

OFFICE OF
THE ATTORNEY GENERAL



6 / 8 / 83

KEN:

Attached are three cases that you might want to include in any mention of DOJ successes against organized crime. A brief summary of these familiar cases is on the first page.

John

ADDITIONAL SUCCESSES AGAINST ORGANIZED CRIME

On October 8, 1982, John Cody, President of Local 282 of the International Brotherhood of Teamsters, was convicted of violating the federal racketeering statute and other crimes. Teamster Local 282 is the extremely powerful union that represents drivers who deliver building materials to construction sites in New York City and Long Island. Cody is closely associated with several high echelon organized crime figures. He had used the union's pension fund to conduct a series of racketeering activities.

On April 7, 1983, five defendants in Cleveland were sentenced for participating in a multi-million dollar narcotics trafficking operation. The defendants were all members of the Cleveland LCN, including Angelo "Big Ange" Lonardo, underboss of the Cleveland LCN. (The alleged Godfather of the Cleveland LCN, James "Jack White" Licavoli, was convicted in the summer of 1982 for a 1977 car bomb murder.) The entire top echelon of Cleveland's mafia has been convicted in the last year.

Roy Williams, President of the International Brotherhood of Teamsters, was convicted of attempting to bribe a United States Senator. Federal District Judge Marshall specifically upheld one of the Justice Department's main arguments that the union was under the control of organized crime, largely through the activities of Allen M. Dorfman, a convicted codefendant shot to death on January 20. Also convicted, among others, was Joseph Lombardo, an officer in the Chicago mafia.

AMSD
ORGANIZED CRIME AND RACKETEERING SECTION
CRIMINAL DIVISION

October 13, 1982

Eastern District of New York

The Brooklyn Strike Force reports that on October 8, 1982, JOHN CODY, President of Local 282 of the International Brotherhood of Teamsters, was convicted after trial of violating the federal racketeering (RICO) statute and other related crimes.

Cody was convicted on seven of eight counts of an indictment that charged him with using his positions with the union and the union's pension fund to conduct the affairs of those entities through a pattern of racketeering activity that spanned a fourteen year period. The racketeering acts included several Taft-Hartley violations relating to Cody's receipt of free labor and building materials for the construction of his summer home in Southampton; the receipt of cash kickbacks totaling \$160,000 from two real estate brokers for arranging the purchases of two tracts of land by the Teamsters pension fund in 1970 and again in 1974; the receipt of a rent-free penthouse apartment for himself and his mistress from a builder; the receipt of the personal services of three "working teamster foremen" and "shop stewards" who were employed in "no-show" positions by Local 282 contractors. These teamsters acted as Cody's full-time chauffeurs and, for the most part, showed up at their jobs only to collect their weekly paychecks.

Teamster Local 282 is the extremely powerful union that represents drivers who deliver building materials to construction sites in New York City and Long Island. The strength of this union was evident this summer when their strike paralyzed the construction industry in New York, virtually closing down all high-rise and heavy construction here. Ironically, one of the issues that triggered the three-month strike was Cody's attempt to force contractors to hire more "working teamster foremen" in "no-show" positions.

Caruso	4114 Main	King (2)	2529 Main
Margolis	2515 Main	Carter	2501 Main
Coffey	2513 Main	Forgy	2725 Main
DeFeo	KC		
Loewy	2521 Main		
McGuire	2507 Main		

Cody is closely associated with several high echelon organized crime figures. During a 1975 interview conducted by the F.B.I., Cody admitted that he knew Carlo Gambino and Ettore "Terry" Zappi very well but claimed that these relationships were purely social, and that he knew nothing about either man's business activities or their reputations as high-ranking members of organized crime. Gambino reportedly attended the marriage of Cody's son, Michael in 1974. This investigation also revealed a close association between Cody and Paul Castellano, the current head of the Gambino family.

This case was tried by Michael A. Guadagno and Jerry D. Bernstein of the Brooklyn Strike Force.

Cody was sentenced on December 1, 1982 to Concurrent terms of imprisonment of five years on the racketeering and tax evasion counts, three years on the false filing count and one year each on the illegal benefits counts. In addition, Cody was fined \$25,000 on the racketeering count, \$10,000 on the tax evasion count and on each illegal benefit count, and \$5,000 on the false filing count, for a total of \$80,000.

On March 2, 1983 Judge Mishler, United States District Court for the Eastern District of New York, denied his motion for a new trial.

CIR # CV 80-7
Dated April 14, 1980

**ORGANIZED CRIME AND RACKETEERING SECTION
CRIMINAL DIVISION**

April 18, 1983

Northern District of Ohio

The Cleveland Strike Force reports that on April 7, 1983, U.S. District Court Judge John M. Manos sentenced five defendants who were convicted for their participation in a multi-million dollar narcotics trafficking operation after a twelve week jury trial.

ANGELO "Big Ange" LONARDO, underboss of the Cleveland LCN, convicted of 21 U.S.C., Section 848, engaging in a continuing criminal enterprise, and 23 related counts of ITAR, narcotics distribution, and use of a telephone to facilitate narcotics trafficking was sentenced to life in prison without parole on the CCE count and to the maximum consecutive sentence for all remaining counts, 103 years, concurrent with the life sentence. LONARDO was sentenced to jail immediately, despite a plea made on his behalf by his attorney for bond pending appeal because of poor health.

HARTMUT "Hans" "Doc" "The Surgeon" GRAEWE, the main enforcer of the narcotics operation who earned his nickname by mutilating the corpses of his victims after he killed them was convicted of RICO-murder, 18 U.S.C., Section 1962(d), for his part in the murder of six (6) people who threatened the success of the narcotics enterprise, and of 21 U.S.C., Section 848, CCE, and of 37 related counts of ITAR, narcotics distribution and use of a telephone to facilitate narcotics trafficking. He was sentenced to life in prison without parole on the CCE count, consecutive to a 20 year sentence on the RICO count, and to maximum consecutive sentences on all the remaining counts, which is equivalent to 194 years of incarceration concurrent with the life sentence and the consecutive 20 year RICO sentence.

JOSEPH CHARLES GALLO, the former street boss of the Cleveland organized crime family, convicted of RICO-murder, CCE and 24 related counts of ITAR, narcotics distribution and use of a telephone to facilitate narcotics trafficking was sentenced to life in prison without parole on the CCE count, concurrent with a 20 year sentence on the RICO count, consecutive to maximum consecutive sentences on all remaining counts, which is equivalent to 138 years of incarceration concurrent with the life sentence.

KEVIN JOSEPH MCTAGGART, a former lieutenant of LCN rival Danny Greene who aligned with the LCN after they murdered Greene and became an enforcer for them, convicted of RICO-murder, CCE and of 37 related counts of ITAR, narcotics distribution and use of a telephone to facilitate narcotics trafficking was sentenced to life in prison without parole on the CCE count, concurrent with a 20 year sentence on the RICO count which was consecutive to maximum consecutive sentences on all remaining counts totalling 214 years of incarceration concurrent with the life sentence.

FREDERICK GRAEWE, also an enforcer in the narcotics operation who also distributed large quantities of narcotics throughout the pendency of the operation, convicted of eight counts of ITAR, narcotics distribution and use of a telephone to facilitate narcotics trafficking was sentenced to 42 years in prison.

The case was prosecuted by Donna M. Congeni, Cleveland Strike Force and Virginia Junewicz and Gregory Bruce English, Trial Attorneys, Narcotic and Dangerous Drug Section of the U.S. Department of Justice, Washington, D.C.

ORGANIZED CRIME & RACKETEERING SECTION
CRIMINAL DIVISION

April 1, 1983

Northern District of Illinois

The Chicago Strike Force reports that on March 31, 1983, Judge Prentice H. Marshall imposed sentence on the four remaining defendants in United States v. Roy L. Williams, et al. The sentencing followed a hearing in aggravation which spanned a period of six weeks, involving twenty days of testimony. Although the hearing was intended to follow the guidelines established in United States v. Fatico, Judge Marshall refused to admit hearsay informant declarations as to the existence of organized crime and each defendants' connection therewith. During defendant Lombardo's portion of the hearing, however, Lombardo called several law enforcement officials to the stand who were permitted to testify about organized crime in general and its structure, and to identify photographs of different people alleged to be involved in organized crime in Chicago.

Nevertheless, prior to imposing sentence, Judge Marshall found that the government had established the existence of organized crime, not only under the clear, unequivocal and convincing evidence burden of Fatico, but beyond a reasonable doubt. Judge Marshall went on to conclude and find, beyond a reasonable doubt, that Joseph Lombardo has been "an active functionary in that organization as it exists in Chicago." The Court also found that Lombardo and Dorfman had been instrumental with respect to the availability of the Central States Pension Fund to organized crime with regard to various loans. The Court, however, ruled that the proof in regard to Williams consisted of a large amount of hearsay evidence and that we produced no direct reliable testimony as to self-incriminating statements by Williams or actions by Williams proving his connection with organized crime. Nevertheless, the Court held that Williams "sold out" the working man and violated the trust that had been reposed in him by the Teamsters that he represented during the time period covered by the indictment.

The Court then sentenced Williams, under Title 18, United States Code, Section 4205(c), which required the imposition of the maximum sentence prior to Williams being remanded to custody for observation and preparation of a medical report by the Director of the United States Correctional Facility at Springfield, Missouri. The Judge ordered Williams to report to the Facility at Springfield, Missouri, on April 15, 1983, to undergo the medical study provided for in the statute. Williams will be brought before the

Court on June 27, 1983 for modification of sentence in light of the report prepared by the institution. The Court refused to stay the imposition of the ninety-day study pending appeal. Therefore, on April 15, 1983, unless the Court's order is stayed by the Seventh Circuit, Roy Williams will be incarcerated at the medical center and, assuming a report indicating that Williams can be handled within the Bureau of Prisons, his sentence of incarceration of 55 years will be reduced to some lesser period of incarceration in June.

Joseph Lombardo was sentenced to 15 years incarceration to be followed after the expiration of any incarceration and parole by five years probation. Therefore, Lombardo will be under supervision for a total of 20 years. Although Lombardo is presently in jail because he has been unable to make the \$2-1/2 million bail, Judge Marshall found Lombardo to be a danger to society and revoked bail pending appeal.

Thomas O'Malley, a trustee of the Central States Pension Fund at the time of the conspiracy, was sentenced to 30 months incarceration, followed by five years probation. Amos Massa, formerly a trustee of the Pension Fund, was sentenced to a year and a day incarceration, to be followed by five years probation.

Williams and Lombardo also received fines of \$29,000 each, and the costs of the prosecution, not yet finally computed, were assessed in proportionate shares against all four defendants.

It is anticipated that Roy Williams will appeal the denial of stay pending appeal of the conviction to the Seventh Circuit next week.

The fifth defendant, Allen M. Dorfman, was murdered gangland style on January 20, 1983. The Dorfman "hit" is believed to have been ordered out of fear that he would cooperate if the Court imposed a heavy sentence. Interestingly, the man with Dorfman when he was murdered, Irwin Weiner, testified on behalf of Lombardo.

The sentencing proceedings, as well as the underlying trial and investigation, were handled by Douglas P. Roller, Gary S. Shapiro, and Mark J. Vogel of the Chicago Strike Force.

OFFICE OF
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6/8/83

Ken:

Attached are:

- 1) A synopsis of our successes against organized crime in 1981-2.
- 2) The AG's Jan 27 testimony on organized crime. See pages 5-7, as marked, for successes against organized crime.

Dave Margolis is checking the 1981-2 synopsis to make sure nothing important was left out (we are not sure who prepared it.). Also, he is going to tell me accomplishments from 1983 that should be included. There will be only two or three - Roy Williams, the Cleveland convictions, and Marcello. I will get these to you after lunch. John

ORGANIZED CRIME PROGRAM
1981 & 1982
SYNOPSIS

The Organized Crime Section, Criminal Investigative Division (OCS/CID) has three investigative priorities listed below in order of importance:

1. La Cosa Nostra (LCN)
2. Non-LCN Groups - Particularly
Outlaw Motorcycle Gangs.
3. Narcotics Cartels

During the 1981 and 1982 calendar years, unprecedented successes were achieved in the fight against the number one priority target - LCN. As a result of the highly successful and selective utilization of three major investigative techniques, i.e., informants, undercover operations and Title III electronic surveillances, the majority of the "bosses" and hierarchy of the major LCN families across the United States were indicted and/or convicted. Major investigations utilizing the three techniques mentioned above are currently ongoing on several other families as well as on the new leaders which have emerged to replace those already convicted.

Listed below are some of the major accomplishments recorded during 1981 and 1982. While these accomplishments present a very vivid picture of the enormous success achieved, they by no means represent the entire success achieved by the Organized Crime Program. Numerous indictments and convictions of lower level LCN members and associates have also been obtained but, for the sake of brevity, are not being listed. The following accomplishments are listed according to the three priorities mentioned above.

I. LCN

There are 25 active LCN families in the United States. Currently, major investigations are ongoing regarding all LCN family hierarchies. It is a well established fact that the center of LCN power emanates from New York City's five LCN families. The following major accomplishments have been achieved in this top priority area:

NEW YORK

BONANNO family - The entire hierarchy of this family has been indicted and convicted for violations of the RICO Statute. These indictments resulted from an undercover investigation conducted in New York and Florida and from a series of wire taps conducted by the New York office.

COLOMBO family - The "boss" of the Colombo family, Alphonse Persico, has been convicted for ECT and is currently in a fugitive status having forfeited a \$250,000 bond. The "acting boss" of the family, Carmine Persico, was convicted of parole violation and is currently incarcerated at Danbury Federal Prison.

GENOVESE family - The "boss" of the Genovese family, Frank Tieri, was convicted on four counts of RICO violation and sentenced to 20 years in prison. He subsequently died of natural causes. A major Genovese family member, John Russo, was convicted for ECT and sentenced to three years imprisonment. Russo is considered an extremely violent individual.

GAMBINO family - A major Gambino family member, Robert DiBernardo, was convicted as a result of a long-term undercover investigation directed at organized crime control of the national pornography industry in the United States. This investigation, which lasted for two years, resulted additionally in the indictment of 41 other individuals on charges of ITOM, ITSP and RICO.

PHILADELPHIA

Russell Buffalino, the boss of the Buffalino LCN family in Pennsylvania, was sentenced to ten years incarceration and a \$10,000 fine. Buffalino was convicted of civil rights violations and influencing a Federal witness.

Raymond Martorano, a major capo in the Philadelphia LCN family, was indicted for violation of various Federal narcotics statutes.

Phil Testa, deceased "boss" of the Philadelphia LCN family, at the time of his death was under indictment, along with several other LCN members, on RICO charges. These indictments grew out of the long-running Philadelphia "Gangplank" investigation.

BOSTON

Raymond Patriarca, "boss of the LCN family in New England, was indicted with others for violation of the RICO Statute regarding using their positions and influence to further their own economic interests through kickbacks for the granting of union insurance business. On 3/10/82, indictments were dismissed in U. S. District Court. Department of Justice authorized appeal on 4/14/82. Prosecution is pending.

MILWAUKEE

As a result of a major undercover operation which led to a series of Title IIIs, indictments were returned on Frank Balistreri, "boss" of the Milwaukee LCN, Steve DiSalvo, the underboss, and ten other members of the Milwaukee LCN hierarchy.

KANSAS CITY

As a result of a five-year investigation in Las Vegas, Chicago and Kansas City, indictments were returned in the Western District of Missouri against 11 individuals including the entire hierarchy (boss, underboss, and consigliere) of the Kansas City LCN family.

On a separate bribery of public official investigation, Nick Civella, "boss" of the Kansas City family, was convicted and sentenced to five years imprisonment.

CHICAGO

Joseph Lombardo, Chicago LCN "street boss," was indicted along with Roy Williams, President of the IBT, and Alan Dorfman, in the "Pendorf" case. Prosecution is pending.

CLEVELAND

Cleveland LCN "boss" James Licavoli was indicted and convicted for violation of the RICO Statute. A major Cleveland LCN capo, Anthony Liberatore, was convicted for bribery. Cleveland LCN member, Joey Gallo, was convicted for arson. Cleveland LCN member Thomas Sinito and numerous associates of Cleveland LCN boss Licavoli were sentenced to 18 years and \$20,000 fine after being found guilty on multiple counts of RICO, ECT and IRS violations.

NEW ORLEANS

New Orleans LCN "boss" Carlos Marcello was indicted and convicted in the Brillab investigation.

LOS ANGELES

Top Los Angeles LCN member Sam Sciortino and Kansas City LCN member Phil Rizzuto, along with New Orleans LCN "boss" Carlos Marcello, were convicted of conspiracy to commit bribery of a Federal Judge.

The entire LCN hierarchy of the Los Angeles family was convicted in the Pornex case.

DENVER

As a result of an extensive Title III investigation, the entire hierarchy of the Denver LCN Smaldone family was indicted for violation of the ECT Statute.

II. NON-LCN GROUPS

The number two priority of the Organized Crime Section is the non-LCN organized criminal groups. This priority includes groups such as outlaw motorcycle gangs, prison gangs, and other ethnically-oriented regional organized criminal groups, such as the Black Mafia, Yakuza, Israeli Mafia, Syrians, Lebanese, and Chinese Tongs. Several major investigations are currently ongoing

targeting these groups. However, based upon an extensive study by the Organized Crime Section, a secondary program was formally instituted in May, 1981, to target what was considered to be the most violent of these groups - outlaw motorcycle gangs. The outlaw motorcycle gangs targeted under this program are the Hells Angeles, Outlaws, Pagans and Bandidos, plus, on a selective basis, other outlaw motorcycle gangs which are determined to pose a significant organized criminal problem in our society.

The following accomplishments have been achieved in this short period of time:

In San Diego, search warrants were executed at four separate locations in connection with an investigation targeting the San Diego Chapter of the Hells Angels Motorcycle Gang. Seized were narcotics, numerous weapons and stolen property and records indicating numerous narcotics transactions. This investigation has resulted in ten indictments charging violations of Federal Extortion and Narcotics Statutes.

In Tampa, sealed indictments were returned by a Federal Grand Jury charging six subjects, all of whom are members of the Tampa Bay Chapter of the Outlaw Motorcycle Gang with violating Title 18, U. S. Code, Section 2422; Title 18, U. S. Code, Section 1952 (ITAR - Prostitution); and Title 18, U. S. Code, Section 371 (Conspiracy). Five subjects were convicted. As a result of additional investigation, four additional outlaw members were convicted in June, 1982, of Narcotics violations. Anthony Scire, an LCN associate and narcotics supplier to the Outlaw Motorcycle Gang, was convicted in August, 1982, for violation of Federal Narcotics Statutes.

The New Haven Division successfully obtained convictions of one member and two associates of the Bridgeport Chapter of the Hells Angels on charges of ECT and related conspiracy charges.

Search warrants were executed by the Cleveland Division at a location believed to be a Hells Angels arsenal. Seized during the search were numerous weapons including a machine gun, silencers and a rocket launcher. Explosives, including hand grenades and TNT, were also seized.

An investigation by the Phoenix Division has implicated the Arizona President of the Dirty Dozen motorcycle gang in narcotics distribution through the undercover purchase of methamphetamines. Search warrants were subsequently executed yielding 4,000 "hits" of LSD, 500 quaalude pills, and a stolen motorcycle from Dirty Dozen members.

Also a priority in the Organized Crime Section is prison gangs. This refers mainly to La Nuestra Familia (NF) and the Mexican Mafia. The Sacramento Division, in conjunction with the San Francisco Division, has conducted an extensive investigation over a 4-year period targeting La Nuestra Familia. Indictments were returned in January, 1982, charging 25 subjects, including 8 hard-core NF leaders under the RICO Statute. Trial date for this case has been set for January, 1983.

III. NARCOTICS CARTELS

The third priority in the Organized Crime Section is the investigation of the various narcotics cartels. Thus far, in this short period of increased FBI involvement in this area, the effective utilization of our three basic investigative techniques has resulted in numerous outstanding accomplishments. Several of these are set forth below:

MIAMI

Miami's Operation Bancoshares was a coordinated probe into the laundering of large volumes of currency believed to be proceeds and/or payments from major illegal drug transactions by members of seven targeted narcotics networks. This investigation was instituted when investigation revealed that a Miami bank was handling large volumes of currency believed to be proceeds and/or payments from major illegal drug transactions. The following accomplishments were achieved:

Indictments	-	66	
Arrests	-	45	
Fugitives	-	23	
Convictions	-	9	
Guilty Pleas	-	8	
Property seized	-	7	airplanes
	-	20	automobiles
	-	3	residences
	-	1	4,600 acre ranch estimated to be valued at \$4.1 million
	-	1	58 foot yacht valued at approximately \$700,000
Drugs seized	-	10.2	kilos of cocaine - wholesale value of \$900,000
Funds laundered	-	\$178	million - total
	-	\$123	million belongs to subjects
	-	\$ 55	million dollars - informants
Cash seized each day of shut down through arrests and surveillances	-	\$1.1	million
Received through laundering operation 3-4 days prior to shut down	-	\$4.9	million
Total	-	\$6	million
Cash Frozen in bank accounts	-	\$11	million

As of 8/30/82, 17 out of 66 individuals indicted have been convicted for violations of Federal Narcotics Statutes. Further trials are forthcoming.

In Miami's Operation Sidelight, the Miami Division obtained extensive Title III coverage over a period of several months which identified involved Dade County Public Safety Department police personnel and narcotics dealers. The total number of subjects either indicted or convicted to date is 18.

Another significant Miami investigation involves the Pee Wee Griffin narcotics cartel. On 2/4/82, 66 subjects were indicted and charged with violation of Federal RICO and Narcotics Statutes.

SAVANNAH

In October, 1981, a Federal Grand Jury in Savannah, Georgia, indicted 18 individuals (including five former state and county law enforcement officials) on a ten-count felony indictment. Nine of these individuals were charged with violation of the RICO Statute wherein the predicate offenses included drug smuggling, Hobbs Act, Interstate Transportation of Stolen Property, Arson, Obstruction of Justice, and State Bribery. Restraining orders were issued for interests and properties of certain individuals in connection with these indictments. This investigation was conducted in cooperation with the DEA, IRS and GBI. To date 15 subjects have been convicted with substantial fines and forfeitures imposed.

ATLANTA

Atlanta's investigation captioned "Larry Darwood Tew" was a joint investigation by the Atlanta FBI and DEA targeted against local corrupt public officials involved in narcotics trafficking in Henry County, Georgia.

UCAs posing as quaalude smugglers were introduced by a drug dealer to Probate Judge Larry Darwood Tew, Henry County, Georgia. Tew was to provide protection for a shipment of quaaludes that the targets of this investigation believed were being smuggled into the area. Consensually monitored conversations were obtained with Tew and Henry County Chief of Police Herschel Childs, both of whom agreed to provide protection for the drug shipment for \$30,000.

Childs provided protection for the drug off loader who was another UCA and thereafter followed the shipment to the Atlanta, Georgia, area. Subsequently, Childs joined Tew at the hotel room at which time Tew and Childs were arrested for violation of Title 21, U. S. Code, Section 963 (Conspiracy to Import Methaqualone). As a result of this investigation, 6 subjects were convicted in U. S. District Court including a sheriff, chief of police, and probate judge.

PHILADELPHIA

Philadelphia's investigation captioned "Lonnie Dawson," Et Al, was a joint effort with the DEA targeted against a group of 10 to 15 individuals who have historically been involved in violent criminal activities including trafficking of heroin. This group, which has been dubbed as the Black Mafia, has reportedly used murder and extortion to protect their heroin operation. In August, 1981, FBI and DEA instituted Title III coverage which provided specific details on the organization's heroin distribution networks. As a result of this investigation, on 9/21/81, 25 FBI Agents, 10 DEA Agents, and 10 Philadelphia Police Department officers raided five locations in Philadelphia which resulted in the recovery of 15 bundles of heroin, 8 weapons and a large amount of heroin cutting tools. Arrested was William "Country" Davis, a member of this Black Mafia. Davis, a member of the Nation of Islam (NOI) is considered to be an enforcer for the NOI and is suspected of being a hit man.

Philadelphia's Operation Limestone was an approved joint FBI/DEA Group I undercover operation. This investigation targeted the control of the manufacture and distribution of methamphetamines by the Bruno LCN family in Philadelphia and the southern part of the State of New Jersey. To date, 10 of 38 subjects indicted have been convicted with the additional subjects awaiting trial.

SEATTLE/BALTIMORE

In October, 1981, after an extensive undercover investigation by the Seattle Division, utilizing the resources of the Baltimore Division, Agents of the FBI assisted by the DEA, arrested 14 persons, charging them with conspiracy to violate Federal drug laws. Agents seized approximately 5,000 pounds of marijuana, six vehicles and nine weapons, including two semiautomatic AR-15 rifles. The persons arrested represented an international drug cartel which had access to nearly 150 tons of marijuana in five states - a representation that was corroborated by independent investigation. All 14 subjects either plead guilty or were convicted in U. S. District Court.

Memorandum



Exec AD Adm. ___
Exec AD Inv. ___
Exec AD LES ___
Asst. Dir.:
Adm. Servs. ___
Crim. Inv. ___
Ident. ___
Insp. ___
Intell. ___
Lab. ___
Legal Coun. ___
Off. Cong. & Public Affs. ___
Rec. Mgnt. ___
Tech. Servs. ___
Training ___
Telephone Rm. ___
Director's Sec'y ___

To : Mr. Revell

Date 12/14/82

From : S. M. McWeeney

Subject : ORGANIZED CRIME PROGRAM
SUMMARY OF ACCOMPLISHMENTS
11/1/82 - 11/30/82

PURPOSE:

To furnish succinct summary of significant Organized Crime (OC) Program accomplishments for the month of November, 1982.

RECOMMENDATION:

None. For information.

DETAILS:

*FBI Organized Crime
SUMMARY OF ACCOMPLISHMENTS
← November, 1982*

MOODY NICHOLS;
GEORGE RODERICK NEWTON;
WALTER LEWIS CLARK, III;
.RICO - NARCOTICS
OO: Birmingham

~~_____~~
~~_____~~
~~_____~~
Nichols, Newton and Clark were arrested by FBI and DEA Agents on 6/26/82, as a result of this investigation.

1 - Mr. Colwell
1 - Mr. Otto
1 - Mr. S. Andrews
1 - Mr. Young
1 - Mr. Revell
1 - Mr. Clarke
1 - Mr. Gilbert

1 - Mr. McWeeney
1 - Mr. Bonavolonta
1 - Mr. Parks
1 - Mr. Perry
1 - Mr. Young
1 - Mr. Raffety
1 - Ms. Dunkle

TJD:ljf (15)

FBI/DOJ

Memo to Mr. Revell
Re: OC PROGRAM

On 11/4/82, subjects Nichols, Newton and Clark appeared in U.S. District Court at Birmingham for sentencing following their convictions on 9/29/82, for a variety of narcotics violations. Subject Clark was sentenced a total of four and one-half years for violation of Title 21, USC, Sections 841 (a) (1) and 846 and Title 18, USC, Section 1952. Subject Newton was sentenced to six years custody for violation of Title 21, USC, Sections 841 and 846 and Title 18, USC, Sections 924 (c) (2) and 1952. Subject Nichols was sentenced to a fine of \$15,000 and to custody of the Attorney General for 15 years for violations of Title 21, USC, Sections 841, 843, 846 and Title 18, USC, Section 1952.

ANTHONY MICHAEL COLOMBO;
AKA; ET AL;
RICO
OO: Buffalo

On 11/10/82, a two count RICO indictment was returned charging the following ~~members of the Rochester faction of the Buffalo Don family~~ with violation of the RICO Statute, with predicate offenses related to extortion, illegal gambling, conspiracy and attempt to commit arson and conspiracy and attempt to commit murder: ~~James J. La Dolce~~ - Samuel J. Russotti, ~~James J. La Dolce~~ - Richard J. Marino, ~~James J. La Dolce~~ - James Piccarreto, ~~James J. La Dolce~~ - Thomas E. Marotta and Joseph R. Rossi, ~~James J. La Dolce~~ - Anthony M. Colombo, James J. La Dolce, Donald J. Paone, Joseph James Trieste, and John M. Trivigno.

~~_____~~

The indictments resulted from a three year investigation directed by the Buffalo FBI Office utilizing the cooperation of several law enforcement agencies in the Rochester area.

COLCOR;
RICO; PUBLIC CORRUPTION;
OO: Charlotte

Colcor was an ~~Group 1~~ undercover operation (UCO) targeted at police/public corruption in Columbus (Bolton), North Carolina, area. On 10/29/82, after having previously pleaded guilty in North Carolina Superior Court, George Ronald Taylor, former North Carolina state representative, Graham Franklin Bridgers and Howard Franklin Watts, were sentenced for involvement in several arsons in Bertie County, which occurred in April, 1982. Taylor was sentenced to a total of 23 years; Bridgers received a 20 year sentence and Watts was sentenced to serve 13 and one-half years, all in custody of the North Carolina prison system.

Memo to Mr. Revell
Re: OC PROGRAM

To date, 27 subjects have been indicted, and 16 of those subjects have entered guilty pleas.

COUNTERVAIL
OO: Charlotte

Countervail is an UCO investigating Federal violations by members and associates of the Outlaws Motorcycle Gang. The operation terminated its covert phase on 11/25/82. During the course of the operation, the undercover Agent (UCA) contacted an individual involved in the distribution of illegal tapes. UCA was offered samples of copyrighted tapes for sale and told of the location of master tapes used to produce illegal copies. This information resulted in a search at Charlotte, North Carolina, on 11/25/82, and master tapes were seized. The recovery value was set at \$15 million. On 11/22/82, 14 arrest warrants and three complaints filed in the Western and Middle Districts of North Carolina were issued against subjects in this UCO.

On 11/23/82, 12 individuals were arrested for narcotics-related violations and one arrested for ITAR-Prostitution. One additional subject, David Wayne Norman, charged with narcotics violations, remains a fugitive.

LAWRENCE M. NEUMANN;
NFA
OO: Chicago

On 11/15/82, Lawrence M. Neumann, member of a Chicago ~~OC~~ controlled burglary ring, was sentenced to five years on a two count indictment charging firearms violations.

In related local investigations, Neumann received a 10-year sentence in Las Vegas, Nevada, for his role in the burglary of a Las Vegas antique shop. Neumann is also under indictment by a Chicago grand jury charging him with the murder of one of the burglary victims.

Neumann and six other persons conducted burglaries throughout the midwest and southwestern areas of the United States.

~~the group intended to and paid a fee to the Chicago member who oversees Chicago family interests in Las Vegas.~~

Memo to Mr. Revell
Re: OC PROGRAM

ERNEST ROCCO INFELICE;
LOUIS MARINO; SALVATORE DE LAURENTIS;
CHARLES CESARIO; SAMUEL MALATIA;
JOSEPH GRIECO; JOHN MANZELLA;
OO: Chicago

On 11/18/82, a Federal grand jury (FGJ) at Chicago, Illinois, returned indictments charging Rocco Infelice, [REDACTED], [REDACTED], and Infelice's principal collectors with violations of Title 18, USC, Section 894 (Collection of Extensions of Credit by Extortionate Means). In addition, subjects Grieco, [REDACTED] for the Ferrisio LCN group, and Manzella, [REDACTED], were also indicted for the same violation. All subjects arrested without incident by Bureau Agents, except Malatia who was confined awaiting the disposition of other charges. This investigation was developed as a result of the [REDACTED] and through a [REDACTED] government witness.

BUSMARK
OO: Cleveland

By way of background, on 7/6/82, a FGJ returned a 74 count indictment on the following individuals: Angelo Lonardo - [REDACTED] LCN acting boss, Joseph Charles Gallo, Thomas Charles Sinito, Carmen P. Zagaria, Hartmut Graewe and Kevin McTaggart. The charges included violation of Title 18, USC, Section 1962 (RICO) with predicate offenses of four murders and two threats to murder. [REDACTED]

On 10/29/82, Cleveland with the help of the U. S. Navy, Mobile Diving and Salvage Unit II recovered a body tentatively identified as Joseph Giaimo. Giaimo was killed by subjects in the "Busmark" case in January, 1981, and buried in the walls of the building owned by Zagaria. In December, 1981, subjects removed the body from the walls of the building, bound it to two manhole covers and dumped it into the quarry.

JOSEPH NAPLES, JR.;
ET AL;
RICO - GANGMURS; FFA
OO: Cleveland

This case was initiated in January, 1979, as a result of a gangland war between competing factions in the Youngstown, Ohio area.

Memo to Mr. Revell
Re: OC PROGRAM

On 11/3/82, [REDACTED] Sam Scaffidi, Robert Poghen, and John Holowatuck entered a plea of guilty to a four-count indictment charging them with conspiracy, felons in possession of a firearm, possession of a silencer, and possession of an unregistered silencer without a serial number. [REDACTED] Scaffidi, Poghen, and Holowatuck committed at least five gangland murders in the Cleveland area.

The guilty pleas of these three [REDACTED] were the result of an extensive investigation conducted by the Cleveland Division which included an emergency Title III obtained in May, 1982. As a result, the evidence was so overwhelming that all three defendants decided to enter guilty pleas to all counts. [REDACTED]

RONALD FRANCIS WATCHMAKER;
AKA; ET AL; OUTLAW MOTORCYCLE CLUB;
JACKSONVILLE CHAPTER,
JACKSONVILLE, FLORIDA;
RICO - EXTORTION; NARCOTICS; MURDER
OO: Jacksonville

This investigation of the Florida Outlaw Motorcycle Club (OMCG) began as an ITAR-Prostitution investigation and eventually focused upon narcotics trafficking and other crimes by gang members. The investigation is being conducted jointly by the Jacksonville and Tampa FBI offices and Florida authorities. On 10/6/82, FGJ, Jacksonville, returned sealed two-count indictments against 16 OMCG members charging violations of Title 21, USC, Section 1962.

On 11/2/82, coordinated arrests began in Jacksonville and Buffalo, New York. five arrests were made in Buffalo. Two of those arrested were among the 16 indicted in Jacksonville. The three additional people arrested were at the Outlaw clubhouse at the time of arrest and were charged with possession of narcotics. Eight of the indicted OMCG members were arrested in Jacksonville. Three of the 16 charged were in Federal custody under other charges and three subjects are still at large.

JAMES ISAAC ELKINS;
AKA JIM; CAROL ANN DICHTEL;
RICHARD C. ACKERMAN;
GARY WAYNE HAYLES;
NARCOTICS MATTER
OO: Memphis

On 11/5/82, captioned subjects were arrested by the FBI, Drug Enforcement Administration (DEA) and Memphis Metropolitan Narcotics Unit at Elkins' residence, Memphis, Tennessee, following the sale of 121 grams of cocaine. James Isaac Elkins, President,

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Master Colors, Inc., and Secretary-Treasurer of Inter-Tec, Inc., both located in Memphis, Tennessee, has been involved in drug trafficking for the past three years. The DEA, Memphis, arranged for a DEA UCA to negotiate with Elkins to purchase approximately \$40,000 worth of cocaine in a "buy-bust" operation. Richard Ackerm is a defensive tackle for the San Diego Chargers.

BRUCE EMERY GRIFFIN;
AKA; ET AL;
RICO - NARCOTICS;
BRIBERY; MURDER
OO: Miami

This case was a major investigation by the Miami Division directed against one of the largest marijuana smuggling operations in the southeastern United States. On 11/27/82, a jury returned guilty verdicts on the following ten defendants: Robert Gainer Jerrigan; Gary Balough; Thomas Sikes; Dennis Wayne Kay; John Dennis Carson; Scott Bertelsen; John Bertelsen; Joseph William Campbell, Jr.; Marion Van Horn; and Robert Van Horn. All defendants were charged with violation of Title 21, USC, Sections 846 (Conspiracy) and 963 (Importation). Trial for Bruce Emery Griffin is scheduled for 1/18/83.

GENUS-GREENPOINT;
RICO
OO: Brooklyn/Queens

On 11/15/82, the following sentences were imposed by U. S. District Court Judge Sweet, Southern District of New York (SDNY), as a result of the Bonanno family trial:

<u>Name</u>	<u>Sentence</u>	<u>Bonanno Family Relationship</u>
Vincent Pieto	4 years each count, concurrent, consecutive to present 3 year sentence	Associate
Vincent Lopez	6 years	Associate
Anthony Tomasulo	5 years	Associate
Anthony Rabito	13 years	Soldier
Nicholas Santora	15 years consecutive to present 5 year sentence	Soldier
Benjamin Ruggiero	15 years	Capo

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By way of background, this six-year undercover investigation centered on the overall criminal activities ~~of the Donanno or family~~ in New York, Florida, and Wisconsin. ~~The Donanno family is known traditionally for its violent behavior and members of this family had threatened to kill the FBI UGs in this investigation.~~

JAY EMMETT;
LEONARD HORWITZ; SOLOMAN WEISS;
RICO
OO: New Rochelle

On 11/27/82, Soloman Weiss was found guilty in U. S. District Court, SDNY of racketeering, fraud and perjury, a total of eight of the 13 counts charged in his 9/16/81, indictment.

This case developed as a "spin-off" from an OC investigation of the Westchester Premier Theatre, Westchester, New York. That investigation resulted in the convictions of approximately 5 individuals including Frank Tieri, ~~source base of the Bonovese Don family.~~

LONNIE DAWSON;
ET AL; RICO (B) - EXTORTION;
NARCOTICS; MURDER
OO: Philadelphia

On 10/29/82, a jury in Philadelphia returned guilty verdicts for Lonnie Dawson, William Roy Hoskins and Robert Hardwick. These three individuals are part of the hierarchy of the Philadelphia Black Mafia. Dawson, the reputed head of the Black Mafia, was convicted on 16 counts including Conspiracy to Manufacture or Distribute Narcotics, Continuing Criminal Enterprise, Obstruction of Justice and Conspiracy to Violate Civil Rights. Hoskins, the second in command of the Philadelphia Black Mafia and Hardwick, ~~source base of the Bonovese Don family.~~ were also convicted on the above violations as a result of their attempt to kill a government informant. Philadelphia previously reported two convictions of Black Mafia members and 15 additional subjects will be indicted within the next four weeks.

ANTHONY DI PASQUALE;
AKA MAD DOG; ET AL;
ITAR - EXTORTION
OO: Philadelphia

On 11/17/82, following a three week trial, a jury in the Eastern District of Pennsylvania returned a guilty verdict on Di Pasquale and six of seven additional defendants. Di Pasquale

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and his associates were indicted on 12/14/81, on charges of extortion and conspiracy to commit extortion. The extortion activities of Di Pasquale and his associates as related in the testimony of four victims during the trial included brutal beatings, pistol whipping, razor slashing and bottles being broken over the heads and faces of the victims. Di Pasquale and his associates are currently awaiting sentencing in this matter.

GARY GOLDEN;
THOMAS A. CIANCUTTI;
AKA SONNY; ET AL;
NARCOTICS
OO: Pittsburgh

[REDACTED] 2/12/82. [REDACTED] subsequently became a cooperating witness against Gary Golden. Golden is a major supplier and broker of narcotics in the Pittsburgh area, [REDACTED]

On 11/9/82, FBI Agents arrested Golden and executed search warrants against his residence. Seized was \$54,000 along with several weapons and narcotics paraphernalia. On 11/15/82, a FGJ indicted Gary Golden, Charles Richard Namey, G. Frederick Majestic and Gary Ray Vowinckel on one count Conspiracy to Distribute a Controlled Substance.

On 11/19/82, Pittsburgh obtained warrants for seizure of three vehicles. [REDACTED] 15

CHARLES RAYMOND FOSTER,
AKA "FATS";
ANDREW DAMIEN MANGINI
AKA "ANDY";
ET AL; RICO - NARCOTICS;
OO: Pittsburgh

On 11/10/82, Charles Raymond Foster, Georgette Foster and James Bryce appeared before U. S. District Court Judge Hubert Teitelbaum for sentencing. Judge Teitelbaum sentenced Charles Foster as follows: one count, Title 18, USC, Section 892 (Making Extortionate Extensions of Credit), 20 years incarceration and \$10,000 fine; one count, Title 18, USC, Section 894 (Collection of Extensions of Credit by Extortionate Means), 20 years incarceration and \$10,000 fine; Title 21, USC, Section 841(a)(1), 15 years

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incarceration and \$10,000 fine. All sentences to run concurrent with the 20 year sentence on first count, and the total of \$30,000 in fines due immediately. Georgette Foster was sentenced to three years incarceration with a minimum of six months to be served on one count of Title 21, USC, Section 841(a)(1), no fine, and four years probation. James Bryce was sentenced to one year incarceration with a minimum of six months to be served followed by four years of probation on one count of Title 18, USC, Section 371 (Conspiracy).

On 11/22/82, Andrew Damien Mangini, ~~██████████~~, was sentenced to ten years imprisonment on one count of Title 21, USC, Section 846 (Conspiracy to Distribute Cocaine) following a guilty plea.

Foster and others are involved in the sale of cocaine and the making, financing, and collection of extortionate credit transactions in western Pennsylvania. ~~Foster is closely associated with members of the Sebastian John La Rosa ION family of Pittsburgh, Pennsylvania, and is reportedly supplied with cocaine for distribution by associates of this organized crime group.~~

RAYMOND ROBERT ROSENTHAL,
AKA, RAY LANE; ET AL;
LMRDA-IM; ERISA - EMBEZZLEMENT;
OOJ; RICO (A)
OO: San Francisco

On 10/22/82, Rosenthal was found guilty of one count violation of Title 18, USC, Section 1503 (OOJ), and was sentenced to one year custody of the Attorney General. Subsequently, Rosenthal pled guilty to a probation violation as it relates to an original conviction for violation of Title 18, USC, Section 664 (Embezzlement From an Employee Benefit Plan). The significance of the probation violation plea is that it will continue to bar Rosenthal from serving in any union related capacity for five years. Rosenthal was formerly Secretary/Treasurer of Local 28, Hotel and Restaurant Employees International Union. ~~██████████~~

SANDBLAST
OO: Seattle

On 11/5/82, a FGJ returned guilty verdicts on Robert Satiacum, Donald Ray Tillie, and Raymond William Burrows, Jr. All three defendants were found guilty of violation of Title 18, USC, Section 1962(d) (RICO-Conspiracy). In addition, Satiacum was found guilty of arson, conducting an illegal gambling business and

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Re: OC PROGRAM

42 counts of selling and distributing contraband cigarettes. The matter of forfeiture of a number of businesses belonging to Satiacum will be presented to the jury in the very near future. Defendant Roy Lee Tay had pled guilty to one count of arson prior to trial and was a witness. Sentencing is scheduled in the near future.

These convictions were the result of a "spin-off" investigation from the original Sandblast investigation, the first phase of which resulted in 14 convictions for violations of Federal narcotics statutes.



Department of Justice

STATEMENT

OF

WILLIAM FRENCH SMITH
ATTORNEY GENERAL

BEFORE

THE

COMMITTEE ON THE JUDICIARY
UNITED STATES SENATE

CONCERNING

ORGANIZED CRIME

ON

JANUARY 27, 1983

Chairman Thurmond, members of the Committee. I am very pleased to have the opportunity to appear before this Committee and to address the most serious dimension of crime in America today. I want to commend the Committee for choosing to address the subject of organized crime. I welcome the public understanding that will flow from your scrutiny -- and I look forward to your joining with us in developing the added tools necessary to combat the mob's power in this country. As you address this subject, I believe that you will discover that the problem is horrifying. You will also discover, however, that the President has put together a program that can realistically attack it. As he said just three months ago, we have developed "a national strategy to expose, prosecute and ultimately cripple organized crime in America."

In my testimony, I will, first, outline for you the changing nature and power of organized crime today. Second, I will tell you what we have already accomplished in the fight against organized crime. Third, I will explain how much progress has already been made in implementing the President's new initiative against organized crime. And last, I will detail those provisions of the President's program that still await Congressional action and deserve your attention as you grapple

with the problem of organized crime. In addition, Judge Webster will offer his special perspective on organized crime as Director of the FBI. He will also explain how the FBI fights organized crime through its use of informants, undercover operations, and court-ordered electronic surveillance. Indeed, those techniques give us our best look at organized crime today -- and have enabled us to make major progress in combating it.

In recent years, crime has become increasingly organized and sophisticated. And organized crime has become especially lucrative because of the enormous market for illicit drugs.

Large-scale drug dealers must organize their operations. They obtain the illicit substances, or the rights to the substances, overseas. Within our borders, the drug dealers have set up elaborate enterprises for cutting the pure imported drugs and distributing them over wide geographical areas. And the organization does not stop there. Drug money is laundered through legitimate businesses set up as "fronts" for drug dealers. The profits are then plowed back into the drug business, just like a legitimate major enterprise. Increasingly, some of the profits are actually invested in legitimate businesses -- including real estate in Florida, restaurants in California, and other businesses across the Nation.

The popular notion that La Cosa Nostra -- or traditional organized crime -- stays out of drugs is simply not true. Many of the syndicate's families have developed elaborate drug networks. Virtually every one of them is involved in drugs in one way or another.

But the problem of organized crime today is by no means limited to its traditional form. In the past two decades, we have witnessed the emergence of new organized criminal enterprises dealing in drugs and the other rackets traditionally controlled by the syndicate. Outlaw motorcycle gangs, prison gangs, and other emerging groups have entered the drug business, often in competition with traditional organized crime.

Over the past decade, some 800 outlaw motorcycle gangs have developed around the country and in foreign countries. Four principal gangs, however, together nearly cover the country: the Hells Angels, the Outlaws, the Pagans, and the Bandidos. These gangs are as highly structured as traditional organized crime families. They have accumulated substantial wealth through a wide range of organized criminal activities, but their primary source of revenue is drug trafficking.

The second non-traditional organized criminal group is the prison gangs, which were first established as a result of associations developed in the California State Prison system over the past twenty years. Today, they operate both inside and outside prison. They remain predominately a West Coast phenomenon, but there is evidence that they are spreading. Gangs of former inmates, like the motorcycle gangs, have a "Big Four" -- La Nuestra Familia, the Mexican Mafia, the Aryan Brotherhood, and the Black Guerilla Family.

There are also other emerging groups. There are Southeast Asian groups, the violent Colombian groups known as the Cocaine Cowboys, and other drug cartels.

We are speaking of organizations which operate through the indiscriminate use of violence and threats of violence. The magnitude of this problem is seldom realized. In one American city in the past 40 years, over 300 murders are attributed to the mob. Another city has seen 16 killings in the past two years. These executions, heinous in themselves, often endanger the lives of innocent bystanders as well.

The massive involvement of organized crime with drugs is only part of the problem. Organized crime is also heavily involved in pornography, gambling, prostitution, extortion, loansharking, fraud, and weapons trafficking. Successful labor racketeering prosecutions during the last past two decades have also disclosed significant infiltration of legitimate businesses and labor unions by racketeers.

And most serious of all, we see public officials at all levels being corrupted by drug money. We have reports of rural sheriffs and police officers accepting payments of \$50,000 or more just to "look the other way" while traffickers make a single landing at a makeshift airport. The dollar amounts involved are so great that bribery threatens the very foundations of law and law enforcement.

During the last two years we have recognized the full dimensions of the threat posed by organized crime and its involvement with drugs. We had, however, been operating at a considerable disadvantage. During the four years preceding my tenure, the number of FBI and DEA agents actually declined by more than 900 -- about a ten percent cut in our manpower.

This Administration did, however, craft and implement a series of initiatives to use our limited resources better -- and in a more coordinated way -- to fight organized crime and drug trafficking.

We reorganized the Drug Enforcement Administration. And for the first time, just one year ago, the FBI was brought fully into the fight against the number one crime problem to complement the excellent work of the DEA. Thereby, we gained not only the FBI's resources, but also its years of experience in fighting organized crime. In January of 1982, the FBI had less than 100 significant drug investigations underway. This January, the FBI has 1,115 -- nearly twelve times as many -- and about one-third are joint investigations with the DEA.

We have scored dramatic successes against organized crime. Working with the Justice Department's Organized Crime Strike Forces, the FBI, other Federal, state, and local investigative agencies, and our United States Attorneys, we have indicted and convicted numerous high-level members of syndicate families -- in some cities including the top structure of organized crime families regarded as untouchable a few short years ago.

During fiscal year 1981, there were 515 organized crime convictions. During fiscal year 1982, there were 763 -- nearly a fifty percent increase. And annualizing the number of convictions during the first three months of this fiscal year shows further increases. In total, there have been about 1400 federal organized crime convictions in just the last two and one-quarter years.

In the last year alone the list of most significant organized crime convictions is striking.

The boss of the New Orleans family was convicted in two bribery-conspiracy cases, during January 1982 in his home town and April 1982 in Los Angeles. He was sentenced to serve 17 years.

In July 1982 the leader of the Cleveland syndicate was convicted of Federal racketeering charges and sentenced to 17 years. The number three man received a sentence of 12 years in a related prosecution involving the bribery of a Federal employee in an effort to obtain confidential information from FBI files. A self-professed drug king for the Cleveland mob pleaded guilty to Federal narcotics and racketeering charges several months ago and received a 30-year sentence. He has since cooperated against his associates in narcotics trafficking and related acts of murder and violence.

The boss of the Philadelphia mob was convicted on firearms charges and jailed in August 1982 pending appeal. In February 1981 the number two and three leaders of the Philadelphia syndicate had also been indicted on racketeering and conspiracy charges, but were murdered before the court process could be completed. One captain of the organization was ultimately convicted in June 1982 in that same case and received a 10-year sentence.

In September 1982 the number three man in the Chicago syndicate was convicted in a case involving control of a major labor union. He was sentenced to 20 years.

Just last December, in Chicago, the president of the Teamsters Union was convicted of attempting to bribe a United

States Senator. One of his co-defendants was a leader in that city's organized crime group. Another defendant was murdered just last week.

Most recently -- just three days ago -- the underboss of the Cleveland family was convicted of engaging in a continuing criminal enterprise plus twenty-three other narcotics violations. In addition, three other organized crime figures were convicted of engaging in a continuing criminal enterprise, conspiracy, murder, and an assortment of narcotics violations.

By any measure, these cases represent outstanding successes. I am proud of all the dedicated investigators and prosecutors who labored long and hard to bring them about -- often at great risk to their own lives. We fully expect these successes to continue. They do not begin, however, to exhaust the list of improvements made in federal law enforcement.

Just over a year ago, the Attorney General's Task Force on Violent Crime made sixty-four different recommendations to improve federal law enforcement. We have already implemented seventy-five percent of those recommendations. Indeed, the Law Enforcement Coordinating Committees that are now pulling together federal, state, and local law enforcement efforts and resources -- and have highlighted the urgency of the drug problem -- were created as a result of Task Force recommendations.

By achieving the amendment of the posse comitatus law, we have been able to utilize the military's resources -- and its tracking and intelligence capabilities -- in the fight against drug traffickers. Through amendments to the Tax Reform Act, crucial information is more readily available to law enforcement

-- and more tax cases are possible against drug dealers and organized crime.

Although organized crime -- and especially organized drug trafficking -- is our number one domestic law enforcement problem, its reach is international. Foreign crime cartels are penetrating the U.S. market. The profits of organized crime are laundered and utilized beyond our borders. Drug trafficking begins with opium and coca cultivation thousands of miles from our shores. Typically, the processing of opium into heroin or coca into cocaine also takes place abroad before the refined drugs are smuggled into the United States for further processing and sale.

It is therefore critical that we establish close working relationships at the highest levels with the governments of drug source and transit countries. It is essential that we reemphasize on a continuing basis the concerns of the United States about the international drug problem and the importance to us of an effective international response. It is also important that we learn firsthand about the problems that confront foreign governments in dealing with crop eradication, crop substitution, and processing laboratories within their jurisdictions. Last, we must ensure that our resources and personnel are being appropriately utilized in cooperation with foreign governments. My trip last Fall to drug source and transit countries in Asia and Europe helped to further all of these necessary goals.

In spite of all our new domestic and international efforts, in spite of a new intergovernmental and interagency coordination and cooperation in the fight against drugs and organized crime, the problem remains a gigantic one. The profits

of organized crime are so huge that we have been outmanned and outgunned in the battle.

It was for that reason that the President, working with all the affected agencies, put together his new eight-point initiative to challenge directly both organized crime and drug trafficking in America. Many of the components of that program are in fact already underway.

The first component of the President's program creates twelve new regional task forces to mount a coordinated attack by all the involved federal agencies against organized drug trafficking. Building upon the reports from our Law Enforcement Coordinating Committees, the experience gained in coordinating the diverse agencies involved in the South Florida Task Force, and the successful involvement of the FBI with DEA, the Task Force concept was adopted. As a result of speedy Congressional action, the Task Forces are already becoming operational. Guidelines jointly developed by all of the agencies involved have been issued. The organization of the Task Forces is in place. Personnel are being assigned. The selection of the first two major cases for the headquarters city of each Task Force has been nearly completed.

As I have said, these Task Forces improve upon our experience with the South Florida Task Force, and they recognize the increasing organized crime involvement in drug abuse. They will operate with the flexibility necessary to pursue organized drug syndicates wherever they operate. Under my direction, they will work closely with state and local law enforcement officials. Following the South Florida example, they will coordinate and utilize all the law enforcement resources of the Federal

Government including the FBI, DEA, IRS, ATF, Immigration and Naturalization Service, United States Marshals Service, the United States Customs Service, and the Coast Guard. In addition, in some regions, Department of Defense tracking and pursuit capability will be made available.

These Task Forces will allow us to mount an intensive and coordinated campaign against international and domestic drug cartels and other organized criminal enterprises. Thus, refining the South Florida model, they will target and pursue the organized criminal enterprises dealing in drugs.

Several points emphasize the significance of these new Task Forces to the fight against organized crime and drugs. This is the single largest federal effort against drug trafficking ever assembled. By creating these Task Forces -- and bringing the FBI into the battle -- we will nearly double the federal drug enforcement resources of only a year ago. They represent the first major infusion of new agents into the FBI and DEA in about a decade. The new Task Forces will complement the work of the Department's existing Organized Crime Strike Forces -- which do not generally become involved in prosecuting drug cases -- and they will utilize more agents and prosecutors than the Strike Forces. Unlike prior federal drug efforts that focused on the street level, our Task Forces will concentrate upon destroying the top levels of organized drug trafficking. The Task Forces are a major new undertaking -- and they have the resources to match the significance of the undertaking. By the end of summer, 1600 new law enforcement personnel will have been brought into this battle.

As important as these new Task Forces will prove -- and as central as drug trafficking is to organized crime today -- they do not represent the totality of the President's new program. That program is as broad as organized crime today -- and the other components of the program address the breadth of organized crime's activities in addition to drug trafficking.

The Administration has launched a project that will enlist the Nation's Governors in bringing about needed state and local criminal justice reforms. For example, without effective enforcement of local and state statutes against various kinds of racketeering, such as illegal gambling, vital sources of revenue for organized crime will never be fully dried up. This Governors' Project will bring to the attention of the states the importance of such initiatives as well as eliciting the best ideas from our Nation's Governors. That interchange has, in fact, already begun.

All the diverse agencies and law enforcement bureaus of the Federal Government are now being brought together for the comprehensive attack on drug trafficking and organized crime under a cabinet-level committee chaired by the Attorney General and a working group chaired by the Associate Attorney General. We will review interagency and intergovernmental cooperation in the struggle against organized crime and, when necessary, bring problems in these areas to the President's attention for a speedy resolution.

We have also established, through the Departments of Justice and Treasury, a National Center for State and Local Law Enforcement Training at the Federal Law Enforcement Training Center in Glynco, Georgia. It has now begun to assist and train

local law enforcement agents and officials in combating other kinds of organized crime such as arson, bombing, bribery, obstruction of justice, and contract fraud, as well as drug smuggling. During the pilot phase of this program, over 450 state and local officers from as far away as Anchorage have already received training. The evaluations they completed were extremely enthusiastic in supporting this type of training as an exceptionally valuable tool in fighting crime.

To ensure continued improvement in our effort, the President has asked me to submit a yearly report on the status of the fight against organized crime and organized drug cartels. This requirement, although simple and inexpensive, will establish a formal mechanism through which we take a yearly inventory of our efforts in this area and report to the Congress and the American people on our progress.

In addition, once again with speedy Congressional action, new funds are being allocated to prison and jail facilities so that the mistake of releasing dangerous criminals because of overcrowded facilities will not occur.

As you can see, the President's new program to combat organized crime is well underway just 90 days after he proposed it. Nevertheless, essential components of that program await further action. As you focus upon the problem of organized crime in America, I am certain that you and the American public will recognize the importance of speedy action on these other components of the program. Indeed, the menace of organized crime and drug trafficking is so serious that no stone should be left unturned.

As you recognize and demonstrate by these hearings, one of the most important weapons in the fight against organized crime is public scrutiny. No law enforcement effort can succeed in this area without the full involvement of the public, which can occur only if the people recognize the true nature and scope of the threat organized crime poses to their own well-being.

Accordingly, the President supports the creation of a National Organized Crime Commission composed of fifteen distinguished Americans from diverse backgrounds and professions with practical experience in criminal justice and combating organized crime. The purpose of this Commission, which would continue for up to three years, is to undertake a region by region analysis of organized crime's influence, to assess the data it gathers, and to hold public hearings on its findings.

It is also essential to the fight against modern and sophisticated organized crime that the Congress enact reforms that would restore the balance between the forces of law and the forces of lawlessness. The President has proposed significant changes in the criminal laws that would serve that end. It is time that they were seriously considered -- and enacted. Reforms in the federal criminal statutes dealing with bail, sentencing, criminal forfeiture, the exclusionary rule, and labor racketeering are

essential in the fight against organized crime. The resources and sophistication of organized crime today will take advantage of any weakness in the law -- and weaknesses in each of these areas have been clearly identified through difficult and costly experience.

For bail reform, we must authorize the pretrial detention of those defendants shown to be dangerous to the community, and reverse the current presumption in favor of bail pending appeal. Of special importance in the fight against organized crime and drug trafficking, the courts should be specifically authorized to inquire into the source of bail, and they should refuse to accept money or property that will not reasonably ensure a defendant's appearance at trial.

For sentencing reform, we should abolish the Parole Commission and establish a system of uniform, determinate sentencing; authorize government appeal of sentences; and restructure the entire range of criminal fines and prison terms. The process of parole has been too often abused, and the organized criminal has too often been the abuser.

Criminal forfeitures must be made available in all major drug trafficking cases. We must strengthen procedures for "freezing" forfeitable assets pending judicial action, expand the classes of property subject to forfeiture, and facilitate the administrative forfeiture of conveyances and other property in uncontested cases. We must provide specific authority for the forfeiture of the proceeds of an "enterprise" acquired or maintained in violation of the RICO statute.

The exclusionary rule has substantially hampered our law enforcement efforts. The suppression of evidence has freed the

clearly guilty, diminished public respect for the law, distorted the truth-finding process, chilled legitimate police conduct, and put a tremendous strain on the courts. A recent National Institute of Justice report found that when felony drug arrests were not prosecuted in California, 30 percent of the time it was for search and seizure reasons. It also found that "[t]o a substantial degree, individuals released because of search and seizure problems were those with serious criminal records who appeared to continue to be involved in crime after their release." It is time to bar the use of the exclusionary rule when a law enforcement officer has acted in good faith, reasonably believing his action to have been legal.

Our ability to fight labor racketeering can be improved through legislation in at least two respects. First, disqualifying crimes which prohibit those convicted from holding positions in labor unions and employee benefit plans should be brought into conformity with one another and expanded. The positions to which disqualification applies should be expanded, disqualification should become effective immediately upon conviction, and a violation of these statutes should be made a felony. Second, we recommend the enactment of a "labor bribery" statute that would impose felony penalties in cases involving corruption in labor-management relations and that would uniformly prohibit corrupt payments in all industries now covered by the Taft-Hartley and Railway Labor Acts. Recent convictions involving labor-management corruption on the waterfronts and in other industries have demonstrated the continuing need for federal legislation to deter bribery and

address the problem of the infiltration of labor organizations by organized crime. Labor organizations exist to benefit their members -- and should not be allowed to serve the criminal interests of corrupt individuals.

We are supporting other anti-crime legislative initiatives with particular relevance to drug trafficking and organized crime, which I will simply list: increasing federal penalties for drug trafficking, easing the extradition process, making murder for hire a federal offense, amending the Bank Secrecy Act and wiretap laws, and providing mandatory imprisonment for the use of a firearm in the commission of a federal felony.

These reforms would not diminish the liberties of law-abiding Americans. They would, however, diminish the opportunity for organized crime to take liberties with law-abiding Americans.

I want to thank this Committee again for inviting me here today. But more importantly, I want to thank you for your interest in this subject. I believe that what we do about organized crime today will have a very substantial impact on the lives of all Americans tomorrow. The President's new program -- and the improvements already effected within the government-- give me great hope for the future.

As the President has said: "Our commitment to this program is unshakable -- we intend to do what is necessary to end the drug menace and cripple organized crime." We believe that the program announced by the President will have exactly that effect.

It is a comprehensive and carefully crafted national strategy that will coordinate and improve the efforts of all law enforcement agencies in fighting the menace of organized crime and drug trafficking.

DOJ-1983-01

Folder: Organized Crime
Series: Correspondence Files of Ken
Starr, 1981-83
Acc. #60-88-0498 Box 5
RG 60 Department of Justice

Memorandum



Subject

Organized Crime Initiatives

Date

August 20, 1982

To Ken Starr

From

John Roberts *JR*

A meeting was held on August 19 in Rudy's office, attended by Rudy, Jeff Harris, Stan, Steve Brogan, Tex, Fred Friedman, Bob Bucknam, and myself, on the organized crime project. Responsibility for drafting of papers on each point of the contemplated 7-point program was allocated:

1. OLP will prepare papers on the structure of the Five Year Commission, White House Conference, Fifty States Project, and Interagency Coordination Committee;
2. Fred and Bob, in consultation with Rudy, will draft papers on the structure of the regional task forces, specifically addressing the question of their relation to the U.S. Attorneys and Organized Crime Strike Forces;
3. Jeff will handle the federal training point;
4. Tex and I will work with Dolan on the Presidential speech.

Papers (with the probable exception of the speech itself, which in large measure must work off of the papers) are to be ready by Thursday, and a follow-up meeting will take place at 10:00 a.m. Thursday in Rudy's office.

It was also decided to escalate the effort to obtain the necessary information from the bureaucracy. Specifically, Rudy will notify Bud Mullen and Judge Webster about the project in rough outline and the need for the cooperation of their agencies.

Rudy plans to report all this to the Attorney General at the Thursday morning staff meeting.



Assistant Attorney General

Washington, D.C. 20530

DRAFT
August 26, 1982MEMORANDUM

TO: Rudolph W. Giuliani
Associate Attorney General

FROM: Jonathan C. Rose
Assistant Attorney General

SUBJECT: Organized Crime Memorandum

At last week's meeting, OLP agreed to prepare a memorandum on the following elements of the enhanced organized crime program that you are developing at the suggestion of Tony Dolan and Tex Lezar: a Five Year Commission on Organized Crime, a White House Conference on Organized Crime, a Fifty States Project to improve local and state efforts against organized crime, and an Interagency Coordinating Committee. This memorandum discusses how to structure these entities, what their goals should be, how they should achieve those goals, and the pitfalls to be avoided. Of course, this is a preliminary draft. The final decisions on these matters should be made only after thorough discussions among ourselves and with experts in the field of organized crime.

At the outset, however, I would like to repeat Tex Lezar's concern that the final memorandum analyze carefully how the various pieces of this program are to fit together. A "bureaucratic nightmare" with a considerable degree of confusion and duplication of effort is a distinct possibility. If the program is to have the political and practical impact we want -- and not be ridiculed as hasty and contrived election year politics -- it must be well thought out and thoroughly professional in appearance and operation.

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ASSOCIATE ATTORNEY GENERAL

I. The Organized Crime Commission

The three most significant commissions that have investigated organized crime on a national scale were the Kefauver hearings in the 1950's, the organized crime task force of the President's Commission on Law Enforcement and the Administration of Criminal Justice in 1967, and the organized crime task force of the National Advisory Committee on Criminal Justice Standards and Goals in 1976. Each lasted only a year and had limited research capabilities. Each conducted hearings and made findings and recommendations.

Any new commission investigating organized crime should not simply repeat the work of past commissions. To break new ground, such a commission would need more time than its predecessors -- three to five years are required. It will need access to a great deal of data on organized crime and the resources to develop and analyze that data. As the 1976 task force stated:

... [We] came quickly to share the view of students of this subject that the lack of information on organized crime represents one of the more serious obstacles to public understanding of the phenomenon, to the enactment of effective legislation against it, and to the development of comprehensive public policy on the matter. This report therefore calls for further in-depth study of organized crime, a call that I repeat here.

There are three broad problem areas respecting organized crime that have not been adequately addressed and to which the Commission should direct its efforts. They are: (1) developing an extensive data base of organized crime participants and activities in each region and in the nation as a whole; (2) conducting a comprehensive economic analysis of organized crime; and (3) evaluating existing law enforcement efforts.

While information about organized crime is available, it has generally been organized and analyzed only in connection with the prosecution of a case. Thus, a primary goal of the Commission should be to reach down to gather the information and analyze it in a sophisticated manner. The Commission should determine which criminal organizations are active in each

locality, how many people are involved, who they are, their characteristics, lines of authority, and associates, what businesses (legal and illegal) they are in, how much money is generated by those enterprises, how the money is laundered and invested, how violence and fear are used and against whom, and what official corruption exists. The Office of Policy and Management Analysis in the Criminal Division has undertaken pilot studies of organized crime and strike forces in the Buffalo and Miami regions. These studies provide something of a model for the Commission's inquiry. Criminal Division lawyers went into those strike force regions and interviewed strike force attorneys, Assistant U.S. Attorneys, federal agents, local police and prosecutors, reporters, and other knowledgeable local observers. This process could be duplicated in cities across the nation.

The Commission should also determine why certain legal and illegal businesses are particularly likely to be operated by organized crime, and what the skills or characteristics of organized crime members are that give them a comparative advantage in certain fields. Moreover, it should evaluate the effectiveness of existing and proposed law enforcement measures, including Title III wiretaps, strike forces, and criminal forfeitures. Unlike the recent GAO studies of the organized crime strike forces, which used the average sentence given to strike force defendants as the measure of effectiveness, the Commission should develop a more sophisticated data base to examine to what extent the strike forces have reduced, or prevented an increase in, the economic and social costs of organized crime.

These research functions should be performed by highly qualified staff and consultants. The role of the Commission members would be to analyze, debate, and hold hearings on the studies that are performed and to develop and publicize policy recommendations. Also, as the data base for each region is completed, the Commission could hold hearings to publicize the penetration of organized crime in that region.

It should be noted that a Commission is not necessary to achieve the goals outlined above. All could be achieved by a special section within the Department. However, creating a Commission and the more public relations-oriented elements of the proposed program -- like the White House Conference -- could assist in galvanizing greater political support for the effort.

Obviously, if we are going to establish a Commission, we must be very careful with regard to how it is organized and run. First, great care must be taken in determining the Commission's structure and personnel. While it would be better to have such matters ironed out before the program is announced, we cannot do so by a September speech deadline. However, the

President could certainly outline the goals and nature of the Commission in broad terms, and state that the membership and structure of the Commission will be decided after consultation with leading law enforcement figures and academicians.

Thought should also be given to protecting the flow of sensitive information. The staff of the Commission must exercise care in determining what information can be divulged without damaging current law enforcement efforts or endangering informants. We must also assume that the amount of good information that Commission researchers will receive will decrease in proportion to the number of people who will see the information. Moreover, the Commission should be established by legislation providing an exemption from the "open government" rules, i.e., the Sunshine Act, the Privacy Act, the Federal Advisory Committee Act, restrictions on the use of Title III wiretaps, and, of course, the Freedom of Information Act. (The Wall Street Journal has already filed a FOIA request for the Criminal Division's Buffalo and Miami strike force evaluations, which the Department is contesting.)

Finally, the Commission and the organized crime program as a whole must be organized and must conduct itself with the professionalism necessary to earn the respect of the law enforcement community, the press, and the public. The critical need for professionalism must be kept in mind when structuring the Commission, hiring field researchers, and holding hearings -- even at the cost of foregoing some short-term public relations advantages. While professionalism would be important with any commission, it is critical with regard to a commission on organized crime. The development of the data base that is necessary to increase our understanding of organized crime depends on the Commission earning the confidence of the law enforcement community from which it will have to obtain most of its information. Agents and prosecutors have seen politically-spawned efforts come and go, and they will be skeptical of our efforts, particularly at the early stages, believing them to be motivated solely by political considerations.

II: The White House Conference

White House Conferences are a phenomenon of the Twentieth Century and, since the first one was held in 1907 on conservation of natural resources, about thirty-five have been convened by either the President or Congress. According to the report issued by the most notable of the recent conferences, the 1981 White House Conference on Aging, the conferences serve many functions. Among other goals, such conferences generally seek "to change the value system, structure, or functions of public and private institutions in order to meet new problems"; to provide a way "for the President

and Congress to give conspicuous public expression or response to new problems," "for government officials to test public or interest group reaction to ideas for new programs," and "for professionals and interested laymen to explore new areas of concern and to advocate specific actions by the President and Congress"; and to "increase public awareness of new circumstances or problems in society." Thus, White House Conferences typically perform an exhortatory role, raising the consciousness of the public with respect to one or another social problem and mobilizing political support for reforms. They may also draft recommendations for future action.

Conferences can be authorized in one of two ways. Certain conferences, like the 1981 Conference on Aging, were authorized and funded by legislation. Alternatively, the President can call one by executive order, and can fund it with agency funds that have already been appropriated. Unless there is authorizing legislation which provides otherwise, the Federal Advisory Committee Act and its "sunshine" and reporting requirements will apply. This presents no problem here, however, because the whole purpose of the Conference is to generate publicity.

The 1981 White House Conference on Aging illustrates how such conferences can be organized. The Secretary of HHS was authorized to plan and conduct it. This authority was redelegated to an Executive Director of the Conference, who was provided with a substantial staff. Besides its congressional appropriation, funding for the Conference came from a variety of other sources, including HHS, other Cabinet departments, independent federal agencies, state and local governments, and the private sector. Over \$8 million in federal monies was spent.

Community forums, state conferences, and mini-conferences were held prior to the White House meeting itself. More than 9500 community forums were held with a total number of participants exceeding 390,000. Each governor was asked to sponsor a "State White House Conference," and later forty-two mini-conferences were held. The programs and participants varied, but all of these meetings prepared reports and recommendations. The U.S. Conference of Mayors and various trade organizations, charities, and private companies all participated.

Governors appointed a total of 1000 delegates to the White House Conference, apportioned according to each state's aged population. Each state delegation had to meet various ethnic and demographic specifications set by the Conference leadership. Members of Congress, HHS, and the White House also appointed delegates, as did various special interest groups. The same entities who appointed delegates also appointed a number of "observers." Those in attendance at the national conference

served on various committees, which prepared reports and made recommendations. After the Conference was over, the staff solicited further "recommendations, supplemental statements, and additional views" from participants. As required by the enabling legislation, HHS Secretary Schweiker transmitted to the President and Congress his recommendations for the new legislation and administrative action needed to implement the Conference recommendations.

Thus, a description of past White House Conferences reveals their principal purpose, namely, to generate grass roots pressure for a desired political outcome. This would obviously be valuable in an effort against organized crime. However, it must be recognized that there are fundamental differences between social issues such as aging or women's rights (considered at a 1979 White House Conference) and organized crime. There are two sides to aging and women's issues, but everyone opposes organized crime. Ordinary people can debate and "study" social issues, but mass participation by local civic groups in organized crime seminars would be less useful. These differences dictate that a White House Conference on organized crime must be run differently than, for example, the Conference on Aging, particularly with respect to delegate selection and local activities. Thus, those invited to the Conference should probably be limited to federal, state, and local elected officials, law enforcement personnel, prosecutors, representatives of citizens groups, and interested academics. The governors -- perhaps as part of the Fifty States Project -- and the mayors could appoint some of the conference delegates. The White House itself should select a large number of the delegates, with their credentials specified in advance. The Conference should be set up so that the White House can exercise as much control over it as possible.

III. The Fifty States Project

A Fifty States Project could be a valuable part of this organized crime program. Its purpose would be twofold. It could prod the states to improve their efforts against organized crime, and provide a mechanism to enlist their support for the President's program. As discussed below, however, care must be taken to utilize the Law Enforcement Coordinating Committees (LECC's) wherever possible.

The only other Fifty States Project is this Administration's initiative to identify and correct state laws that discriminate on the basis of sex. The purpose of that project is to identify on a state-by-state basis the steps that need to be taken to eliminate sex discrimination, and to develop plans to assist each state in reaching this goal. The President began by writing to each governor to solicit support for the program. A White House Special Assistant was designated to act as a liaison

with the fifty governors. At the President's request, the governors each appointed a representative to work on the project. These representatives met at the White House to review various state initiatives and exchange information. Mailings were sent to legislatures and female officials to enlist support for the program. The Project staff met with various women's organizations to discuss its objectives. Thus, the Project so far has been largely educational, but in the months ahead the Project staff plans to shift its focus to developing and creating support for corrective legislation. It plans to attend several legislative sessions, where it will meet with governors, members of the legislature, and women's groups in order to focus attention on and create support for corrective legislation.

The organization of a Fifty States Project on Organized Crime would parallel its sex discrimination counterpart. The White House would contact each governor and establish a liaison at the White House and Justice Department. The governors would appoint representatives, who would work with the liaison office to identify useful state initiatives. However, the new Project should be more tightly organized and receive more consistent White House support than the sex discrimination one has.

This Project could press for state enactment of legislation parallel to the Administration's anti-crime package, including bail and sentencing reform, criminal forfeiture amendments, and tougher racketeering laws. It could identify state laws and judicial decisions that are impairing the law enforcement effort. Also, it could act as an information clearinghouse to share useful experience and ideas on strategy and tactics.

The Fifty States Project should also enlist state and local support for all points of the organized crime program. By-passing local input would be likely to engender resentment when cooperation is essential. One of the perceived failures of the 1976 Task Force on Organized Crime was its lack of local input and involvement. We must allow governors and state attorneys general to share in the political dividends of this program so that they will instruct their subordinates to actively support the effort. Participation by local law enforcement personnel will also make them more willing to provide needed information to the Commission.

It is important, however, that the development of the LECC's not be undermined or ignored in this process. The Fifty States Project should develop ideas for local enforcement action through the LECC's, thereby supplementing rather than eroding their efforts. With respect to legislative initiatives, appropriations, mobilization of political support, and so forth,

the Project could possibly play a greater and more independent role. However, the way in which the Project would fit generally into the President's overall program and, specifically, how it will work with the LECC's should be carefully spelled out ahead of time.

IV. Interagency Coordinating Committee

Mechanically, the easiest structure to establish is the interagency coordinating committee. We could expand the existing CCLP working group on Drug Supply Reduction. I would prefer establishing a separate group which would also be chaired by you. The two primary tasks of such a group would be to solicit the input of the agencies involved in the fight against organized crime and to ensure their total cooperation in implementing the program. It should include, at a minimum, the administrator of DEA, one or two assistant directors of the FBI with strong institutional roots in that organization, the chief of the IRS Criminal Division, the Assistant Attorney General for the Criminal Division, the chief of the strike force program, and the chief of the Office of Policy and Management Analysis. The primarily DOJ make-up of such a sub-Cabinet organization is entirely appropriate in this situation, since the only aspect of organized crime against which significant non-DOJ resources are regularly marshalled is the importation of illegal drugs. Obviously, the Drug Supply Reduction Working Group and the Organized Crime Working Group should coordinate closely on matters of common concern. Coordination of the two groups when needed should be easy since you would chair both. However, establishing two groups would allow you greater flexibility to involve the other agencies in the organized crime group on an as needed rather than continuing basis.

cc: ~~Ken~~ Starr
Tex Lezar
John Roberts
Stan Morris
Jeff Harris
Fred Friedman
Bob Bucknam

Memorandum

Org. Crime File

Ken



Subject

Organized Crime/Narcotics Initiatives

Date

July 29, 1982

To

The Attorney General

From

John Roberts JR

A meeting was held today in Rudy Giuliani's office following up on the meeting held on July 14 in your office with Tony Dolan. Present were Rudy, Ken Starr, Stan Morris, Jeff Harris, Steve Brogan, myself, and Tony Dolan. The group discussed possible approaches to implementing the preliminary decision at the July 14 meeting to develop a major push against organized crime, centered around a possible Presidential address. It was generally agreed that the most effective approach would be to link the organized crime and narcotics problems and attempt to duplicate the success of the South Florida Task Force by developing similar task forces in Los Angeles, New York, Chicago, and Texas or New Orleans. Prosecutorial and investigative resources devoted to organized crime and narcotics would be transferred to the designated areas, coordinated out of Washington. This transfer would be accompanied by a major Presidential speech, and the formation of a White House Commission on Organized Crime. You would give speeches laying the ground-work for the Presidential address.

Current plans call for Rudy to develop a rough plan of action to be presented to you next week. We would then work with Tony Dolan to develop a presidential speech, and consider how best to present the package to the President.

cc: Rudy Giuliani
Associate Attorney General