained by the Cold War, took root in southern Nevada. Though never as visible as the area's high-profile gambling industry, this military economy was a vital factor in the development of the nascent metropolis.

The spectacular resorts of The Strip have made Las Vegas famous throughout the world, but few of the city's millions of visitors recognize the massive influence the military has exerted on southern Nevada. Las Vegas has played host to countless gamblers and conventioners who likely never realized that this city of leisure and excess has also been home to the nation's busiest air force base, the world's largest magnesium plant, and the continent's foremost site for testing nuclear weapons. Although the neon glare of casino revenues has since overshadowed the military's economic impact on the area, World War II and its subsequent defense boom "really transformed the sleepy little desert town," notes economic historian Gerald Nash.² Strong local support and political leadership attracted lucrative defense contracts and military installations to southern Nevada, giving rise to a powerful military economy that helped

Robert V. Nickel is a graduate student in the history department at the University of Nevada, Las Vegas.