

DOCUMENT RESUME

00611 - [A1051722]

War on Organized Crime Faltering--Federal Strike Forces Not Getting the Job Done. GGD-77-17; B-178618. March 17, 1977. 67 pp.

Report to the Congress; by Robert F. Keller, Acting Comptroller General.

Issue Area: Law Enforcement and Crime Prevention (500); Law Enforcement and Crime Prevention: Organized Crime (508).

Contact: General Government Div.

Budget Function: Law Enforcement and Justice: Federal Law Enforcement and Prosecution (751).

Organization Concerned: Department of Justice; Department of Labor; Department of the Treasury; Postal Service.

Congressional Relevance: House Committee on the Judiciary; Senate Committee on the Judiciary; Congress.

Authority: Organized Crime Control Act of 1970 (P.L. 91-452). Executive Order 11534.

The Federal effort to coordinate the fight against organized crime involved creation of Justice Department's strike forces. The operations of the strike forces located in Cleveland, Ohio; Detroit, Michigan; Los Angeles, California; New Orleans, Louisiana; and Brooklyn and Manhattan, New York were investigated. Findings/Conclusions: The strike forces are located in areas of major organized crime activity and are composed primarily of representatives from Federal investigative agencies and attorneys of the Justice Department. Work at the strike force locations showed that: the Government has not developed a strategy to fight organized crime; there is no agreement on what organized crime is; the strike forces have no statements of objectives or plans for achieving those objectives; individual strike forces are hampered because the Justice attorneys-in-charge have no authority over participants from other agencies; and a costly computerized organized crime intelligence system is of dubious value. Recommendations: In order to improve the Federal effort to fight organized crime, the Justice Department should identify what and whom the strike forces are combating; develop a national strategy for fighting organized crime; centralize Federal efforts, giving someone the responsibility and authority for developing plans and overseeing their implementation; and establish a system for evaluating the effectiveness of the national and individual strike force efforts. (Author/SC)

# REPORT TO THE CONGRESS



BY THE COMPTROLLER GENERAL  
OF THE UNITED STATES

---

## War On Organized Crime Faltering -- Federal Strike Forces Not Getting The Job Done

Department of Justice

Organized crime still flourishes, despite 10 years of work by Federal strike forces to combat it. Why?

- Consumer demand for organized crime's goods and services provide it with billions of dollars of income each year.
- Federal work against organized crime is not planned, organized, or directed efficiently
- Most convictions obtained by strike forces have resulted in no prison sentences or sentences of less than 2 years.

The Department of Justice agrees that the Federal effort against organized crime can be better managed.



COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548


B-178618

To the President of the Senate and  
the Speaker of the House of Representatives

This report addresses the Federal effort to coordinate the fight against organized crime through the Justice Department's strike forces and makes recommendations for improvement. Strike forces are located in areas of major organized crime activity and are composed primarily of representatives from Federal investigative agencies and attorneys of the Justice Department. Our report covers the operations of six strike forces located in Cleveland, Detroit, Los Angeles, New Orleans, Brooklyn, and Manhattan.

We made this review to determine the efficiency of the strike force program. Our review was made pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67).

Copies of this report are being sent to the Director, Office of Management and Budget, and to the heads of the departments and agencies directly involved in the strike force program.

  
ACTING Comptroller General  
of the United States

D I G E S T

Organized crime is a serious national problem. The Federal Government is making a special effort to combat it with 13 joint-agency strike forces around the country, whose goal is to launch a coordinated attack against this problem. This goal has not been accomplished. About \$80 million is spent each year to investigate and prosecute organized crime figures. Although the Federal Government has made some progress in the organized crime fight, organized crime is still flourishing.

Elimination of organized crime will be difficult, if not impossible. But more could be done if Federal efforts were better planned, organized, directed, and executed.

The escalated war on organized crime began in 1966 when the President directed the Attorney General to develop a unified program against racketeering. The idea was to coordinate the resources of all Federal law enforcement agencies. In 1970 the National Council on Organized Crime was established to formulate a strategy for eliminating organized crime. The Council met for only 1 year and failed to formulate a strategy.

Work at strike forces in Cleveland, Detroit, Los Angeles, New Orleans, and New York (Brooklyn and Manhattan) showed that:

- The Government still has not developed a strategy to fight organized crime. (See p. 9.)
- There is no agreement on what organized crime is and, consequently, on precisely whom or what the Government is fighting. (See p. 8.)
- The strike forces have no statements of objectives or plans for achieving those objectives. (See p. 10.)

- Individual strike forces are hampered because the Justice attorneys-in-charge have no authority over participants from other agencies. (See p. 11.)
- No system exists for evaluating the effectiveness of the national effort or of individual strike forces. (See ch. 3.)
- A costly computerized organized crime intelligence system is, as the Department of Justice agrees, of dubious value. (See ch. 5.)

Strike forces have obtained numerous convictions; however, sentences generally have been light. At the strike forces reviewed, 52 percent of the sentences during a 4-year period did not call for confinement, and only 20 percent of the sentences were for 2 years or more. (See ch. 4.)

GAO presents detailed recommendations that point out the need to:

- Identify what and whom the strike forces are combating.
- Develop a national strategy for fighting organized crime.
- Centralize Federal efforts--give someone the responsibility and authority for developing plans and overseeing their implementation.
- Establish a system for evaluating the effectiveness of the national and individual strike force efforts.

The Department knows the program is in trouble. In a recent study it concluded that although the program had been in operation for nearly a decade, no one could seriously suggest that organized crime had been eliminated or even controlled. The Department of Justice therefore agrees that the Federal effort against organized crime can be better managed. (See app. VII.)

The Department stated that formulating a universally applicable and acceptable definition

of organized crime will be difficult, although necessary, because of the special purpose for which the strike forces were created. In practice, the work done by strike forces has been hampered by this problem of definition. Since strike forces were established for a special purpose, there is little reason why an acceptable definition cannot be agreed upon. (See p. 14.)

The Department also stated that it is making management changes to improve its program and that the National Council on Organized Crime, if convened as recommended by GAO, need not therefore undertake a management function. According to the Department, the Council should serve rather as a forum where general matters are discussed and where an overview of organized crime strategy is developed. (See p. 14.)

Because the Attorney General has the role of coordinating the fight against organized crime, the Department of Justice should continue to manage the strike force program. However, because the Council includes officials from all participating agencies, it could be the vehicle to bring about a more coordinated Federal effort. The Council could produce a clear statement on what is expected of the strike force program, set specific ways to most effectively meet program objectives, and establish the commitment of resources necessary from the agencies to carry out the program's objectives. (See pp. 14 and 15.)

The Department of Justice has been conducting its own review of the program since January 1976 and said that changes in managers of the Organized Crime and Racketeering Section and in the strike forces' operations respond to many of GAO's concerns.

C o n t e n t s

	<u>Page</u>
DIGEST	i
CHAPTER	
1 INTRODUCTION	1
Organized crime in the United States	1
Federal efforts against organized crime	2
2 STRIKE FORCE PROGRAM NEEDS A NATIONAL STRATEGY AND CENTRALIZED DIRECTION	7
No agreement on definition of "organized crime"	8
National Council on Organized Crime failed to establish a national strategy	9
OCRS is not deeply involved in planning and directing the strike force program	10
Strike force attorneys-in-charge cannot direct investigative priorities	11
Conclusion	12
Recommendations	13
Agency comments and our evaluation	13
Department of Justice	13
Internal Revenue Service	15
Department of the Treasury	16
3 THE EFFECTIVENESS OF STRIKE FORCES HAS NOT BEEN EVALUATED	17
OCRS has not established an evaluation system	17
How strike forces evaluate or plan to evaluate their activities	18
Prior reviews of strike force operations	19
Conclusion	21
Recommendation	21
Agency comments and our evaluation	21
Department of Justice	21
Department of the Treasury	21
Internal Revenue Service	22
4 STRIKE FORCE PROSECUTIONS OF ORGANIZED CRIME FIGURES OFTEN RESULT IN LIGHT SENTENCES	24
Analysis of indictments, convictions, and sentences at six strike forces	24
Analysis of sentences imposed on "high-echelon" organized crime figures	26
Comments on sentences imposed in strike force cases	27

	Limited use of provisions of the Organized Crime Control Act of 1970	28
	Special grand juries	28
	Special offender provision	29
	Conclusion	29
5	THE ORGANIZED CRIME INTELLIGENCE SYSTEM IS NOT ADEQUATE	30
	What is the system and what was it de- signed to do?	30
	Questionable need for the system and usefulness of its data	31
	Conclusion	32
	Recommendation	32
	Agency comments and our evaluation	32
	Department of Justice	32
	Internal Revenue Service	32
6	SCOPE OF REVIEW	34
APPENDIX		
I	Selected information on the six strike forces reviewed by GAO	35
II	How a strike force operates	36
III	Working committees of the National Council on Organized Crime	38
IV	Summary of U.S. Code violations for six se- lected strike forces--indictments obtained during fiscal years 1972-75	39
V	Summary of indictments for six selected strike forces for fiscal years 1972-75--dis- position or status as of September 1, 1975	41
VI	Sentences received by defendants indicted by six selected strike forces--fiscal years 1972-75	43
VII	Letter dated January 14, 1977, from the De- partment of Justice	45
VIII	Letter dated October 5, 1976, with attach- ment, from the Internal Revenue Service	52
IX	Letter dated October 20, 1976, from the De- partment of the Treasury	65



APPENDIX

Page

X	Principal officials responsible for administering activities discussed in this report	67
---	---	----

ABBREVIATIONS

GAO	General Accounting Office
OCRS	Organized Crime and Racketeering Section
IRS	Internal Revenue Service

## CHAPTER 1

### INTRODUCTION

The President's Commission on Law Enforcement and Administration of Justice characterized organized crime as follows:

"Organized crime is a society that seeks to operate outside the control of the American people and their governments. It involves thousands of criminals, working within structures as complex as those of any large corporation, subject to laws more rigidly enforced than those of legitimate governments. Its actions are not impulsive but rather the result of intricate conspiracies, carried on over many years and aimed at gaining control over whole fields of activity in order to amass huge profits."

Organized crime affects the lives of millions of citizens and derives billions of dollars in illegal income annually from its activities. The Federal Government is currently spending about \$80 million each year to investigate and prosecute organized crime figures and their associates.

To combat organized crime nationwide, the Attorney General created 18 Federal strike forces. In this report, our first on strike force activities, we reviewed six strike forces in Cleveland; Detroit; Los Angeles; New Orleans; and Brooklyn and Manhattan, New York. (See app. I.) Specifically, we discuss:

- How strike forces are organized and operated.
- The planning and direction of strike force efforts.
- The need to evaluate the program's success in reducing organized crime.
- The Department of Justice's organized crime intelligence system.

### ORGANIZED CRIME IN THE UNITED STATES

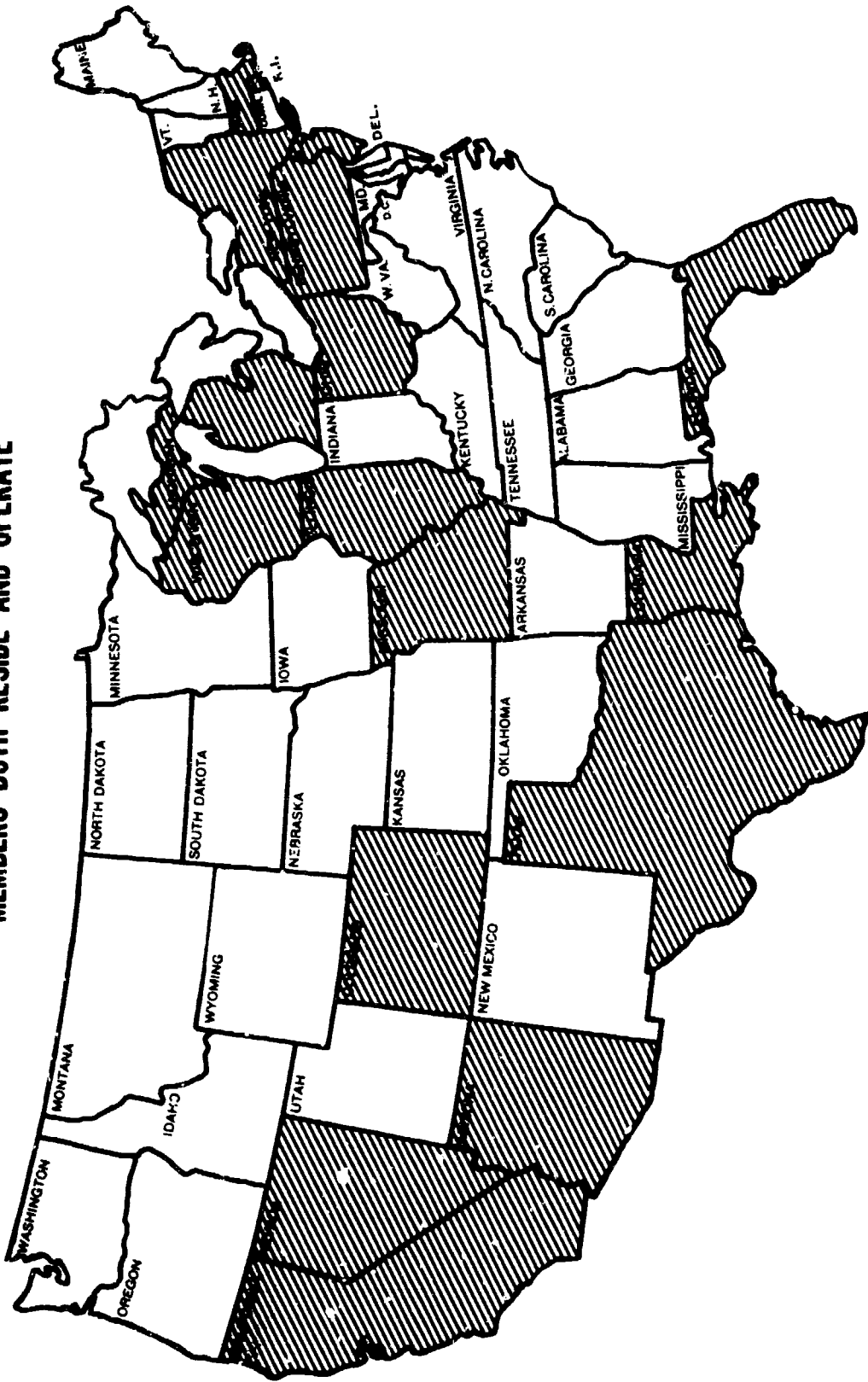
The Organized Crime Control Act of 1970 (Public Law 91-452) states that organized crime threatens the domestic security and undermines the general welfare of the Nation. Although exact figures are not available, the Department of Justice estimated that organized crime derives as much as \$50 billion a year from gambling in addition to income from narcotics and loan sharking operations.

Income from organized crime is used to make inroads into legitimate business and labor unions. The President's Commission reported that organized crime uses illegitimate methods--monopolization, terrorism, extortion, and tax evasion--to drive out lawful ownership and leadership and to exact illegal profits from the public. To carry out its activities, organized crime often corrupts public officials. The Law Enforcement Assistance Administration reported that payments for corruption probably represent the largest single expense of organized crime, and without corruption organized crime could not exist.

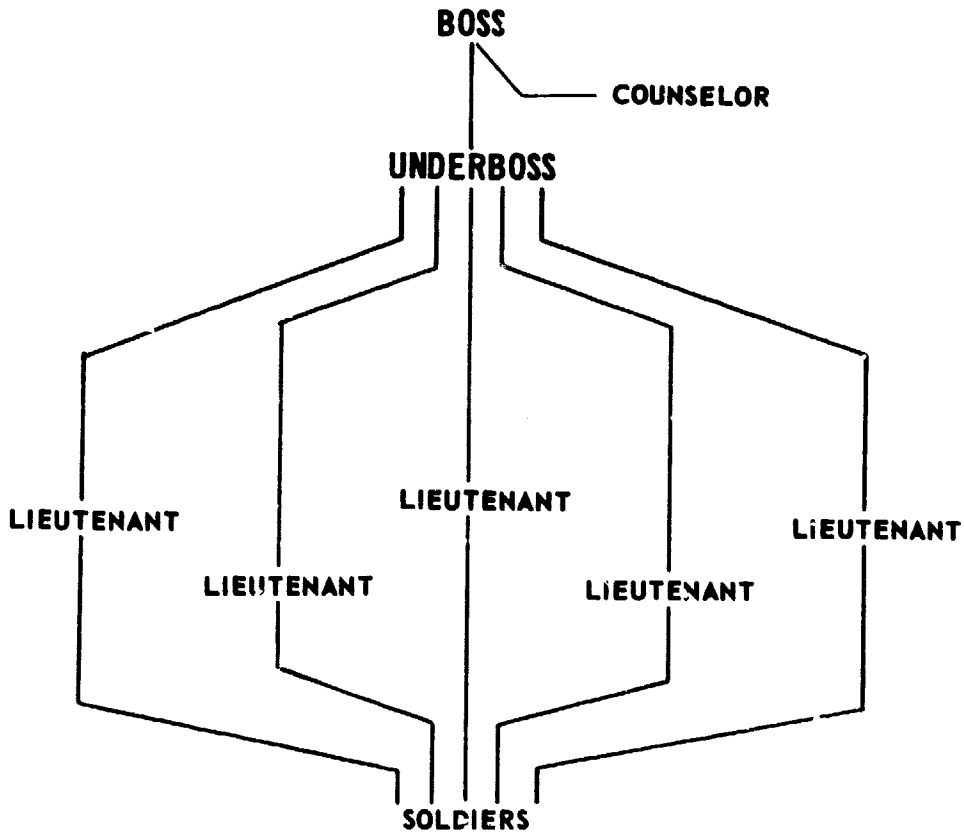
As reported by the President's Commission in February 1967, the core of organized crime, frequently referred to as La Cosa Nostra, consists of 24 "families" located in major cities throughout the country. Each family works with, and often controls, other organized crime groups operating within its area. Membership in the families varies from about 20 to 700.

The following charts were extracted from the President's Commission study and show where organized crime is concentrated, how the families are organized, and the types of activities in which they engage.

**STATES IN WHICH ORGANIZED CRIME CORE GROUP  
MEMBERS BOTH RESIDE AND OPERATE**



# AN ORGANIZED CRIME FAMILY



(MEMBERS GROUPED UNDER LIEUTENANTS)

CORRUPTION; POLICE AND PUBLIC OFFICIALS — THROUGH THREATS, ASSAULT, AND MURDER, ENFORCE DISCIPLINE OVER MEMBERS, NONMEMBERS AND FRONTS ON ORDERS FROM LEADER. — EXERCISING CONTROL IN MULTI-STATE AREA

WITH AND THROUGH NONMEMBER ASSOCIATES AND FRONTS—PARTICIPATE IN, CONTROL OR INFLUENCE

## LEGITIMATE INDUSTRY

- FOOD PRODUCTS
- REALTY
- RESTAURANTS
- GARBAGE DISPOSAL
- PRODUCE
- GARMENT MANUFACTURING
- BARS AND TAVERNS
- WATERFRONT
- SECURITIES
- LABOR UNIONS
- WEAVING MACHINES
- OTHERS

## ILLEGAL ACTIVITIES

- GAMBLING (NUMBERS, POLICY, DICE, BOOKMAKING)
- NARCOTICS
- LOANSHARKING
- LABOR RACKETEERING
- EXTORTION
- ALCOHOL
- OTHERS

## FEDERAL EFFORTS AGAINST ORGANIZED CRIME

Federal efforts against organized crime began in the office of the Attorney General. In July 1954 the Attorney General established within the Criminal Division an Organized Crime and Racketeering Section (OCRS) to

- coordinate enforcement activities against organized crime,
- initiate and supervise investigations,
- accumulate and correlate intelligence data,
- formulate general prosecutive policies, and
- assist Federal prosecuting attorneys throughout the country.

In 1966 the President, directing Federal law enforcement officials to review the national program against organized crime, designated the Attorney General to be the focal point for developing a unified program against racketeering.

Because conventional methods of law enforcement had proven ineffective against organized crime, between January 1967 and April 1971 OCRS established 18 Federal strike forces, staffed with Justice Attorneys and representatives from other Federal investigative and law enforcement agencies. As of December 1976, strike forces were operating in Boston, Brooklyn, Buffalo, Chicago, Cleveland, Detroit, Kansas City, Los Angeles, Miami, Newark, Philadelphia, San Francisco, and Washington, D.C. Strike forces were terminated in Baltimore (1974) and, after our review, in Manhattan, New Orleans, Pittsburgh, and St. Louis (1976).

In addition to OCRS, the following Federal organizations participate in the strike force program:

- Bureau of Alcohol, Tobacco, and Firearms
- U.S. Customs Service
- Department of Labor
- Drug Enforcement Administration
- Federal Bureau of Investigation
- Immigration and Naturalization Service
- Internal Revenue Service

--Securities and Exchange Commission

--U.S. Postal Service

--U.S. Marshals Service

--U.S. Secret Service

The Organized Crime Control Act of 1970 provided Federal law enforcement officials and the courts with additional legal weapons to use against organized crime, including the authority to

--establish special grand juries to investigate organized criminal activities within their districts and to issue reports on these investigations at their discretion and

--impose extended prison sentences of up to 25 years for "dangerous special offenders."

In addition, in 1970 the National Council on Organized Crime was established to formulate a national strategy to eliminate organized crime. The Council, chaired by the Attorney General, is composed of high-level representatives of Federal departments and agencies having major responsibilities affecting or affected by the activities of organized crime.

CHAPTER 2  
STRIKE FORCE PROGRAM NEEDS A  
NATIONAL STRATEGY AND CENTRALIZED  
DIRECTION

Organized crime strike forces were created to launch a coordinated attack against a serious national problem. They were unsuccessful, however, for a number of reasons.

The Department of Justice established the strike force program because it knew that a national approach to combating organized crime was needed. In 1970 the Attorney General stated that he intended to deal with and eventually eliminate organized crime and that this goal could best be achieved through a national strategy implemented by the strike forces.

A national effort, however, has been unsuccessful because

- the National Council on Organized Crime has not developed a national strategy to fight organized crime and has not met since June 1971,
- Justice's Organized Crime and Racketeering Section has not adequately planned and directed the efforts against organized crime and thus has limited any national coordinated effort to fight this problem, and
- limited authority over participating agencies precludes attorneys-in-charge of strike forces from assuming a more active role.

These factors and the lack of agreement as to what "organized crime" is suggest that Federal efforts against organized crime are more the result of individual decisions made at the local level than the result of a national strategy, as originally envisioned. In essence, there is no coordinated Federal effort to fight organized crime. In practice, each participating agency fights organized crime as it sees fit and uses strike force attorneys for advice and prosecution. (App. II describes how a strike force operates.)

A 1976 Justice study of the OCRS intelligence system stated that, although the strike force program had been in operation for nearly a decade, no one could seriously suggest that the problem of organized crime had been eliminated or even brought under control.



NO AGREEMENT ON DEFINITION  
OF "ORGANIZED CRIME"

Before a problem can be dealt with, it must be adequately defined. Participating Federal agencies cannot completely agree on what the term "organized crime" encompasses.

In 1970, to define the relationship between U.S. attorneys and strike forces, the Attorney General defined organized crime as

"\* \* \* all illegal activities engaged in by members of criminal syndicates operative throughout the United States, and all illegal activities engaged in by known associates and confederates of such members."

Despite this definition, a study issued by the U.S. Attorneys' Advisory Committee in 1974 noted that 47 of 88 U.S. attorneys said that organized crime was not sufficiently defined to delineate prosecutive responsibility. Some felt that a definition should be based on

- the type of crime involved,
- a list of known organized crime figures, or
- particular statutes.

At the operational level, problems of definition also exist. An internal Justice report issued in 1974 stated that confusion existed over the scope of the strike force's jurisdiction; i.e., the definition of organized crime.

Definitions of organized crime provided by Federal agency personnel participating in the program varied widely. At one extreme the term was defined to include only members of La Cosa Nostra, while at the other extreme organized crime included any group of two or more persons formed to commit a criminal act.

Following are some of the definitions agency officials provided:

- Any organized group involved in the commission of a crime.
- Activities normally associated with La Cosa Nostra figures or with corrupt public officials.
- Any criminal activity performed on a large and sophisticated scale, such as gambling.

--A continuous pattern of criminal activity by the same group or individual which has a monopolistic impact on an industry or area.

The lack of a uniform definition has resulted in problems with prosecutorial jurisdiction and, more importantly, in not applying consistent criteria nationwide for selecting the targets of the strike forces.

NATIONAL COUNCIL ON ORGANIZED CRIME  
FAILED TO ESTABLISH A NATIONAL STRATEGY

On June 4, 1970, Executive Order 11534 established the National Council on Organized Crime and made it responsible for formulating an effective, coordinated, national strategy to eliminate organized crime.

Although relationships among agencies participating in the strike force program had developed at the operational level, the fight against organized crime under the new Council would now have the necessary strategic as well as tactical planning. The Council, providing impetus to the fight and uniting all agencies in a cooperative venture, established as its goal the elimination of organized crime by 1976.

Chaired by the Attorney General the Council was composed of high-level representatives of Federal departments and agencies having major responsibilities affecting or affected by the activities of organized crime. The Council established an executive committee and seven working committees. (See app. III.) The executive committee was to direct the Council's work while the working committees were to

- analyze needs,
- identify fruitful areas of endeavor,
- support the various departments on budget and manpower requests, and
- coordinate all departments while attempting to eliminate rackets.

The Council met five times but failed to formulate a national strategy to fight organized crime. It has not met since June 1971. A Justice official said that the Department does not know why the Council failed to develop a national strategy and that there are no plans to reconvene the Council.

The Council has made, thus far, only two achievements. First, proposals were made and accepted to establish strike

forces in Pittsburgh, Baltimore, San Francisco, and Kansas City. Second, one working committee, the Gambling Rackets Committee, initiated an investigation into nationwide sports gambling, which resulted in the arrest of 27 persons and the seizure of over \$2.3 million in currency, securities, checks, and notes.

OCRS IS NOT DEEPLY INVOLVED IN  
PLANNING AND DIRECTING THE STRIKE  
FORCE PROGRAM

In spite of the Council's lack of overall program planning and direction, OCRS has not (1) developed a national strategy to fight organized crime, (2) adequately defined organized crime, or (3) formulated objectives for its strike forces.

In July 1974 a committee appointed by the Attorney General reported that organized crime activities by their very nature were nationwide and, consequently, that centralized Federal direction and planning were essential.

In 1976 the Office of Management and Finance reported, however, that OCRS and strike force officials generally believed there was no national strategy against organized crime. Strike force agents said they knew of no national strategy promulgated by OCRS or their own agencies. The report noted that field agents seemed to use the traditional reactive approach of investigating individual suspects and specific offenses and that the apparent effort against organized crime was one of attrition.

The Office of Management and Finance further reported that OCRS did not have a unit to conduct, analyze, or produce the information necessary to support the planning or operations of a nationwide program to fight organized crime.

The Office of Management and Finance report pointed out that, to develop a meaningful national strategy, there has to be a reliable information base on organized crime. According to the report, every agency involved in the Federal effort against organized crime admits that such information is not available. If it were, the following unresolved policy issues could be addressed:

- What is society's ultimate objective concerning organized crime? Do we intend to eliminate organized crime, to control it by containing it at some current level or by rolling it back to some lower level, or to accept a tolerable level of organized crime?

--How will the strategy chosen be executed and how will execution be monitored?

O CRS has furnished little formal written direction to its strike forces. An exception to this occurred in August 1974, when O CRS advised the strike forces of the importance of prosecuting gambling violations, because gambling is organized crime's main source of income. O CRS outlined guidelines for reworking all gambling cases for the previous 5 years.

O CRS officials said that planning and establishing objectives were best accomplished by the individual strike forces, although O CRS does not require them to do so. Six strike forces reviewed had not established definitive objectives covering their operations. Further, although we agree that goals for individual strike forces are necessary, we believe that they should be developed within an overall framework encompassing the national problem.

STRIKE FORCE ATTORNEYS-IN-CHARGE CANNOT  
DIRECT INVESTIGATIVE PRIORITIES

In the absence of a national strategy or overall policy direction from Washington, the responsibility for planning rests with the strike forces. However, strike force attorneys-in-charge do not have authority to direct investigative priorities within their jurisdictions and, as pointed out on page 8, they are faced with various interpretations of the term "organized crime."

In January 1967 Justice established a pilot project in Buffalo, New York--the forerunner to the existing strike force program. The project brought together a team of supervisory attorneys and investigators from Federal law enforcement agencies to mount an attack against local organized crime.

This team jointly

--identified the power structure of the local organized crime "family,"

--targeted individuals whose removal would most severely damage criminal operations, and

--initiated prosecutions in areas in which prosecution would be successful and would seriously curtail the activities of the criminal organization.

The pilot project operated until 1968, and the assistant attorney general in charge of the Criminal Division at that

time described it as "the most fruitful technique available for major impact on organized crime." On the basis of the success of the Buffalo project, the Attorney General decided to locate strike forces throughout the country.

In establishing the strike force program, however, the Attorney General did not promulgate formal operational guidelines for the participating Federal agencies or define authority and responsibilities of the attorneys-in-charge. The strike force attorney-in-charge has little discretionary power over what is investigated in his jurisdiction and on what activities investigative priorities are established. These decisions are made by the participating agencies, not by the strike force, and the agencies decide at what stage in an investigation strike force attorneys will become involved.

A House Government Operations Committee study (H. Rept. 1574, June 30, 1968) recognized that Justice generally does not have line authority over the investigative and law enforcement operations of other Federal agencies.

The strike force attorney-in-charge cannot require participating Federal agencies to conduct specific investigations or assign additional manpower and other resources to the strike force program. With the exception of the Immigration and Naturalization Service, strike force personnel are not under the control of the attorney-in-charge. Some representatives do not work full time on strike force matters and do not work out of the strike force office.

The program appears dependent to a great extent on the cooperation of participating agencies and development of personal relationships. The degree of cooperation, however, is not mandated. An internal Justice evaluation in 1974 identified as one of the program's weaknesses many instances of uneven participation by the agencies represented on the strike forces. We believe that until participating agencies' roles are delineated--such as objectives defined, cooperation circumscribed, investigative criteria developed, and resources committed--the Federal effort will remain uncoordinated.

## CONCLUSION

Because agencies participating on the strike forces cannot uniformly agree on the definitive scope of the term "organized crime," the crime problem cannot be adequately defined nor can progress toward its solution be measured. The National Council did not establish a national strategy for fighting organized crime, nor has Justice filled the void.

There is furthermore no central direction of the strike force program, including established goals and priorities. Limited authority over participating agencies precludes the strike force attorney-in-charge from assuming a more active role in planning strike force efforts. Federal efforts will remain uncoordinated until agencies' roles are delineated and resources committed.

### RECOMMENDATIONS

We recommend that the Attorney General:

- Define organized crime so that consistent criteria may be applied nationwide for selecting the targets of the strike forces.
- Reconvene the National Council to develop specific goals as well as a unified approach to fighting organized crime and set specific priorities in a clear mission statement to be used by all strike forces.
- Develop, in conjunction with the other participating agencies, agreements delineating each agency's (1) role in the strike forces, including the role of the attorney-in-charge, and (2) commitment of resources.
- Seek a Presidential order requiring the other agencies' cooperation and commitment, should he not receive satisfaction from these agencies.

### AGENCY COMMENTS AND OUR EVALUATION

#### Department of Justice

The Department of Justice, in commenting on our report (see app. VII), stated it shares our concern that organized crime still flourishes. The Department agrees that the Federal effort against organized crime can be better planned, organized, directed, and executed and said that it is working toward these objectives. The Department, however, stated that law enforcement can deal with only one side of the organized crime equation. Organized crime is a business which depends, as do all businesses, on customer acceptance and patronage. The Department said it must be understood and emphasized that whatever program is designed by law enforcement, that program can only deal with the "supply" side of the equation; the "demand" side is, in the final analysis, dependent on the actions and reactions of the American public. The Department added that even if it perfected an optimum method of "planning, organizing, executing, and directing" an organized crime program, organized crime may well continue to "flourish" in the above sense.

Addressing our recommendation for a workable strike force definition of organized crime, the Department said that to formulate such a universally applicable and acceptable definition of organized crime is difficult. But it recognizes that the special purpose for which the strike forces were created requires a clear and uniform articulation of investigative objectives. Although the strike forces were created for the special purpose of providing a coordinated national effort to fight organized crime, in practice this effort has been hampered because of definitional confusion as noted on pages 8 and 9. And since strike forces were established for a special purpose, there is little reason why an acceptable definition of the strike forces' targets cannot be agreed upon.

The Department initiated a requirement in early 1976 that it review prospective strike force investigations before they are begun rather than after they are completed. We agree with the Department that reviewing case initiation reports will be helpful in determining the legitimacy of cases for strike force efforts.

However, since participating agencies determine at what investigative stage strike force attorneys become involved, an investigation could be nearly completed before the case is presented to the strike force as an organized crime case. Therefore, we believe that for strike force efforts to be more effective, agency investigations should be brought to the strike forces' attention early so that decisions can be made concerning (1) their merit, (2) the need for other agency involvement and coordination, and (3) additional prosecutive requirements.

As a result of management changes in efforts to improve program effectiveness, the Department of Justice believes that if the National Council on Organized Crime is convened, the Council need not undertake a management function. The Department said the Council should serve as a forum where general matters are discussed and where an overview of organized crime strategy is developed.

We believe that, because the Attorney General has the role of coordinating the fight against organized crime, overall management of the strike force program should remain in the Department of Justice. We believe, however, that because the Council includes officials from all participating agencies, it could be the vehicle to bring about a more coordinated Federal effort. The Council could produce a clear mission statement on what is expected of the strike force program; set specific priorities on how to arrive most effectively at meeting program objectives; and establish the

needed agency commitment of resources necessary to carry out the program's objectives. Specifying where the program is going and how it intends to get there is prerequisite to evaluating its progress.

The Department said that the concept of interagency cooperation as originally conceived for strike forces is a good one. However, in practice, the effectiveness of strike forces has been limited somewhat by the inability of the attorney-in-charge to task each agency investigatively. This problem will continue to some extent, since an organizational entity cannot be given responsibility without authority. The Department said, however, that interagency cooperation is increasing. The Department added that if satisfaction is not received, it will seek assistance from progressively higher levels of authority in its efforts to acquire the cooperation and commitment of agencies.

We believe that, to achieve a Federally coordinated effort, the participating agencies need agreements setting forth goals, objectives, and a system for allocating resources to meet program expectations. Such agreements could also promote continuity even when changes in management occur. Although agreements have been reached when disputes have arisen, agreements delineating agency participation will aid in minimizing future disputes and program disruptions. As the coordinator and focal point for the Federal organized crime effort, the Attorney General should know, as a minimum, how each participating agency plans to fight organized crime and the resources it plans to commit.

#### Internal Revenue Service

In commenting on our report, the Internal Revenue Service (IRS) was concerned that our observations and recommendations could seriously affect IRS' participation in the strike force program. (See app. VIII.) Its concern was that IRS resources assigned to the strike force program would now be controlled by the strike force's attorney-in-charge and the Justice Department.

We believe that control of any agency's resources by another agency is limited by the laws governing that agency's mandate. We therefore are not suggesting that Justice have the authority to control IRS' resources. We believe, however, that since the Attorney General is the coordinator and focal point for the Federal organized crime effort, he should be knowledgeable of each participating law enforcement agency's plans to fight organized crime and the resources it plans to commit to this fight.



Although the IRS-Department of Justice cooperation agreement of January 8, 1976, is important for providing the Attorney General with the information needed to perform coordination functions, several additional factors should be formalized into the agreement to make it more useful and comprehensive. For example, IRS commented that it is preparing an internal manual supplement setting forth its strike force program's objectives and specifying the criteria to be used in determining individuals to be investigated. These objectives and criteria should be formalized into the agreement. Moreover, the present agreement needs a system for allocating resources to help carry out the program. This system could help in program planning by creating a resource base available to execute the program. On page 12 of this report, we have clarified the essential elements we believe necessary for such an agreement.

#### Department of the Treasury

The Department of the Treasury, in commenting on this report (See app. IX), stated that Justice attorneys do exercise authority in determining which investigation will be conducted under the authority of the strike force. While the strike force attorney can influence an investigation by suggesting the type of evidence needed for conviction or by advising the investigator of the difficulty in getting convictions, he has little discretionary power over what is to be initially investigated or what activities merit investigative priority. Currently, the agency decides at what investigative stage the strike force attorney will become involved.

### CHAPTER 3

#### THE EFFECTIVENESS OF STRIKE FORCES

##### HAS NOT BEEN EVALUATED

The Attorney General is the focal point for Federal efforts against organized crime but, to date, no system has been established to evaluate the strike force program. There are no criteria against which to measure effectiveness nor sufficient data to quantify the results of strike force efforts. As a result, Justice does not know the extent to which the strike force program has reduced organized crime in the United States and what changes are needed to improve the program.

In 1968 the House Committee on Government Operations recognized the need to measure the effectiveness of OCRS' activities. The Committee pointed out that the President's Crime Commission believed it was essential to be able to measure law enforcement's effects on crime so that officials could plan and establish prevention and control programs.

In the absence of a formal evaluation system, the strike forces we reviewed had adopted a number of informal measures, some of which appeared to be relatively superficial for assessing their operations.

##### OCRS HAS NOT ESTABLISHED AN EVALUATION SYSTEM

OCRS has not (1) clearly defined "organized crime," (2) established quantitative or qualitative goals against which the effectiveness of strike force operations can be measured, or (3) developed a system to accumulate the data needed to assess strike force results. Thus, OCRS cannot determine how effective the program has been in reducing organized crime and, for management purposes, which strike forces have been most effective. We were told that organized crime has become more sophisticated since the strike force program began in 1967, but complete and reliable data is not available on the number of organized crime figures in particular areas, their position within the organization, and the extent of their criminal activity. This lack of data precludes making "past and present comparisons" and establishing a baseline from which trends may be spotted and evaluations performed. The lack of a more specific definition of organized crime, as noted in chapter 2, also makes it difficult to define the problem the strike forces were created to reduce.

OCRS has not established qualitative or quantitative goals for its strike forces, nor has it identified the information needed to assess strike force results. The attorney-in-charge of planning and evaluation said it was mandatory that strike forces send data to OCRS on every person indicted and on every person convicted as a result of strike force activities. However, this information was incomplete and, in some cases, inaccurate. An informal OCRS study showed that in fiscal year 1974 strike forces reported to OCRS only 64 percent of their indictments.

Until 1976 OCRS did not receive data on active strike force investigations until the decision was made to seek an indictment. On March 12, 1976, however, the Assistant Attorney General of the Criminal Division and OCRS instructed all strike forces to submit a case initiation report when an investigation was opened. This report is designed to describe an investigative or prosecutive matter which the attorney-in-charge of the strike force believes merits the assignment of an attorney.

OCRS reports annually on the indictments and convictions obtained by its strike forces but conceded that such statistics do not give a complete picture of overall accomplishments. For one thing, these statistics do not reflect the quality of the convictions. For example, OCRS designates convictions as "high echelon" if they involve a member of a Cosa Nostra family. We believe this designation is misleading, however, because it includes "family" members at any level of authority but fails to include other, perhaps more powerful, organized crime figures who are not members of a family.

The Chief, OCRS, does not believe it is possible to establish overall program goals and then measure progress toward attaining those goals. He stated that goals should be set by individual strike forces. However, this is not being done.

#### HOW STRIKE FORCES EVALUATE OR PLAN TO EVALUATE THEIR ACTIVITIES

In the absence of a formal evaluation system, strike force attorneys-in-charge were employing various informal procedures to assess their operations. These procedures appeared to be of limited use in determining whether organized criminal activity was declining or in comparing one strike force's accomplishments with another. Generally, the attorneys-in-charge favored a qualitative, rather than quantitative, approach to evaluating effectiveness, although they could not translate this type of evaluation into specific procedures.

None of the strike forces reviewed had established definitive goals which would enable them to determine their impact on organized crime. The evaluations performed were relatively limited, generally subjective, and undocumented. For example, strike force personnel made the following evaluative comments:

- The existence or lack of "good press" can provide a strike force with an indication of whether it is reducing organized crime.
- A strike force is operating effectively if its personnel are adequately discharging their responsibilities, in terms of attitude, enthusiasm, and propensity to work.
- A review of conviction, dismissal, and reversal rates will tell an attorney-in-charge if a strike force is successful.
- A strike force is effective if it convicts key organized crime figures identified by the Federal Bureau of Investigation.

Two attorneys-in-charge proposed qualitative approaches based on the use of intelligence data; however, neither approach has been implemented, although they both appear promising. One approach involves identifying a particular organized criminal activity in the strike force jurisdiction and then, a year or so later, determining what was done in terms of indicting and convicting participants in that activity.

The other approach involves followup based on intelligence data. If a strike force indicts and convicts a key figure or figures in a criminal operation, intelligence sources would find out if the operation was continuing or had ceased to exist. This information could be useful to indicate whether the strike force was disrupting organized crime and indicting and convicting the right people.

#### Prior reviews of strike force operations

We reviewed three reports discussing the strike force program prepared by the following groups:

- U.S. Attorneys' Advisory Committee to the Attorney General.
- Committee to Evaluate Department of Justice Policy with Respect to Organized Crime Strike Forces.

--Internal Revenue Service Internal Audit Division.

The U.S. Attorneys' Advisory Committee examined the concept and structure of the strike forces with respect to the problems inherent in having these forces functioning relatively independent of the U.S. attorneys' offices in those districts. The 1974 report stated that the concept was sound and that strike forces had been successful but recommended that:

- No additional strike forces be established.
- Existing strike forces in the larger districts be phased out and consolidated into units within the U.S. attorney's office.
- The need for strike forces in other districts be reviewed on an individual basis with cognizant U.S. attorneys.

The report further stated that the entire criminal justice system was well served by competent, energetic, and largely independent U.S. attorneys and any impetus toward eroding their historical prerogatives would only harm the effectiveness of the Federal law enforcement effort.

The committee to evaluate Justice's policy regarding strike force operations was established at the Attorney General's request to address the recommendations set forth in the U.S. Attorneys' Advisory Committee report. The committee concluded in 1974 that the strike force concept was sound in both theory and practice and, accordingly, the strike forces should be continued at their present numbers and present form. Nevertheless, the committee recommended that the Criminal Division:

- Review the need for perpetuating, as presently constituted, the strike forces in each of the cities and geographical regions served.
- Encourage greater participation by agencies represented on the strike forces.
- Review the definition of the term "organized crime."

In addition to the above reports, the Internal Revenue Service reviewed its participation in the strike force program and issued a report in January 1975. Its review disclosed a need to

- clearly define specific goals of IRS strike force efforts,

- establish specific strike force target criteria, and
- review reports of IRS strike force accomplishments to provide more detailed information to management in its evaluation of the program's effectiveness.

## CONCLUSION

The failure of Justice to (1) define criteria to measure strike force effectiveness and (2) obtain adequate data on program results makes it difficult to determine what field level changes should be made to make the program more effective. With specific criteria and an evaluation system, program operations could be more easily directed so that increased effectiveness could be achieved with the resources available. In addition, a systematic evaluation would enable Justice to (1) assess participating agencies' contribution toward accomplishing the overall goals set for the strike force program, (2) monitor strike force efforts, and (3) identify alternatives which would contribute to program effectiveness.

## RECOMMENDATION

We recommend that the Attorney General develop specific criteria and establish the required information system to evaluate the effectiveness of the national and individual strike force efforts.

## AGENCY COMMENTS AND OUR EVALUATION

### Department of Justice

The Department of Justice said (see app. VII) that it recognizes the importance of an information system that effectively measures performance but also recognizes the extreme difficulty of measuring quantitatively the success of an organized crime program in purely statistical terms. It does not want to fall prey to demands to measure strike force performance simply by a blizzard of statistics which may, read one way or another, indicate more or less progress is being made. The Department said that some proposed approaches discussed in this report, while not fully providing a qualitative measure of effectiveness, are steps in that direction, and that it is continuing to look for criteria which will aid in measuring the qualitative effectiveness of organized crime programs.

### Department of the Treasury

The Department of the Treasury stated (see app. IX) that indictment and conviction numbers could provide a good

basis for evaluating the program and that statistics could be developed to show trends and provide a measure of quality.

Although statistics are useful, we do not believe that quantitative measures alone are a sufficient basis to measure strike force effectiveness. Other factors, such as the importance of the person convicted and the degree of disruption to a criminal activity, are more important in evaluating the program.

As stated on page 17, the Department of Justice has not established, however, qualitative and quantitative goals for its strike forces, nor has it identified the information needed to assess strike force results. Consequently, program effectiveness cannot be measured.

### Internal Revenue Service

IRS commented (see app. VIII) that it is completing a manual supplement that:

- a. Sets forth the objective for IRS' participation in the Joint Agency Strike Force Program.
- b. Delineates the responsibilities of the national office, regional offices, district offices, and individual strike force representatives.
- c. Provides for the coordination and states the general procedures which are to be followed in investigations and examinations conducted jointly by the Department of Justice and the Internal Revenue Service in accordance with the guidelines established in the January 8, 1976, agreement between IRS and the Department of Justice on the conduct of joint investigations.
- d. Specifies the criteria for IRS' selection of strike force cases for Audit Division examination and Intelligence Division investigation.

IRS recently completed a cost-benefit analysis of the impact of the strike force program on IRS resources. However, this analysis was limited since IRS did not have a comprehensive system that would track the results of Audit Division examinations made on strike force cases.

IRS is currently developing a comprehensive reporting system that will track the results of its Intelligence Division and Audit Division investigations and examinations

made on strike force cases. In addition, IRS is now conducting a study that will track the results of Audit Division examinations and Intelligence Division investigations made on strike force cases during fiscal year 1972. This study will compare dollars assessed with dollars collected from Audit Division examinations. A similar study on the results of Intelligence Division investigations will be made on these cases.



## CHAPTER 4

### STRIKE FORCE PROSECUTIONS

#### OF ORGANIZED CRIME FIGURES OFTEN RESULT

#### IN LIGHT SENTENCES

Although Justice considers the indictment, conviction, and imprisonment of organized crime figures as one means of disrupting organized crime operations, the sentences imposed in 52 percent of the strike force convictions we reviewed called for no time in jail. A sentence requiring confinement of 2 years or less occurred in 58 percent of the cases. Strike forces do not control sentencing, but light sentences could hinder their attempts to disrupt organized crime.

#### ANALYSIS OF INDICTMENTS, CONVICTIONS, AND SENTENCES AT SIX STRIKE FORCES

During fiscal years 1972-75, the 6 organized crime strike forces reviewed obtained indictments against 2,967 of the 6,727 persons indicted by all strike forces. While these indictments covered a variety of offenses, about 37 percent were for illegal gambling. (Detailed information on the offenses which resulted in indictments appears in app. IV.) The disposition or status indictments as of September 1, 1975, were as follows:

<u>Disposition or status</u>	<u>Number of defendants</u>
Pled guilty or no contest (note a)	953
Convicted after trial	330
Acquitted	250
Dismissed or prosecution decision not to proceed with case (note b)	736
Convicted-appeal pending	136
Awaiting trial	436
Other	<u>126</u>
Total	<u>2,967</u>

a/Nolo contendere.

b/Nolle prosequi.

Based on cases which had been closed as of September 1, 1975, which includes dismissals but not cases in which an appeal is pending, the six strike forces achieved "conviction" rates of from 38 percent to 71 percent. (See app. V.)

The number of dismissals was significant but dismissals did not always involve a "lost" case. Sometimes the dismissal was beyond the control of the strike force. For example, some dismissals and nolle prosequis involved cases in which the original indictment was not pursued but the strike force obtained a superseding indictment.

The following factors were also cited by strike force attorneys as having resulted in the dismissal of indictments:

- Improperly obtained wire tap evidence.
- Death of defendant.
- Defendant pled guilty to non-strike force charges.
- Defendant granted immunity to return for testimony against other defendants.
- Charges under one indictment dismissed if defendant was convicted under another indictment.

Including all dismissals may not be realistic when calculating the conviction rate. However, considering the large number of superseded indictments and other dismissal factors, the reported number of indictments obtained by the strike forces may be misleading.

Of 1,283 defendants who pled guilty or no contest or were convicted after September 1, 1975, 1,226 had been sentenced. Of these, 48 percent (586) received prison sentences, whereas 52 percent (640) received sentences calling for no confinement.

Of those who received jail terms, 58 percent (338) received 2 years or less. The following is a summary of the sentences imposed.

<u>Sentence</u>	<u>Defendants</u>	<u>Percent of defendants</u>
Less than 6 months	207	35
6 months to 1 year	63	11
More than 1 year to 2 years	68	12
More than 2 years to 5 years	178	30
More than 5 years	<u>70</u>	<u>12</u>
Total	<u>586</u>	<u>100</u>

The length of the prison sentences imposed overstate the periods of incarceration since individuals are eligible for parole after serving one-third of their sentence.

Of the 640 defendants whose sentences called for no jail time, about 79 percent (507) received probation alone or probation with a fine. The remaining 21 percent (133 defendants) received only a fine. About 64 percent of these defendants were fined \$1,000 or less. In one case, the fine was \$25. (Detailed information on the sentences obtained, by individual strike force, appears in app. VI.)

ANALYSIS OF SENTENCES IMPOSED ON  
"HIGH-ECHELON" ORGANIZED CRIME FIGURES

The Attorney General reports annually on the number of convicted persons he designates as "high-echelon" organized crime figures to add a quality indicator to overall convictions statistics. Generally, persons designated as high-echelon are believed to be members of La Cosa Nostra. These are individuals whose incarceration would in most instances seriously disrupt organized criminal activities. We could obtain sentencing data on only 128 of the 241 high-echelon strike force convictions during fiscal years 1969-75. Of these, 51 percent received no jail time or sentences of less than 2 years in jail.

We examined 56 high-echelon convictions during fiscal years 1974 and 1975 involving the 6 strike forces in terms of the

--maximum jail sentence possible and

--actual sentence imposed.

The sentences imposed represented only a small fraction of the maximum sentence possible. The following table presents this comparison in more detail.

Comparison of 56  
Strike Force "High-Echelon" Convictions  
(fiscal years 1974 and 1975)

<u>Number sentenced</u>	<u>Maximum jail sentence possible for each defendant</u>	<u>Average jail sentence received</u>
	(months)	
9	12	2
4	24	2
1	36	2
20	60	22
1	84	6
2	96	18
4	120	42
1	132	12
1	156	12
4	180	29
1	192	7
7	240	32
<u>1</u>	480	36
Total	<u>56</u>	

COMMENTS ON SENTENCES IMPOSED  
IN STRIKE FORCE CASES

Sentencing is an important yet controversial part of the criminal justice process and, as a result, we obtained wide-ranging views on the reasonableness of sentences imposed in strike force cases.

According to many attorneys-in-charge of strike forces and their special attorneys, the sentences imposed were too light because:

- The judiciary is extremely liberal.
- Organized crime is often considered to be nonviolent. Many defendants were convicted of what are considered "victimless crimes," e.g., gambling.
- There are no mandatory minimum sentences in Federal courts, and prosecutors are rarely asked to recommend sentences.
- Severe sentences are frequently appealed, and the judiciary does not want to clog its court calendars with appeal proceedings.

Members of the Federal judiciary contacted did not believe that sentences in organized crime cases were inappropriate but that the judiciary attempts to allow a person convicted of a crime to straighten himself out. Thus, judges impose a period of probation rather than confinement. This is especially true for first-time offenders, who are often the defendants in many cases prosecuted by the strike forces. One judge, on the other hand, stated that judiciary members are generally too liberal and resist sending individuals to jail. For this judge, mandatory minimum sentences appeared to be a possible solution.

Prior studies have discussed various aspects of the sentencing process. The President's Commission on Law Enforcement and Administration of Justice reported that gambling is the largest source of revenue for the criminal cartels and that members of organized crime know they can operate free of significant punishment. Judges are reluctant to jail bookmakers and lottery operators. Even when offenders are convicted, the sentences are often very light. Fines, paid by the organization, are considered a business expense.

#### LIMITED USE OF PROVISIONS OF THE ORGANIZED CRIME CONTROL ACT OF 1970

Under two major provisions of the Organized Crime Control Act of 1970, Federal officials are:

- Required to impanel special grand juries to investigate organized crime in specific areas and to issue reports on these investigations at their discretion.
- Authorized to prosecute individuals as special felony offenders so that they can be given extended sentences of up to 25 years.

#### Special grand juries

Although the act requires that a special grand jury be summoned at least once every 18 months in each district court located in a judicial district containing more than 4 million inhabitants, none had been impaneled in one district. However, when it was brought to the chief judge's attention, he said he would convene a special grand jury in the near future to investigate organized crime.

The other strike forces reviewed had employed special grand juries to investigate organized crime, but none of these grand juries had issued reports on its investigations.

### Special offender provision

Five of the six strike forces reviewed had obtained no indictments under the special offender provision and in the few cases that had been prosecuted, only two resulted in convictions. One of these was being appealed at the conclusion of our review.

Attorneys-in-charge of the strike forces offered various reasons for not using this provision more frequently, including:

- Appropriate cases have not occurred.
- The provision has been attacked as unconstitutional.
- Many organized crime figures have previously been indicted but not convicted and, therefore, cannot be prosecuted under the special offender provision.

### CONCLUSION

Strike forces have indicted and convicted numerous organized crime figures and their associates; however, the final sentence generally involved no incarceration. Sentencing is not under the control of the strike forces, but if incarceration is intended to disrupt organized crime, light sentences could preclude their efforts to disrupt organized crime to any great extent.

## CHAPTER 5

### THE ORGANIZED CRIME INTELLIGENCE

#### SYSTEM IS NOT ADEQUATE

The Organized Crime and Racketeering Section established a computerized intelligence system to collect and store information on organized crime gathered by all Federal agencies. The system, however, has not met initial objectives and its use is limited because of an incomplete data base. A Justice study, issued in March 1976, stated that the system must be improved if it is to fulfill its objectives. The need for the system has also been questioned, since it duplicates data in the intelligence files of other agencies.

#### WHAT IS THE SYSTEM AND WHAT WAS IT DESIGNED TO DO?

To assist Federal, State, and local law enforcement agencies, the Intelligence and Special Services Unit was created in 1961 to establish within OCRS a centralized source of data on organized crime. The system was computerized in 1969, and in 1972 a racketeer profile sheet was devised to facilitate entering data into the system. The racketeer profile sheet is supposed to be prepared for everyone under investigation by agencies participating in the strike force program.

The system was designed to provide tactical and strategic intelligence. Tactical intelligence contributes directly to the success of an immediate law enforcement objective and affects ongoing cases and investigations. Strategic intelligence, on the other hand, is concerned with broader policy matters and provides an overview of a situation and a definition of the problem's magnitude.

As of November 1976, the system had data on some 24,000 individuals who were or had been under investigation. This information included

- name and address;
- aliases and nicknames;
- vehicles and firearms owned;
- education, military, and employment records;
- hobbies;
- illegal activities;

--known bank accounts; and

--names of associates.

QUESTIONABLE NEED FOR THE SYSTEM  
AND USEFULNESS OF ITS DATA

The system has not met its initial objectives, and the adequacy of the system has been questioned. The OCRS intelligence unit receives an average of about 2,000 information requests each month, of which about 50 percent originate at the strike forces. Of the total requests, about 95 percent request all information in the system on a particular individual or business. The system could provide data on only 25 percent of the 2,000 requests.

An OCRS official said that some Federal agency representatives on the strike forces are not completing the racketeer profile sheet for all persons under investigation because the process is too time consuming. In 1974 OCRS began assigning intelligence analysts to the strike forces to speed up the input of intelligence data and, as of February 1976, 11 strike forces had full-time analysts. Despite this assistance, the Chief of the Intelligence and Special Services Unit said that less than half of the needed data had been computerized.

In March 1976 Justice's Office of Management and Finance completed a study of the intelligence system. It reported that, except for the Federal Bureau of Investigation, information exchange was haphazard, rarely written or preserved, and heavily dependent upon the rapport established among participating agency representatives. This informal system, the report concluded, resulted in an untimely and incomplete exchange of intelligence information.

Strike force representatives questioned the data's usefulness in the fight against organized crime. Most attorneys and other participants in the strike force program we contacted said that the intelligence system provided little assistance in their day-to-day operations. One attorney-in-charge stated that, during his several years with three strike forces, he seldom had found any data in the intelligence system which could assist him in the investigative process. Personnel at each strike force complained that the information received from the system is often already known and provides only background data on an individual as opposed to "hard" intelligence.

According to the Office of Management and Finance study, strike force personnel generally believed that racketeer



profile data was not necessary for the current program of investigation and prosecution of organized crime figures. In addition, some agencies have their own intelligence systems and do not need the OCRS system. The OCRS system duplicates much of the information already available in these other data banks, particularly the files of the Federal Bureau of Investigation, which account for about 90 percent of the intelligence data in the OCRS system.

The Office of Management and Finance report also stated that the existing data collection was directed more toward evidence gathering than toward intelligence information which, if properly processed and analyzed, could lead to selecting investigative approaches which would have a greater impact on the organized crime problem. The report said that OCRS data analysis is extremely limited and that analysts assigned to the strike forces are not intelligence analysts but are merely "computer input specialists."

#### CONCLUSION

OCRS' intelligence system is not adequate because it has not met initial objectives and is of limited use. Additionally, the system duplicates information contained in other agencies' intelligence systems.

#### RECOMMENDATION

We recommend that the Attorney General reevaluate the need for an intelligence system devoted solely to organized crime figures. If needed, the system's quality and usefulness of data should be improved.

#### AGENCY COMMENTS AND OUR EVALUATION

##### Department of Justice

The Department of Justice said (see app. VII) that it agrees with our recommendation. The Criminal Division feels that the intelligence apparatus devised for use in the Organized Crime and Racketeering Section is being maintained at a cost and commitment of resources far in excess of any foreseeable return on its operation. Consequently it is giving serious consideration to altering the scope of the computerized operation consistent with bona fide intelligence needs.

##### Internal Revenue Service

The Internal Revenue Service told us (see app. VIII) that it is also concerned with the need and utilization of the computerized intelligence system. In June 1976 IRS

requested and received detailed information from Justice concerning the creation, purpose, and utilization of the racketeer profiles maintained in this computerized system. It is currently studying the extent of its role, if any, in participating in this system. One of IRS' considerations relates to the disclosure of confidential information. Of particular concern is the possible unauthorized disclosure of tax-related information. Upon completion of its study, IRS will decide the extent to which it will participate in this computerized intelligence system.

## CHAPTER 6

### SCOPE OF REVIEW

We performed our review at the Criminal Division's Organized Crime and Racketeering Section, Department of Justice, in Washington, D.C., and at strike forces in Cleveland, Detroit, Los Angeles, New Orleans, and New York City (Brooklyn and Manhattan). We examined agency records and held discussions with agency officials.

We also talked with headquarters and regional officials of Federal agencies participating in organized crime strike force activities and with U.S. Attorneys and members of the Federal judiciary. In addition, we performed limited work at strike forces in Boston, Chicago, and Washington, D.C.

Most of our field work was performed between December 1975 and May 1976.

SELECTED INFORMATION ON THE SIX

STRIKE FORCES REVIEWED BY OIG

	<u>Brooklyn</u>	<u>Cleveland</u>	<u>Detroit</u>	<u>Los Angeles</u>	<u>Manhattan</u>	<u>New Orleans</u>
A. <u>Date established</u>	April 1968	November 1969	February 1968	July 1970	July 1969	May 1970
B. <u>Geographical jurisdiction</u>	Kings, Queens, Richmond, Nassau, and Suffolk Counties, New York	Ohio and Kentucky	Michigan	Southern and Central judicial districts of California; Arizona, Montana, Nevada, New Mexico, North Dakota, South Dakota, and Wyoming	Southern and Northern judicial districts of New York	Louisiana, Arkansas, Texas, Mississippi, and Alabama
C. <u>Participating Federal agencies</u>	(a,b,c)	(a,b)	(a,b)	(a,b,c,d)	(a,c)	(a,b)
D. <u>OCRS attorneys</u>						
1. On-board, September 1, 1975	6	6	9	10	10	5
2. Average tenure of attorneys on-board, September 1, 1975 (in months)	27	33	28	33	18	38
3. Average tenure of attorneys who left the strike force from inception to September 1, 1975 (in months)	30	13	36	26	23	23
E. <u>Intelligence analyst located at Strike Force</u>	Yes	Yes	Yes	Yes	Yes	Yes

Notes

a/Eureau of Alcohol, Tobacco, and Firearms

U.S. Customs Service

Department of Labor

Federal Bureau of Investigation

Immigration and Naturalization Service

Internal Revenue Service

United States Postal Service

United States Secret Service

b/Drug Enforcement Administration

c/Securities and Exchange Commission

d/United States Marshals Service

HOW A STRIKE FORCE OPERATES

Strike forces generally operate in the same manner. Their operations usually involve: (1) initial agency investigation, (2) investigation after strike force involvement, and (3) indictment and prosecution.

INITIAL AGENCY INVESTIGATION

Participating agencies generally initiate investigations, although the strike force attorney-in-charge occasionally suggests investigations. Agency investigations originate after criminal activity has been identified. The investigating agency determines the stage an investigation is brought to the strike force's attention. Sometimes investigations are made known to the strike force shortly after initiation; in other instances, the investigation may already be completed. At times, strike force attorneys may meet with participating agencies to review their ongoing efforts and suggest that promising matters be developed further.

The process of bringing an agency investigation to the strike force is usually very simple. An agency representative discusses the investigation with a strike force attorney, who decides whether or not it is a strike force matter.

INVESTIGATION AFTER STRIKE FORCE INVOLVEMENT

Once an investigation is accepted by the strike force, it is assigned to an attorney(s). The attorney reviews the investigation and identifies whether additional evidence is required to obtain an indictment. He may recommend such things as electronic surveillance, i.e., wiretaps, to obtain needed evidence; or he may request the assistance of other agency representatives if there are indications that violations in their statutory areas have occurred.

After the investigation is completed, the strike force attorneys evaluate whether the offense(s) warrants prosecution. If the attorney believes it does, he prepares a prosecutive memorandum setting forth the particulars in the case, laws involved, statements of facts and evidence, problems of evidence, and conclusions and recommendations.

After review by the attorney-in-charge, prosecutive memorandums are sent to the respective U.S. attorney and to OCS for review and approval. The assistant attorney general of Justice's Criminal Division makes the prosecutive decision should any conflicts arise on the case's prosecutive merit.

INDICTMENT AND PROSECUTION

After prosecutive approval is obtained, the strike force attorney(s) presents the case before a grand jury, which determines whether to issue indictments, how many, and to whom. This determination is generally made by subpoenaing witnesses, records, and compelling testimony.

If the grand jury issues indictments, the case is prosecuted generally by strike force attorneys who may be assisted by U.S. attorneys or Justice attorneys with special expertise in certain types of cases.

WORKING COMMITTEES OF THE NATIONAL  
COUNCIL ON ORGANIZED CRIME

Narcotics Committee

Gambling Rackets Committee

Infiltration of Business Committee

Labor Committee

Counterfeit, Stolen Funds, Securities, and Credit cards  
Committee

State and Local Effort Involving Organized Crime Committee

Trial Committee

SUMMARY OF U.S. CODE VIOLATIONS  
FOR SIX SELECTED STRIKE FORCES--INDICTMENTS  
OBTAINED DURING FISCAL YEARS 1972-75 (note a)

U.S. Code	Title - Name	Chapter - Name	Brooklyn		Cleveland		Detroit		Los Angeles		Manhattan		New Orleans		Total	
			Indicted	Convicted	Indicted	Convicted	Indicted	Convicted	Indicted	Convicted	Indicted	Convicted	Indicted	Convicted	Indicted	Convicted
8 - Aliens and Nationality		12 - Immigration and Nationality	1	1	1	1	9	8	1	1	1	1	0	0	13	12
Total			1	1	1	1	9	8	1	1	1	1	0	0	13	12
15 - Commerce and Trade		1 - Monopolies and Combinations in Restraint of Trade	5	0	0	0	0	0	0	0	0	0	0	0	5	0
		2A - Securities and Trust Indentures	20	0	0	0	0	0	24	0	29	6	0	0	73	6
		2B - Securities Exchanges	20	8	0	0	0	0	14	0	29	0	0	0	63	8
		2D - Investment Companies and Advisors	0	0	0	0	0	0	0	0	1	0	0	0	1	0
		41 - Consumer Credit Protection	1	1	0	0	0	0	0	0	0	0	0	0	1	1
Total			46	9	0	0	0	0	38	0	59	6	0	0	143	15
18 - Crimes and Criminal Procedure		7 - Assault	1	0	16	2	0	0	0	0	1	0	0	0	18	2
		9 - Bankruptcy	7	1	0	0	0	0	2	1	0	0	0	0	9	2
		11 - Bribery and Graft	53	11	0	0	10	1	10	5	11	5	0	0	84	23
		13 - Civil Rights	10	0	0	0	0	0	0	0	0	0	0	0	10	0
		15 - Claims Affecting United States	0	0	0	0	0	0	1	0	0	0	0	0	1	0
		19 - Conspiracy	332	59	203	49	264	105	127	20	360	146	22	4	1,308	383
		25 - Counterfeiting and Forgery	45	6	16	14	5	2	15	7	21	6	5	0	107	35
		27 - Customs	61	11	0	0	3	1	0	0	0	0	0	0	64	12
		31 - Embezzlement and Theft	113	16	25	11	6	4	2	1	18	5	1	1	165	38
		33 - Emblems, Insignias and Names	0	0	2	0	0	0	0	0	0	0	0	0	2	0
		35 - Escape and Rescue	0	0	0	0	1	0	0	0	0	0	0	0	1	0
		40 - Importation, Manufacture, Distrib., and Storage of Firearms	3	2	0	0	1	2	2	0	0	0	0	0	6	3
		41 - Extortion and Threat	4	0	0	0	1	1	2	0	0	0	0	0	7	1
		42 - Extortionate Credit Transactions	43	13	9	2	18	5	20	5	48	12	2	2	140	39
		43 - False Personation	0	0	0	0	0	0	3	3	0	0	0	0	3	3
		44 - Firearms	22	6	16	6	6	4	18	5	31	5	2	1	95	27
		47 - Fraud and False Statements	71	20	7	1	11	7	4	2	6	2	2	1	101	33
		49 - Fugitives from Justice	0	0	0	0	0	0	0	0	1	1	0	0	1	1
		50 - Gambling	3	0	8	6	0	0	27	3	5	5	0	0	43	14
		51 - Homicide	1	1	3	2	0	0	0	0	1	0	0	0	5	3
		55 - Kidnapping	11	3	0	0	0	0	0	0	6	2	1	0	18	5
		63 - Mail Fraud	8	0	16	11	18	6	32	6	31	5	9	4	114	32
		67 - Military and Navy	1	0	0	0	0	0	0	0	0	0	0	0	1	0
		73 - Obstruction of Justice	12	1	22	2	42	12	6	1	15	3	15	1	112	20
		75 - Passports and Visas	1	1	1	1	1	1	0	0	1	1	0	0	4	4
		79 - Perjury	4	12	13	5	12	4	8	4	18	4	8	4	104	33
		83 - Postal Service	5	3	3	0	0	0	0	0	11	4	0	0	23	7
		95 - Racketeering/Gambling	153	11	182	71	225	61	194	51	215	50	89	71	1,058	315
		96 - Racketeer Influenced and Corrupt Organizations	43	0	2	0	0	0	64	15	24	5	3	0	136	24
		103 - Robbery and Burglary	15	3	0	0	1	0	1	1	6	2	0	0	23	6
		109 - Searches and seizures	15	15	31	4	0	0	0	0	0	0	2	0	48	19
		113 - Stolen Property	52	2	3	2	18	6	73	7	30	1	6	3	182	21
		117 - White Slave Traffic (Prostitution)	0	0	23	3	2	2	0	0	0	0	0	0	25	5
		119 - Wire Interception and Interception of Oral Communication	0	0	0	0	4	1	0	0	0	0	0	0	4	1
		207 - Release	4	2	0	0	3	1	0	0	0	0	0	0	7	3
		211 - Jurisdiction and Venue	0	0	0	0	0	0	0	0	1	0	0	0	1	0
		227 - Sentence, Judgment, Execution	0	0	0	0	0	0	1	1	0	0	0	0	1	0
		Appendix - Unlawful Possession or Receipt of Firearms	0	0	28	0	10	3	0	0	0	0	3	3	41	16
Total			1,18	199	629	202	662	228	612	140	861	267	170	95	4,072	1,128
21 - Food and Drugs		1 - Adulterated or Misbranded Food or Drugs	0	0	0	0	20	0	0	0	0	0	0	0	20	0
		4 - Animals, Meats, and Meat and Dairy Products	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		6 - Narcotic Drugs	58	7	0	0	2	0	0	0	0	0	0	0	60	7
		9 - Federal Food, Drug, and Cosmetic Act	0	0	0	0	3	1	0	0	0	0	0	0	3	1
		12 - Meat Inspection	124	36	0	0	0	0	0	0	0	0	0	0	124	36
		13 - Drug Abuse Prevention and Control	0	0	18	9	234	106	67	14	29	6	0	0	348	135
Total			182	43	18	9	259	107	67	14	29	6	0	555	179	
22 - Foreign Relations and Intercourse		24 - Mutual Security Program	0	0	0	0	0	0	0	0	0	7	0	7	0	
Total			0	0	0	0	0	0	0	0	0	7	0	7	0	
26 - Internal Revenue Code		39 - Regulatory Taxes	8	8	0	0	0	0	0	0	0	0	0	0	8	8
		51 - Distilled Spirits, Wines, and Beer	6	3	0	0	0	0	0	0	39	12	18	15	60	30
		53 - Machine Guns, Destructive Devices, and Certain Other Firearms	13	2	2	2	1	1	14	10	10	0	0	0	40	15
		75 - Crimes, Other Offenses, and Forfeitures	54	31	5	25	13	34	15	57	29	30	18	0	208	111
Total			81	44	7	26	14	48	25	106	41	48	33	319	164	
29 - Labor		7 - Labor Management Relations	11	2	0	0	2	0	2	0	10	1	1	1	26	4
		8 - Fair Labor Standards	8	1	0	0	0	0	0	0	0	0	0	0	8	1
		10 - Disclosure of Welfare and Pension Plans	3	3	0	0	0	0	0	0	0	0	0	0	3	3
		11 - Labor Management Reporting and Disclosing Procedures	38	3	3	2	3	1	6	0	3	2	2	1	55	9
Total			60	9	3	2	5	1	8	0	13	3	3	2	92	17
50 - War and National Defense		Appendix - Military Selective Service Act of 1967	1	1	0	0	0	0	0	0	0	0	0	0	1	1
Total			1	1	0	0	0	0	0	0	0	0	0	1	1	

a/Each line represents the number of persons indicted and convicted for violating the indicated chapter of the title.



SUMMARY OF INDICTMENTS FOR SIX SELECTED  
STRIKE FORCES FOR FISCAL YEARS 1972-75  
DISPOSITION OR STATUS AS OF SEPTEMBER 1, 1975

Disposition or status	<u>Brooklyn</u>	<u>Cleveland</u>	<u>Detroit</u>	<u>Los Angeles</u>	<u>Manhattan</u>	<u>New Orleans</u>	<u>Total</u>
Pled guilty or no contest (note a)	243	173	165	129	160	83	953
Convicted after trial	39	18	104	22	103	44	330
Acquitted	73	38	44	34	32	29	250
Dismissed or prosecution deci- sion not to pro- ceed with case (note b)	380	58	100	81	95	22	736
Convicted - appeal pending	26	16	11	66	10	7	136
Awaiting trial	127	28	111	63	88	19	436
Other	<u>18</u>	<u>3</u>	<u>50</u>	<u>11</u>	<u>43</u>	<u>1</u>	<u>126</u>
Total	<u>906</u>	<u>334</u>	<u>585</u>	<u>406</u>	<u>531</u>	<u>205</u>	<u>2,967</u>
Conviction rate (note c)	30%	67%	65%	57%	67%	71%	57%

a/Nolo contendere

b/Nolle prosequi

c/"Conviction rate" computed as follows:

$$\frac{\text{Pled guilty or no contest} + \text{convicted after trial}}{\text{Pled guilty or no contest} + \text{convicted after trial} + \text{acquitted} + \text{dismissed category}}$$

SENTENCES RECEIVED BY DEFENDANTS  
INDICTED BY SIX SELECTED STRIKE FORCES

FISCAL YEARS 1972-75

Category	Brooklyn		Cleveland		Detroit		Los Angeles		Manhattan		New Orleans		Total	
	Defendants	Percent of total (note a)	Defendants	Percent of total (note a)	Defendants	Percent of total (note a)	Defendants	Percent of total (note a)	Defendants	Percent of total (note a)	Defendants	Percent of total (note a)	Defendants	Percent of total (note a)
Jail time:														
6 months or less	46	17	20	11	21	8	22	15	74	30	24	19	207	17
More than 6 months but less than or equal to 1 year	6	2	12	7	10	4	8	5	23	9	4	3	63	5
More than 1 year but less than or equal to 2 years	16	6	8	4	22	9	5	3	13	5	4	3	68	6
More than 2 years but less than or equal to 5 years	47	17	18	10	57	23	19	13	25	10	12	10	178	15
More than 5 years	16	6	1	1	37	15	5	3	7	3	4	3	70	6
Total	<u>131</u>	<u>49</u>	<u>59</u>	<u>32</u>	<u>147</u>	<u>59</u>	<u>59</u>	<u>39</u>	<u>142</u>	<u>57</u>	<u>48</u>	<u>38</u>	<u>586</u>	<u>48</u>
No jail time:														
Fines only:														
\$1,000 or less	8	3	36	20	2	1	32	21	5	2	3	2	86	7
More than \$1,000 but less than or equal to \$2,000	1	-	3	2	1	-	3	2	2	1	1	1	11	1
More than \$2,000 but less than or equal to \$5,000	4	1	6	3	-	-	10	7	2	1	-	-	22	2
More than \$5,000 but less than or equal to \$10,000	1	-	-	-	-	-	10	7	-	-	-	-	11	1
More than \$10,000	-	-	-	-	-	-	1	1	2	1	-	-	3	-
Probation	<u>125</u>	<u>46</u>	<u>79</u>	<u>43</u>	<u>98</u>	<u>40</u>	<u>35</u>	<u>23</u>	<u>96</u>	<u>39</u>	<u>75</u>	<u>59</u>	<u>507</u>	<u>41</u>
Total	<u>139</u>	<u>51</u>	<u>124</u>	<u>68</u>	<u>101</u>	<u>41</u>	<u>51</u>	<u>61</u>	<u>107</u>	<u>43</u>	<u>78</u>	<u>62</u>	<u>640</u>	<u>52</u>
Total	<u>270</u>	<u>100</u>	<u>183</u>	<u>100</u>	<u>248</u>	<u>100</u>	<u>150</u>	<u>100</u>	<u>249</u>	<u>100</u>	<u>126</u>	<u>100</u>	<u>1,226</u>	<u>100</u>

a/Percents may not add due to rounding.



UNITED STATES DEPARTMENT OF JUSTICE

WASHINGTON, D.C. 20530

JAN 14 1977

Address Reply to the  
Division Indicated  
and Refer to Initials and Number

Mr. Victor L. Lowe  
Director  
General Government Division  
United States General Accounting Office  
Washington, D. C. 20548

Dear Mr. Lowe:

This letter is in response to your request for comments on the draft report titled "The War on Organized Crime is Faltering--Federal Strike Forces Are Not Getting the Job Done."

With minor exceptions, we are in general agreement with the findings and recommendations of the report and share GAO's concern that organized crime still flourishes. While our comments express some disagreement with portions of the draft report, it is important to point out that we have gained considerable insights ourselves from the report and, more importantly, from the discussions held with the GAO staff responsible for its preparation.

We find GAO's findings and recommendations to be generally consistent with the findings and recommendations contained in previous internal studies undertaken within the Department of Justice. The GAO draft report refers to these studies in a number of the areas covered by the report. The studies conducted by the Department of Justice include:

- United States Attorneys' Advisory Committee to the Attorney General  
"Report of the Subcommittee on Department of Justice Field Operations: Organizational Concepts and Relationships with United States Attorneys,"  
1974
- Report of the Attorney General's Committee on the Evaluation of the Organized Crime Strike Forces ("Hoiles Committee"),  
July 1974



- Management Programs and Budget Staff Report, "Organized Crime Intelligence: An Analysis and Management Review of the Organized Crime Intelligence Program," March 1976

We have been aware of management deficiencies in the organized crime area and have been constantly evaluating and implementing organizational improvements within the Organized Crime and Racketeering Section to ensure that our limited resources are being directed against targets of major interest. Since January 1976, we have been conducting our own intensive internal review of the organized crime program and we welcomed the views of the GAO staff in connection with this effort. Changes in management personnel have been made in the Organized Crime and Racketeering Section within the past 3 months. We believe recent changes in Strike Force operations, as well as the management of the Section, are responsive not only to our own concerns about the program but to many of the concerns articulated in the GAO draft report.

As an initial comment, we agree that the Federal effort against organized crime can be better planned, organized, executed and directed and we are working toward these objectives. However, law enforcement can only deal with one side of the organized crime equation. Unlike street crime and other more conventional offenses, organized crime is a business which depends, as do all businesses, on customer acceptance and patronage. Activities such as illegal gambling, narcotics trafficking, loan sharking and fencing transactions, prostitution, pornography, etc., all depend upon willing purchasers or customers for the goods and services which organized crime sells. Organized crime will thus continue to "flourish" until the American citizenry chooses to withdraw its patronage from these multi-million dollar sources of income, and from the influence and power of those who control organized crime in this nation. It must be understood and emphasized that whatever program is designed by law enforcement, it can deal only with the "supply" side of the equation; the "demand" side is, in the final analysis, dependent on the actions and reactions of the American public.

Thus, even if an optimum method of "planning, organizing, executing, and directing" an organized crime program is perfected by the Department of Justice, organized crime may well continue to "flourish" in the above sense. Nonetheless, we must never be deflected from the goal of seeking to improve the method of dealing with the spectre of organized crime by this realization.

GAO recommends that the Attorney General develop a definition of organized crime so that consistent criteria may be applied nationwide on who the targets of the Strike Force should be. The draft report notes that in 1970 the Attorney General defined organized crime as ". . . all illegal activities engaged in by members of criminal syndicates operative throughout the United States, and all illegal activities engaged in by known associates and confederates of such members." However, GAO did not believe that this definition was specific enough to allow consistent criteria to be applied nationwide on who the "targets" of the Strike Force should be.

We recognize the difficulty of formulating a universally applicable and acceptable definition of organized crime and further recognize that the special purpose for which the Strike Forces were created requires a clear and uniform articulation of investigative objectives. However, because of the subjective nature of perceptions about organized crime, we believe that problems would exist with any definition of organized crime. Like pornography, organized crime is difficult to define, but "you know it when you see it" if each determination is subjected to an appropriate review. The use of a working definition in conjunction with a viable means of applying it appears to offer a reasonable solution.

Prior to 1976, prosecutive and investigative priorities were left to meander and be determined ad hoc on a basis that reflected, more often than not, the relationship between a given Strike Force and the investigative agency with which it was dealing or with the United States Attorney. In early 1976, a requirement was adopted that investigations undertaken by Strike Forces would be reviewed before they were commenced rather than after they were completed. The initiation of the required reports at the outset of investigations provides Strike Force Chiefs and the management of the Organized Crime and Racketeering Section, as well as United States Attorneys, with a viable means by which to actually apply the definition promulgated by the Attorney General.

The GAO report further recommends that the National Council be reconvened to develop a unified approach to fighting organized crime. Organized crime is not a monolithic structure, cast in hierarchial form, and directed by a single "godfather" or Chairman of the Board. In business terms, the more apt analogy would be a conglomerate--a criminal conglomerate--which relies on loose lines of authority between various "business enterprises" in different geographic areas of the country. Moreover, the "line of business" which may be pre-eminent will vary from one section to another. In addition, the participants in the largesse of these enterprises may vary with the area under scrutiny, admitting some ethnic strains in some parts of the country and other ethnic strains elsewhere.

What the above obviously suggests is that the mode of dealing with organized crime must vary from region to region and must take into account the particular activities upon which racketeering figures are concentrating within that area. Thus, programs designed to combat one kind of organized crime in a particular locale are not necessarily desirable or effective to combat different kinds of activity in other locales throughout the nation.

It is these perceptions which guide the present efforts being undertaken within the Criminal Division to make sure that the Strike Forces program is flexible enough to meet these differentiations. Rather than attempting to develop a nationwide, unified approach for all strike forces, the Criminal Division is constantly evaluating the program, in the qualitative sense, to ensure that limited resources are being directed against targets of major interest and concern.

To achieve our goals, we have spent considerable time discussing our deficiencies and methods of overcoming them with the chiefs of the Section, their deputies, and selected Strike Force attorneys-in-charge. While new management has been installed within the past 3 months, we recognize that not all these deficiencies have yet been satisfactorily resolved. Admonitions have been and will continue to be constantly forthcoming to the management of the Section and Strike Force Chiefs that they must insure that every opportunity is taken to see that their resources are focused only on major organized crime investigations. It has been suggested, for example, that Strike Force Chiefs review the cases in their inventories, referring to the United States Attorneys' offices for prosecution those matters which appear to be routine in nature and/or do not involve major organized crime figures. New guidelines have been established by the Attorney General and will appear in the new United States Attorneys' Manual, which will clarify this requirement. The end result desired is to see that Strike Force offices do not become "bogged down" in the trial of a great number of mundane, routine cases, no matter who the defendant may be, but will be able to focus their resources on extensive and sophisticated grand jury investigations of major organized crime enterprises within their districts.

The role of coordinating the battle against organized crime is centralized in the Attorney General's Office and the Department of Justice. Our prime goal is to maximize the use of the resources available to us and to make as flexible as possible the response of those engaged in the organized crime program to the changing face of organized crime and to its differing manifestations from region to region throughout the country. In view of the new measures we are taking, we believe that if the Council on Organized Crime is convened, it should not undertake to perform any management function. Instead, it should serve as a forum where general matters may be raised and where an overall view of organized crime strategy may be developed.

The report also recommends that the Attorney General "in conjunction with the other participating agencies develop agreements delineating each agency's (1) role in the strike forces including the role of the attorney-in-charge and (2) commitment of resources." The report further recommends that the Attorney General "seek an order from the President requiring the other agencies cooperation and commitment, should he not receive satisfaction from the other agencies."

The concept of interagency cooperation as originally conceived for strike forces is a good one. However, as noted by GAO, in practice the effectiveness of strike forces has been limited somewhat by the inability of the attorney-in-charge to task each agency investigatively. This problem will continue to exist to some extent since an organizational entity cannot be given responsibility without authority. However, we believe that this situation is improving and interagency cooperation is increasing. Agreements have, for example, been reached when disputes arose with the Internal Revenue Service over their participation in the Strike Force program. The Criminal Division is called upon everyday to interact with the investigative agencies over their use of resources and allocation of priorities. If, however, satisfaction is not received from the other agencies, we will seek assistance from progressively higher levels of authority in our efforts to acquire the cooperation and commitment of the other agencies.

The report also recommends that the Attorney General develop specific criteria and establish the required information system to evaluate the effectiveness of the national and individual Strike Force efforts. We recognize the importance of an information system that effectively measures performance, but we also recognize the extreme difficulty of measuring quantitatively the success of an organized crime program in purely statistical terms. We do not want to fall prey to demands to measure strike force performance simply by a blizzard of statistics which may, read one way or another, indicate more or less "progress" is being made. To date, we have not found a workable way to measure our accomplishments qualitatively. This is particularly difficult in an area such as organized crime where the conviction of a "quality" defendant can outweigh the effect of a whole mass of minor offenders being brought to the bar of justice. As the GAO report indicates, there are some proposed approaches, qualitative in nature, based on the use of intelligence data. While not fully providing a qualitative measure of effectiveness, they are steps in that direction. We are continuing to look for criteria which will aid us in measuring the qualitative effectiveness of organized crime.

Although the title of the draft report infers that the war on organized crime is faltering, we believe our quantitative statistics indicate that extensive accomplishments have been made in the Government's continuing campaign against the hoodlum element. Among these statistics are the FBI's accomplishments of (1) over 6,000 organized crime convictions during the past 5 years, including top La Cosa Nostra functionaries in New York City, New England, New Jersey, Philadelphia, Buffalo, Cleveland, Detroit, Chicago, St. Louis, Kansas City, Denver, and Los Angeles; (2) confiscation of more than \$20,000,000 worth of cash, property, weapons, and wagering paraphernalia in organized crime cases since 1971; and (3) dissemination of criminal intelligence information to other Federal, state, and local law enforcement agencies over the same 5-year span, leading to some 15,000 arrests by the recipient agencies and the recovery or destruction of more than \$187,000,000 worth of illicit drugs and narcotics, the seizure of approximately \$8,000,000 worth of cash and gambling paraphernalia, and the assessment of tax liens against \$19,000,000 worth of property arising out of Federal gambling cases investigated by the FBI.

The report also states that the costly computerized organized crime intelligence system appears to be of dubious value. The recommendation is made that the Attorney General reevaluate whether an intelligence system devoted solely to organized crime figures is needed, and that if it is, steps be taken to improve the quality and usefulness of data in the system.

We are in complete agreement with GAO on this recommendation. It is the present feeling of the management of the Criminal Division that the intelligence apparatus devised for use in the Organized Crime and Racketeering Section is being maintained at a cost and commitment of resources far in excess of any foreseeable return on its operations. As a consequence, we are giving serious consideration to altering the scope of the computerized operation consistent with bona fide intelligence needs.

We appreciate the opportunity to comment on the draft report. We are aware that there are deficiencies in the organized crime program. We are equally aware of the continued threat which organized crime and racketeering poses to the stability of our society and its institutions. Changes which have been effected, those which are on the drawing board, and those which have not yet been accomplished, are all designed to upgrade the quality of the organized crime program--both through the use of Strike Forces, where appropriate, and through service to the investigative agencies and the United States Attorneys' offices. It is our primary endeavor to ensure that a comprehensive effort is being pursued consistently to deal with every aspect of organized crime which comes to our attention.



Should you have any further questions, please feel free to contact us.

Sincerely,

A handwritten signature in black ink, appearing to read "Glen E. Pommerening". The signature is stylized with a large initial "G" and "P".

Glen E. Pommerening  
Assistant Attorney General  
for Administration

Department of the Treasury / Internal Revenue Service / Washington, D.C. 20224

## Commissioner

OCT 5 1976

Mr. Victor L. Lowe  
Director, General Government Division  
U. S. General Accounting Office  
414 G Street, N. W.  
Washington, D. C. 20548

Dear Mr. Lowe:

Mr. Wilbur DeZerne, Director, Office of Audit, Office of the Secretary, Department of the Treasury has forwarded to me a copy of your transmittal letter to the Secretary of the Treasury and the related draft report for such action as deemed appropriate.

We have reviewed the draft of the GAO report to Congress on the Department of Justice's (DOJ) Organized Crime Strike Forces and are forwarding to you our detailed comments. These are included in the attachment to this letter.

The Internal Revenue Service is particularly concerned that this report presents observations and recommendations which could potentially result in serious impact on the IRS participation in the Joint Agency Strike Force Program (Chapter 2). These concerns pertain to the control of IRS resources assigned to the Joint Agency Strike Force Program and the control of IRS over its own operations as part of this coordinated joint investigation effort.

On January 8, 1976, the Internal Revenue Service and the Department of Justice signed an agreement titled "Department of Justice-Internal Revenue Service Guidelines Regarding Cooperation in Joint Investigations." These guidelines, among other things, delineate the roles of IRS and DOJ and cover the commitment of resources in joint investigations. Since these guidelines are an accomplished fact, a Presidential order - a GAO report recommendation contingent on the development of the type of agreement consummated between DOJ and IRS - is unnecessary and could produce undesirable results.

We want to emphasize that these guidelines provide (1) that the Internal Revenue Service will retain control over its own operations and its own resources assigned in joint investigations with DOJ and other participating agencies and, (2) that the participation of IRS personnel in Strike Force

investigations will be coordinated by the Strike Force attorney who will also assist in the formulation of enforcement policies and the selection of cases for potential investigation. However, final authority concerning taxpayers to be investigated by IRS will be vested in IRS.

We believe that the provisions contained in this agreement accomplish the following objectives:

- a. ensure efficient use of IRS resources employed in the Strike Forces;
- b. ensure that IRS resources will be employed in cases concerning tax violations which are within the enforcement jurisdiction of the Service; and
- c. maintain proper control in the IRS over the use of its resources in the Strike Forces.

We strongly believe that the use of IRS resources as delineated in the DOJ-IRS agreement will not only lead to better coordination of Strike Force efforts in the Joint Agency Strike Force Program but will also tend to ensure that the Service will have control over its workload.

This agreement thus contains necessary safeguards against possible misuses of IRS resources in joint investigations involving other than criminal violations, which are clearly outside the enforcement jurisdiction of the Service.

We believe that the FBI should play the primary role in the organized crime strike forces. Under 18 U.S.C. 533 and 534, the FBI has the responsibility to investigate those Federal offenses which are not specifically assigned by law to another agency. Although certain other agencies have investigative authority over specific offenses (e.g., IRS - tax offenses; Immigration and Naturalization Service - immigration offenses; Secret Service - counterfeiting offenses; Drug Enforcement Administration - drug offenses), the FBI has investigative authority and responsibility over most other Federal offenses involved in racketeering, such as those contained in Titles VIII and IX of the Organized Crime Act of 1970, P.L. 91-452, as well as such organized crime activity as bribery, hijacking, interstate transportation of stolen property, bankruptcy, fraud, unlawful activities with respect to labor unions and pension and welfare funds, and obstruction of Federal law enforcement (see 18 U.S.C. 152, 201, 204, 659, 664, 1461-1465, 1501-1510, 2314, 2315).

The Joint Agency Strike Force Program is designed, through the concerted efforts of participating agencies, to investigate and prosecute persons engaged in organized crime activities who commit criminal offenses (Title 18 and 26 violations). On account of this broad objective, we believe that the

FBI should be the primary agency for the investigation of organized crime strike forces. At the same time, IRS, because of its special expertise, will furnish all available assistance in the aspect of criminal violations of the tax laws.

Although we do not have complete data on the resources assigned by participating agencies to the organized crime strike forces, we believe that the IRS contribution of resources is as great or greater than any other participating agency's contribution. Table 1 attached to the detailed comments shows the annual IRS contribution of resources, from FY 1971 through FY 1974, to the organized crime effort including the Joint Agency Strike Force Program and Other Racketeer Cases (FY 1974 is the most recent year for which complete statistics are available). By fiscal years, 1,552, 1,783, 2,152, and 2,071 staff years were assigned by IRS to the overall organized crime effort. In FY 1974, for example, approximately 1,800 staff years were devoted to the Joint Agency Strike Force Program.

Thank you for affording us an opportunity to comment on this draft of the GAO report to Congress on the Department of Justice's Organized Crime Strike Forces. We hope that you will give us an additional opportunity to review the final version of this report in advance of its publication.

With kind regards,

Sincerely,



Commissioner

Enclosure

Internal Revenue Service Comments on  
GAO Draft of Report to the Congress of the United States  
On the Department of Justice's Organized  
Crime Strike Force

1. The following portions of the GAO report pertain to observations and recommendations about the authority of the Department of Justice's attorneys-in-charge over the personnel assigned by other participating agencies in the Joint Agency Strike Force Program and over the cases selected for investigation in their jurisdictions:

- a. Page 11 of the Digest:

"The operations of individual strike forces are hampered because the Justice attorneys-in-charge have no authority over the participants from other agencies. (See ch. 2)."

- b. Page 15, Chapter 2:

"In the absence of a national strategy or overall policy direction from Washington, the responsibility for planning rests with the strike forces. However, strike force attorneys-in-charge do not have authority to direct investigative priorities within their jurisdictions."

- c. Page 16, Chapter 2:

"In establishing the strike force program, however, the Attorney General did not promulgate formal operational guidelines for the participating Federal agencies and did not define authority and responsibilities of the attorneys-in-charge. The strike force attorney-in-charge has little discretion over what is investigated in his jurisdiction and on what activities investigative priorities are established. These decisions are made by the participating agencies, not the strike force, and these agencies decide at what stage in an investigation strike force attorneys will become involved.

A House Government Operations Committee study (House Report No. 1574 dated June 30, 1968) recognized that Justice generally does not have line authority over the investigative and law enforcement operations of other Federal agencies.

The strike force attorney-in-charge has no authority to require participating Federal agencies to conduct specific investigations or to assign additional manpower

and other resources to the strike force program. With the exception of the Immigration and Naturalization Service, personnel assigned to strike forces from participating agencies are not under the control of the attorney-in-charge."

d. Pages 17 and 18, Chapter 2:

"We recommend that the Attorney General

...in conjunction with other participating agencies develop agreements delineating each agency's (1) role in the strike forces including the role of the attorney-in-charge and (2) commitment of resources; and

...seek an order from the President requiring the other agencies' cooperation and commitment, should we not receive satisfaction from other agencies."

IRS Comments:

On January 8, 1976, the Deputy Attorney General and the Commissioner of the Internal Revenue Service signed an agreement entitled: Department of Justice-Internal Revenue Service Guidelines Regarding Cooperation in Joint Investigations. This agreement, among other things, delineates the roles of IRS and DOJ, including the role of the attorney-in-charge, in joint investigations undertaken in the Joint Agency Strike Force Program. This agreement also covers the commitment of resources of IRS and DOJ to this program. Since this agreement is an accomplished fact, a Presidential order is unnecessary and could produce undesirable results.

This agreement establishes the general procedures which are to be followed in investigations and examinations conducted jointly by the Department of Justice, including the Office of United States Attorneys, and the Internal Revenue Service. Within this framework of cooperation, this agreement recognizes that the mission of the Internal Revenue Service is the fair and effective administration and enforcement of the tax laws of the United States.

We emphasize that these guidelines provide (1) that the Internal Revenue Service will retain complete control over its own operations and resources in its participation in joint investigations with DOJ and other participating agencies, including those in the Joint Agency Strike Force Program; (2) that IRS agents will be assigned by IRS managers; (3) that the participation of IRS personnel in Strike Force investigations will be coordinated by the Strike Force attorney who will also assist in the formulation of enforcement policies and the selection of cases for potential investigation. However, final authority concerning taxpayers to be investigated will be vested in IRS.

We believe that the FBI should play the primary role in the organized crime strike forces. Under 18 U.S.C. 533 and 534, the FBI has the responsibility to investigate those Federal offenses which are not specifically assigned by law to another agency. Although certain other agencies have investigative authority over specific offenses (e.g., IRS - tax offenses; Immigration and Naturalization Service - immigration offenses; Secret Service - counterfeiting offenses; Drug Enforcement Administration - drug offenses), the FBI has investigative authority and responsibility over most other Federal offenses involved in racketeering, such as those contained in Titles VIII and IX of the Organized Crime Act of 1970, P.L. 91-452, as well as such organized crime activity as bribery, hijacking, interstate transportation of stolen property, bankruptcy, fraud, unlawful activities with respect to labor unions and pension and welfare funds, and obstruction of Federal law enforcement (see 18 U.S.C. 152, 201, 204, 659, 664, 1461-1465, 1501-1510, 2314, 2315).

The Joint Agency Strike Force Program is designed, through the concerted efforts of participating agencies, to investigate and prosecute persons engaged in organized crime activities who commit criminal offenses (Title 18 and 26 violations). On account of this broad objective, we believe that the FBI should be the primary agency concerned with organized crime strike forces. At the same time, IRS, because of its special expertise, will furnish all available assistance in the aspect of criminal violations of the tax laws.

Although we do not have complete data on the resources assigned by participating agencies to the organized crime strike forces, we believe that the IRS contribution of resources is as great or greater than any other participating agency's contribution. Table 1 attached shows the annual IRS contribution of resources, from FY 1971 through FY 1974, to the organized crime effort including the Joint Agency Strike Force Program and Other Racketeer Cases (FY 1974 is the most recent year for which complete statistics are available). By fiscal year, 1,552, 1,783, 2,152, and 2,071 staff years were assigned by IRS to the overall organized crime effort. In FY 1974, for example, approximately 1,800 staff years were devoted to the Joint Agency Strike Force Program.

Finally, in connection with the IRS cooperation with United States attorneys and Department of Justice attorneys in developing cases concerning tax violations which are within the enforcement jurisdiction of the Service, the Service will provide these attorneys with any information obtained, during a tax investigation, relating to the possible commission of nontax crimes to the extent that this information is in accordance with the provisions on disclosure of confidential information contained in Section 6103 of the Internal Revenue Service Code and the regulations thereunder, as recently amended by the Tax Reform Act of 1976. Under this amendment, for example, the Service will continue to furnish the Justice Department upon request tax returns and other tax return information with respect to the taxpayer whose civil or criminal tax liability is at issue. Written request is required in criminal or civil tax cases other than refund cases and in criminal or civil tax cases other than those referred by the IRS.

2. Page 25, Chapter 3: The GAO report states the following:

"In addition to the above reports, the IRS reviewed its participation in the strike force program and issued a report in January 1975. The review disclosed a need to:

- clearly define specific goals and objectives of the IRS' strike force efforts;
- establish specific strike force target criteria; and
- review reports of IRS strike force accomplishments to provide more detailed information to assist management in the evaluation of the effectiveness of the program.

CONCLUSION

The failure of Justice to define criteria to measure strike force effectiveness and obtain adequate data on program results inhibits obtaining knowledge at the field level of those aspects of program operations which could be changed to be more effective against organized crime."

IRS Comments:

The Internal Revenue Service is finalizing a manual supplement that:

- a. Sets forth the objectives for the Service's participation in the Joint Agency Strike Force Program.
- b. Delineates the responsibilities of the National Office, regional offices, district offices and the individual Strike Force representatives.
- c. Provides for the coordination and states the general procedures which are to be followed in investigations and examinations conducted jointly by the Department of Justice and the Internal Revenue Service in accordance with the guidelines established in the January 8, 1976 agreement between IRS and DOJ on the Conduct of Joint Investigations.
- d. Specifies the criteria for the Service's selection of Strike Force cases for Audit examination and Intelligence investigation.

With respect to the evaluation of the effectiveness of the Service's participation in the Joint Agency Strike Force Program, the Service has recently made a cost/benefit analysis of the impact of this program on



IRS resources. However, this analysis was limited since IRS did not have a comprehensive system that would track the results of audit examinations made on Strike Force cases from the dollars recommended by its Audit Division, through the assessment stage, and, finally, to collection.

The Service is currently developing a comprehensive reporting system that will allow it to track the results of its Intelligence and Audit investigations and examinations made on Strike Force cases. In addition, the Service is now conducting a study that tracks the results of Audit examinations and Intelligence investigations made on Strike Force cases examined by Audit in FY 1972. This study will track these cases from the audit examination results in terms of dollars recommended, to the assessment results in terms of dollars assessed, and, finally, to the collection results in terms of dollars collected. A similar follow-through on the results of Intelligence investigations will be made on these cases.

[See GAO note 1, p. 61.]

4. Page 26, Chapter 3: The GAO report makes the following recommendation:

"RECOMMENDATION

We recommend that the Attorney General develop specific criteria and establish the required information system to evaluate the effectiveness of the national and individual strike force efforts."

IRS Comments:

We suggest that this information system consider, among other things, the statutory restrictions on the IRS disclosure of confidential information as contained in Section 6103 of the Internal Revenue Code and the regulations thereunder, as amended by the Tax Reform Act of 1976.

For example, this amendment provides that tax information can be disclosed to the Justice Department and other Federal agencies for nontax criminal purposes only by order of a U.S. District Court.

5. The following portions of the GAO report pertain to a discussion of the usefulness of a computerized intelligence system developed, maintained, and operated by the Intelligence and Special Services Unit within OCRS, to collect and store information on organized crime gathered by all Federal agencies.

a. Page ii, Digest

"--A costly computerized organized crime intelligence system appeared to be of dubious value. (See ch. 5)."

b. Page 39, Chapter 5: The GAO report states that:

"In a study of the intelligence system issued in March 1976, Justice's Office of Management and Finance reported that, with the exception of the Federal Bureau of Investigation, information exchange is haphazard, rarely written or preserved and heavily dependent upon the rapport established between participating agency representatives. This informal system, the study concluded, resulted in an untimely and incomplete exchange of useful intelligence."

c. Page 40, Chapter 5: The GAO report states that:

"The Office of Management and Finance Study report stated that the overall assessment of strike force personnel was that racketeer profile data was not necessary for the current program of investigation and prosecution of organized crime figures."

d. Page 41, Chapter 5: The GAO report makes the following recommendation:

"RECOMMENDATION

We recommend that the Attorney General reevaluate whether an intelligence system devoted solely to organized crime figures is needed. If it is, steps should be taken to improve the quality and usefulness of data in the system."

IRS Comments:

The Internal Revenue Service is also concerned with the need and utilization of this computerized intelligence system. In June 1976, the Service requested and received detailed information from DOJ

concerning the creation, purpose and utilization of the Racketeer profiles maintained in this computerized system. The Service is currently studying the extent of its role, if any, in participating in this system. One of the Service's considerations relates to the disclosure of confidential information which must be in accordance with the statutory provisions under Section 6103 of the Code and the regulations thereunder, as amended by the Tax Reform Act of 1976. Of particular concern is the possible unauthorized disclosure of tax-related information.

Upon completion of the IRS study, a determination will be made as to the extent, if any, that IRS will participate in this computerized system.

Note 1: Deleted comments refer to material contained in the draft report which has been revised or which has not been included in the final report.

NUMBER OF AVERAGE POSITIONS AND COSTS FOR IRS

PARTICIPATION IN ORGANIZED CRIME PROGRAM

FY 1971 TO FY 1974 (note a)

Audit	FY 1974			FY 1973			FY 1972			FY 1971		
	Average positions		Total	Average positions		Total	Average positions		Total	Average positions		Total
	Agents	Other		Agents	Other		Agents	Other		Agents	Other	
	(000 omitted)			(000 omitted)			(000 omitted)			(000 omitted)		
Strike Force	540	238	778	576	236	812	585	221	806	441	187	628
Other Justice Related Cases	96	41	137	116	47	163	(b)	(b)	(b)	(b)	(b)	(b)
Subtotal--Strike Force & Justice Related Cases	636	279	915	692	283	975	585	221	806	441	187	628
Other Racketeer Cases	105	43	148	61	27	88	47	17	64	40	17	57
Total Organized Crime	741	322	1,063	753	310	1,063	632	238	870	481	204	685
<u>Intelligence</u>												
Strike Force	498	251	749	480	234	714	481	222	703	415	211	626
Other Justice Related Cases	85	43	128	96	46	142	71	45	116	33	20	53
Subtotal--Strike Force & Justice Related Cases	583	294	877	576	290	856	552	267	819	448	231	679
Other Racketeer Cases	87	44	131	155	78	233	60	34	94	122	66	188
Total Organized Crime	670	338	1,008	731	358	1,089	612	301	913	570	297	867
Total--Strike Force & Justice Related Cases	1,219	573	1,792	1,268	563	1,831	1,137	488	1,625	889	418	1,307
Total--Other Racketeer Cases	192	87	279	216	105	321	107	51	158	162	83	245
Total Organized Crime	1,411	660	2,071	1,484	668	2,152	1,244	539	1,783	1,051	501	1,552

a/Earlier years of the Organized Crime Program are incomplete and, consequently, are not shown.

b/Department of Justice Cases included with Strike Force.

Note: In addition average positions devoted to Wagering Tax amounted to 19 in FY 1971, 10 in FY 1972 and FY 1973.

(Schedule as provided could not be reproduced. The above schedule, therefore, was edited and retyped by GAO.)



## THE UNDER SECRETARY OF THE TREASURY

WASHINGTON, D.C. 20220

OCT 20 1976

Dear Mr. Lowe:

As suggested by your letter of August 12, 1976, to Secretary Simon, we have prepared the following comments on your draft report on the Organized Crime Strike Forces.

Although it is my understanding that the report is an assessment of the activities of the Federal Strike Forces, a large part of the draft is devoted to the activities of the National Council on Organized Crime and the sentencing practices of the Federal courts. While these topics are germane to a broad analysis of the problem of organized crime in the United States, they are beyond the control of the Strike Forces or the Organized Crime and Racketeering Section of the Department of Justice. Perhaps the discussion of those topics could be included more appropriately in an appendix where it would be ancillary to the report on the Strike Forces. In that way, it would be less likely that what may be perceived as the failings of the Council and the courts would be attributed to the Strike Forces.

The discussion pertaining to the Strike Forces seems to imply that, since they have not eliminated organized crime in the United States, the Strike Forces have been unsuccessful. I do not agree. The mission of the Strike Force program has been to combat organized crime by prosecuting those who violate Federal criminal statutes; an expectation that prosecutions and convictions alone can effect total elimination of organized crime in a large and diverse population, such as we have, is unrealistic.

In my opinion, the number of indictments and convictions secured by the Strike Forces could be used to provide a good basis for evaluating the program. Statistics could be developed to show trends and provide a measure of quality. I am sure that these figures will show that the Strike Forces have constituted the most successful vehicle thus far developed by the Federal Government for combatting organized crime.

The report states that the operations of the Strike Forces are hampered because the Justice Attorneys-in-Charge have no authority over the participants from other agencies. We disagree with that statement. The Justice attorneys do exercise authority in determining which investigations will be conducted under the authority of the Strike Force. Usually the investigative agencies will propose an investigation that meets with the approval of the Justice attorney. But, the Attorney-in-Charge can decline any investigation that he believes to be inappropriate. Of course, in many instances, the agency still has the option of undertaking such an investigation on its own authority but that investigation would not be a Strike Force case.

We feel that a Strike Force should be a cooperative venture by the agencies involved and should be closely coordinated by the Department of Justice. This, however, does not mean that the Justice Department should exercise administrative supervision of the investigators working with the Strike Forces. Each agency has expertise in its particular field of investigation. It is not reasonable to expect that a small group of Justice attorneys will be more knowledgeable about investigative matters than all of the agency experts who participate in a Strike Force. The Strike Force attorneys supply the prosecutive skills. The division of responsibilities is effective and precludes an unwarranted concentration of authority in any one individual, including the chief Strike Force attorney.

While we believe that the discussion of sentencing would be more appropriately included in an appendix, we would also like to point out that the statistics cited would be more useful if the percentage of convictions that did not result in imprisonment was shown separately rather than having those cases grouped with others that resulted in light sentences as they are on page 31 of the draft report.

Thank you for the opportunity to comment on your draft.

Sincerely,



Jerry Thomas

Mr. Victor L. Lowe  
Director, General Government  
Division  
U.S. General Accounting Office  
Washington, D.C. 20548

PRINCIPAL OFFICIALS RESPONSIBLE FOR  
ADMINISTERING ACTIVITIES DISCUSSED  
IN THIS REPORT

	Tenure of office	
	From	To
<u>DEPARTMENT OF JUSTICE</u>		
<b>ATTORNEY GENERAL OF THE UNITED STATES:</b>		
Griffir Bell	Jan. 1977	Present
Edward H. Levi	Feb. 1975	Jan. 1977
William B. Saxbe	Jan. 1974	Feb. 1975
Robert H. Bork, Jr. (acting)	Oct. 1973	Jan. 1974
Elliot L. Richardson	May 1973	Oct. 1973
Richard G. Kleindienst	June 1972	May 1973
Richard G. Kleindienst (acting)	Mar. 1972	June 1972
John N. Mitchell	Jan. 1969	Mar. 1972
Damsey Clark	Mar. 1967	Jan. 1969
<b>ASSISTANT ATTORNEY GENERAL, CRIMINAL DIVISION:</b>		
Richard L. Thornburgh	July 1975	Present
John C. Keeney (acting)	Jan. 1975	July 1975
Henry E. Petersen	Jan. 1972	Dec. 1974
Henry E. Petersen (acting)	Oct. 1971	Jan. 1972
Will R. Wilson	Jan. 1969	Oct. 1971
Fred M. Vinson	Apr. 1965	Jan. 1969
<b>CHIEF, ORGANIZED CRIME AND RACKETEERING SECTION:</b>		
Kurt W. Muellenberg (acting)	Oct. 1976	Present
William S. Lynch	Aug. 1969	Oct. 1976
Henry E. Petersen	Nov. 1966	Aug. 1969