

around the world last year, compared with 370 in 2002 and 106 in 1998. Twenty-one seafarers were killed and 71 others listed as missing. The estimated cost to international trade in lost cargo and ships and higher insurance premiums now runs about \$16 billion annually, according to the Asia Foundation.

“Ninety-five percent of the world’s cargo travels by sea,” observes Glass, author of *Tribes with Flags* (1990). “Yet no one, apart from ship owners, their crews, and insurers, appears to notice that pirates are assaulting ships at a rate unprecedented since the glorious days when pirates were ‘privateers’ protected by their national governments.”

Piracy today is most common in waters where it flourished in the past: in the Bay of Bengal, in the Java and the South China seas, off the Horn of Africa, and in the Caribbean. Instead of Spanish galleons and the like, today’s pirates prey on oil tankers and other merchant ships, then sell the captured cargo on the black market. Beyond

national territorial waters, there are no laws and no police. “Many countries lack the will or the resources to police even their own waters,” says Glass.

Owners of small vessels often can’t afford some obvious protective measures, such as satellite-tracking devices, closed-circuit cameras, and onboard security officers. “Owners and trade unions discourage the arming of merchant ships in the belief that firearms will put crews’ lives at greater risk,” Glass adds.

Lax security opens the door to terrorists as well as pirates. Singapore would be one tempting target. Each day, some 200 ships, carrying more than half the world’s oil exports and a quarter of all its cargo, pass through the island state’s port and refinery. Terrorists who seized an oil tanker and steered it at full speed into the port could cause tens of thousands of casualties and cripple the port’s operation for years. And the economic impact would shake the globe.

Betting on Jobs

“Casino Gaming and Local Employment Trends” by Thomas A. Garrett, in *Review* (Jan.–Feb. 2004), Federal Reserve Bank of St. Louis, Public Affairs Dept., P.O. Box 442, St. Louis, Mo. 63166-0442.

The prospect of *jobs, jobs, jobs* is one of the chief enticements held out by proponents of corporate casino gaming when they seek permission to operate in a community. Yet it’s by no means obvious that local workers are winners when the gambling establishment arrives.

“Most casino jobs require some skill, be it accounting, dealing cards, security, or other expertise,” observes Garrett, a senior economist at the Federal Reserve Bank of St. Louis. In an urban area, enough such skilled labor may well be available locally, but in a rural area, it may have to be imported from outside the community. Further, the introduction of casino gaming might cause some local businesses to close, and the resulting number of lost jobs might offset some or all of the new casino jobs.

The jobs question is not just academic. Corporate casino gaming, which generated more than \$27 billion in revenue in 2001, is now available in 10 states—and is likely to expand to others as state governments feel the pinch of budget deficits that are collectively

approaching \$70 billion this fiscal year.

Garrett explored what happened to employment between 1986 and 2002 in six counties that introduced casino gaming during the early-to-mid-1990s: four rural counties (two in Mississippi, one in Illinois, and one in Iowa) and two urban (St. Clair, Illinois, and St. Louis, Missouri). In three of the rural counties, employment went up. The number of people working in Tunica County, Mississippi, for example, increased by 3,144 between late 1992, when the first casino was introduced, and the end of 2001, even though the population increased by only 1,172. So the increased employment benefited the precasino residents more than the new ones. Casino gaming is now Tunica County’s main industry, and it has apparently lifted other employment, especially in services, which went from 123 jobs in 1992 to 2,441 in 2001.

But the fourth rural area, Lee County, Iowa, had 1,846 fewer jobs at the end of 2001 than it had when a casino opened there in late 1994.

In the same seven-year period, the county showed a population loss of 1,652. Perhaps, Garrett notes, casino gaming slowed the demographic hemorrhage.

The impact of casino gaming on the local residents of the two urban counties was harder to discern because casino employment was such a small part of the overall total.

Nevertheless, the 1,184 casino jobs in St. Clair County were 11 percent of the county's total jobs gain by the end of 2001, and the 2,050 casino jobs in St. Louis County were 12 percent of the gain there.

On balance, Garrett concludes, casino gaming appears a pretty good bet in terms of local employment, especially in rural areas.

SOCIETY

Revising Indian History

"The Rise and Fall of Plains Indian Horse Cultures" by Pekka Hämäläinen, in *The Journal of American History* (Dec. 2003), 1215 E. Atwater Ave., Bloomington, Ind. 47401-3703;

"Virgin Soils Revisited" by David S. Jones, in *William and Mary Quarterly* (Oct. 2003), Box 8781, Williamsburg, Va. 23187-8781.

By introducing the horse to the New World, Europeans enabled the Indian tribes of the Great Plains to reinvent themselves as equestrian cultures, radically altering their way of life for the better. On the much heavier debit side, the Europeans (and Africans) brought deadly infectious diseases against which the Indians had almost no immune defenses. These statements

both sum up mainstream historical views, but both seem to need thorough revision.

"Horses did bring new possibilities, prosperity, and power to Plains Indians" after the Spanish brought the animals to the Western Hemisphere in the 16th century, says Hämäläinen, a professor of early American history at Texas A&M University.



*Fierce competition among Plains Indians for scarce horses often led to bloodshed, such as depicted in this encounter, *Duel to the Death*, by Charles M. Russell in 1891.*