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Suburban Xanadu: The casino resort on the Las Vegas Strip and beyond

William Thompson

Affiliation: University of Nevada at Las Vegas, Las Vegas, Nevada, U.S.A.

E-mail: wthompson@ccmail.nevada.edu

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For correspondence: William N. Thompson, Department of Public Administration, University of Nevada–Las Vegas, Las Vegas, NV 89154-6026 U.S.A. Phone: (702)-895-3319, fax: (702)-895-1813, e-mail: wthompson@ccmail.nevada.edu.
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William N. Thompson (PhD, University of Missouri–Columbia) is professor of public administration at the University of Nevada–Las Vegas. He is an active researcher on gambling topics. His books include: *Gambling in America: An Encyclopedia of History, Issues, and Society* (2001); *Native American Issues: A Reference Handbook* (1996); *Casino Customer Service* (1992, 1996, with Michelle Comeau); *International Casino Law* (1991, 1999, with Anthony Cabot); *The Last Resort: Success and Failure in Campaigns for Casinos* (1990, with John Dombrink). He has served as a consultant to public and private organizations including The National Gambling Impact Study Commission, The President's Commission on Organized Crime, The Detroit Casino Study Commission, Lotto Quebec, The Manitoba Lottery Commission, The Netherlands Board of Gambling, several Native American tribes with gaming facilities, and commercial casinos.

By David G. Schwartz. (2003). New York: Routledge. ISBN 0-41593-557-1 (paperback). Price: (approx.) CAD\$ 45.00 or USD\$ 35.95.

Suburban Xanadu offers the reader a history-packed volume on casino gambling in Las Vegas and other American venues. The book presents the material in an orderly, chronological manner that covers many topics that have been likewise presented in other volumes as well. Some very good material is new. *Suburban Xanadu* seeks to establish that casino gambling is a normal (e.g., healthy) American pursuit, and that casino operators and regulators have been able to keep

the casino industry honest and above-board in almost all cases. It is a “point of view” analysis; however, it is presented as if it were a “factual” analysis. The book is generally well written, and very well documented, but the overall tone is not always convincing.

The author, [David G. Schwartz, has written a book that is essentially an extension of his doctoral dissertation in history \(2000\)](#). It is a great achievement when a newly credentialed scholar is able to have his dissertation accepted by a reputable publisher who then distributes it for consideration by the general public. Editors of books drawn from dissertations usually seek to extract and dispose of academic rigmarole such as theoretical frameworks and hypotheses, and propositions subject to formal testing. They also seek to minimize the use of academic jargon.

Here the editors would have done a service to the reader if they had insisted that the author actually give the reader such a “framework.” He should have at least provided some guiding themes and directions as a road map through the detail and the unfortunately heavy dose of academic jargon that remains. The book is crammed full of interesting information that is well worth reading in and of itself, but lacks the coherent sense of direction that is usually provided with academic methodology; the reading becomes tedious at times.

The book is replete with trendy academic words such as “paradigm” and “marginal” (whatever such words mean). This could be accepted as “part of the territory” if the main concept were more completely developed. That concept is, of course, “suburban.” After completing the book, I am still at a loss as to what the author means by the term and how it relates to Las Vegas, Reno, Atlantic City, Tunica, or any other casino jurisdiction. There are references to the notion that the American population became to a great extent “suburban” after World War II. Yet precisely how this was tied to casino development is not adequately explained.

This reviewer suggests that “suburban” is not a proper descriptive term for Las Vegas at all. First, Las Vegas is a city, not a suburb. Second, the Las Vegas Strip—which is technically under political control of the Clark County government—is not now, nor ever was, a “suburb.” The Strip was developed on open land—the term “rural” might be appropriate, but it was in fact “deserted” (more accurately, never previously occupied) desert land. Before casinos, no one ever lived by the Strip, and even afterwards no suburbanites lived by the Strip. There have never been single family (stand-alone) houses near the Strip. Indeed, apartments aplenty accompanied the development of Strip casinos, but they housed card dealers, room attendants, and cocktail waitresses—not suburban families. No Las Vegas school is located within walking distance of the Strip.

The customers of the Strip were Americans and tourists from foreign lands. They came from urban and rural areas, as well as from the suburbs of Detroit, Houston,

London, and Tokyo. Whatever their demographics, to argue that qualities tied to “suburban” (as opposed to other) lifestyles dictated their desire to come to Las Vegas is a bit of a stretch.

That the Strip developed outside of the city of Las Vegas (but not in suburbs) is an historical accident. The city did not want to push its services southward beyond Sahara Avenue, and the casinos existing out on Highway 91 (now the Strip), forced to develop their own utilities, turned to the Clark County government for support. This was not the typical case of an American company leaving the central city and moving, for instance, from Chicago, Detroit, or Atlantic City to the suburbs. The Strip casino developers were never in the city.

The author seeks to explain why the Strip developed while the casinos of downtown did not do so to the same degree. However, the idea of suburbanization doesn't work as an explanation. The author does not cite the analysis by Eugene [Moehring \(1989\)](#) in his *Resort City in the Sunbelt: Las Vegas, 1930-1970* that is directly on target. Moehring explains that City interests (dominated by downtown casinos) did not want the Strip to be within Las Vegas city limits, and how the Strip casino interests afterwards won several major battles with the city, notably to have the convention center located near the Strip, and to have McCarran Airport built next to the Strip. Additionally, they influenced the placement of the Interstate Highway so that it would serve the Strip by funneling drive-in guests from California to the casino doors. The author also neglects to point out two other major factors in the growth of the Strip resorts: the advent of air conditioning, which enabled horizontal as well as vertical growth, and the coming of jet air travel, which allowed larger and faster aircraft that could fly above storm clouds.

These factors certainly grew Las Vegas more than any suburban mind-set that swept the nation in the latter decades of the 20th century.

The use of the word “suburb” also becomes a device for declaring that “Atlantic City” has been a rousing success. The author concedes that the city of Atlantic City has remained a dismal, decaying center of urban blight, but he dismisses the fact that the main purpose of having casinos was to bring urban development to *Atlantic City*, not to its suburbs. The growth of suburban economies around Atlantic City simply has not been the goal, and it has not done the trick. It is not a good basis for declaring the “success” of Atlantic City, anymore than one could say that the three casinos of Detroit have given the Motor City economic development because life is good in Bloomfield Hills.

The other “title concept” of “Xanadu” comes from a poem by Samuel Taylor Coleridge. “Xanadu” was the pleasure-dome for royalty in the mystery-shrouded city of Kubla (Coleridge's spelling) Kahn's 13th Century China . I would agree that it makes sense to call the big resort casinos of Las Vegas “Xanadus,” but I am not

sure why that is important to the intended message of the book. The author points out that the typical Las Vegas Strip resort is actually bigger than the fictional Coleridge “Xanadu,” but what does it mean to say Las Vegas is “big”? The Luxor pyramid casino on the Strip is bigger than the Luxor pyramid in Egypt, the Monte Carlo Casino on the Strip could house all the casinos of Monaco under its roof, the entire village of Bellagio in the Italian Alps could fit inside the casino of that name on the Strip. O.K., Las Vegas is big.

The idea that the Mob involvement which did dominate early Strip development was somehow internally honest and professional is advanced with an unconvincing story about Charles J. Hirsch. This gentleman was an accountant. He actually makes for a good side story—but it is a side story. Hirsch developed essential control concepts for accounting within casinos. In the latter Mob days of the late 1950s and 1960s, he conceptualized the notions of “handle,” “drop,” and “hold.” (The drop is the amount of money the gambler brings to the casino and puts into play. The handle offers a consideration of the amounts of money gambled—and this includes money turnover, that is, money won by the player and then gambled again. The hold is the percentage of money that the player brought to the casino [drop], measured in chips sold to the player, minus the money the player takes away from the casino when he leaves.)

The author contends that integrity was present in the Mob-controlled casinos, because they were able to use the accounting methodologies developed by Hirsch. The story about Hirsch is new to this reader, and in and of itself it is an interesting story. However, I'd rate the reasoning behind the story as less than compelling, as the accountant developed his notions *after* the Mob secured its position in Las Vegas. Hirsch occupied lower-level casino positions until he became the controller at the Sands in 1970. What did the casinos do before Hirsch came along? Secondly, Hirsch's methods, while providing the casino with a tracking mechanism to ensure that players were not cheating them, did absolutely nothing to protect a player from a casino when the casino wished to cheat the player. Overall, it can be suggested that the casinos were happy to simply have the odds in their favor in honest games (when the players were losing). However, there are ample stories of casinos confronting high-roller players who were enjoying fabulous runs of good luck. The stories find the casinos replacing honest dealers with dishonest “mechanics,” or changing decks of cards or dice, and then deliberately cheating players. The stories are simply too much a part of the fabric of the Las Vegas past to be brushed off with a story of good internal accounting at one (or more?) of the casinos.

Another story of the triumph of “good” is provided by a profile of William Harrah. It too lacks substance. Harrah was an innovator who introduced bus junkets between San Francisco and his casinos in Reno and near Lake Tahoe. I can see why an

author from Atlantic City would choose to overlook this innovation, and instead concentrate on the fact that Harrah was a WASP, and therefore represented an exception to the supposed rule that casinos were all controlled by Jewish and Italian operators. But there were many other “non-Jewish non-Italians” involved in early casinos: Benny Binion, Sam Boyd, John Ascauga, Baron Hilton—amazingly, none of whom are mentioned in the book—as well as Kirk Kerkorian and Howard Hughes. Back to Harrah. He was by most other accounts a dismal failure toward the end of his life, as he refused to modernize, or even keep his northern Nevada casinos in clean condition. His car collection and his collection of spouses de-energized his talents for casino management. Harrah's was saved by William Harrah's demise in 1977 and by the efforts of Mead Dixon, Michael Rose, and Phil Satre to take the company public and engineer an effective merger with Holiday Inn. Today's Harrah's is nothing at all like William Harrah's Harrah's.

As the title uses the word “suburban,” it is somewhat disconcerting that the author has given less than a single page to the phenomenal growth of major casinos for locals (the Boyd, Coast, and Stations properties being the best examples) that has occurred in the new Summerlin and Green Valley neighborhoods that truly do epitomize the notion of “suburban.”

The author seems to mix in the casino gambling of Las Vegas with casino gaming elsewhere as he draws his picture of a “nice,” “wholesome” industry. He accepts the veracity of tribal studies that prove the beneficial nature of Native American casinos. Some dissent can be offered to these views.

The author also recognizes pathological gambling, but then dismisses it from serious consideration by accepting industry dogma that problem gambling cannot be accurately studied and described with numbers. Yet the industry itself (the American Gaming Association) has done so, concluding that 1.3% of adults are pathological gamblers, and a National Commission has also used survey research to attach dollar values to the costs imposed upon society by pathological gamblers. There is a growing body of research on compulsive gambling.

The value of the book is not in the opinions of the author but in the meticulous, well-documented scholarship used in drawing out a multitude of stories about activities tied to the emergence of Las Vegas as the leading resort city of the world. It is not a quick read, but it is a good read.

The author is a scholar in one very good sense of the word. He has labored hard and long to stuff his mind full of facts about his (and my) chosen topic of interest—gambling. Good things must be said for scholars who toil hard in the isolation of their own hand-to-eye-to-mind laboratories. Studying hard worked when we were students; it also works when we become professors. (It beats drinking coffee and discussing the *New York Times* with colleagues.)

My critique need not be considered negative. I highly recommend this book for its wonderful substantive content. Those interested in the casino gambling industry would be wise to give attention to the work. This reader is quite happy that the author, a fellow professor at his university (the University of Nevada, Las Vegas), has now written a second book on gambling, and a third book is in the works. David Schwartz is becoming a leading scholar in the field of gambling studies.

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