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INTELLIGENCE NEWS

WHITE HOUSE JITTERS!

THE THREAT TO THE PRESIDENT BY THE TERRORIST GROUP **ISLAMIC JIHAD** IS VERY REAL AND THE SECRET SERVICE IS QUITE CONCERNED. THE ORGANIZATION (IJO) HAS STATED THAT THOUGH THEY WERE NOT ABLE TO PREVENT PRESIDENT REAGAN FROM BEING RE-ELECTED THAT THEY WILL DO ALL IN THEIR POWER TO SEE THAT HE DOES NOT SURVIVE THE SECOND TERM. THE ATTEMPT TO BLOW UP THE U.S. EMBASSY IN ROME WAS STOPPED BY TOP POLICE WORK OF ITALIAN AGENTS BY THIS SAME GROUP. THUS, WHEN A CRACK IN SECURITY AT THE WHITE HOUSE WAS DISCOVERED THE USSS WAS VERY UPSET. THE SECURITY WAS BREACHED WHEN THE BAND PLAYING FOR THE PRESIDENT ARRIVED AND A CITIZEN FROM DENVER, COLORADO JUST WALKED IN WITH THE GROUP AND HAD ACCESS FOR AT LEAST TEN MINUTES TO THE WHITE HOUSE. HE WAS ARRESTED BY SECRET SERVICE AGENTS WHEN FINALLY NOTICED. THE MOST HEROIC EFFORTS BY SECRET SERVICE AND OTHER FEDERAL AGENTS CAN NOT PREVENT THESE PROBLEMS FROM HAPPENING. THE PRESIDENT OF THE UNITED STATES HAS TO BE VISIBLE AND AGAINST THE ADVICE OF HIS BODYGUARDS WILL EXPOSE HIMSELF TO CROWDS. WHILE PRESIDENT REAGAN IS MUCH MORE COOPERATIVE THAN OTHER PRESIDENTS HE REMAINS A HIGH PRIORITY TARGET FOR TERRORISTS.

COCAINE CARTEL IN LIFE AND DEATH STRUGGLE

UNLESS REQUIRED, MOST AMERICAN DIPLOMATS AND FAMILIES HAVE LEFT THE **COLUMBIA** AREA DURING THE WAR THAT HAS BEEN DECLARED AGAINST THE DRUG AGENCIES. MOST AMERICANS WORKING IN FIRMS MUST HAVE BODYGUARDS AND THAT MAY NOT BE ENOUGH TO PREVENT SLAYINGS. IN MEXICO, THE KIDNAPPING OF A DEA AGENT IN BROAD DAY LIGHT SHOWS THE CONTEMPT FOR POLICE AUTHORITIES. IT UNDERMINES CONFIDENCE IN POLICE AS WELL. UNDERCOVER SOURCES AND INFORMANTS MAY FEAR TO GIVE DATA TO DEA, FBI OR OTHER AGENCIES WHEN THEY SEE THE BUILDINGS AT DEA HEADQUARTERS BEING PROTECTED FROM BOMB THREATS AND AGENTS SHOT OR SLAIN.

IN MIAMI, OCB DIRECTOR NEHBASS WHO HEADS UP THE COUNTRY-WIDE DRUG ENFORCEMENT PROGRAM INDICATED THAT DESPITE INCREASED SEIZURES OF COCAINE . . . THAT THERE IS MORE ON THE STREETS THAN EVER BEFORE. BILLIONS OF DOLLARS ARE INVOLVED AND DRUG RELATED DEATHS ARE INCREASING. THE BOMB SQUAD IS ALSO GETTING MORE CALLS TO FACTORIES WHERE "COKE" IS BEING MADE WITH HIGHLY INFLAMMABLE MATERIALS THAT COULD BLOW UP A CITY BLOCK.

INTERPOL ARM IS LONGER

INTERPOL WHICH IS THE DRAMATIC TITLE OF THE INTERNATIONAL CRIMINAL POLICE ORGANIZATION HAS 136 NATION MEMBERS. SECRET SERVICE CHIEF JOHN SIMPSON IS ITS ELECTED HEAD AT THIS TIME. NOW, UNDER RULES THAT WERE CHANGED AT A RECENT MEETING INTERPOL WILL CIRCULATE WARRANTS AMONG MEMBER NATIONS IN CASES OF MURDER, KIDNAPPING, BOMBING, ROBBERY AND SIMILAR SERIOUS OFFENSES. A NATION GETTING A "RED NOTICE" IS OBLIGATED TO ARREST AND DETAIN A SUSPECT PENDING A FORMAL EXTRADITION HEARING. THIS HAS MADE INTERPOL MORE EFFECTIVE AND WARRANTS HAVE BEEN ISSUED ALREADY FOR **JO-ANNE CHEISMARD** WANTED AFTER HER ESCAPE FOR KILLING A STATE TROOPER: **MUTULU SHAKUR** AND **THOMAS WILLIAM MANNING**, ALL DANGEROUS KILLERS AND BANK ROBBERS.

NEW DIPLOMATIC LICENSE PLATES

THE U.S. DEPARTMENT OF STATE WILL NOW ISSUE **ALL** DIPLOMATIC TAGS FOR VEHICLES OWNED BY FOREIGN GOVERNMENTS AND THEIR AUTHORIZED REPRESENTATIVES. THESE WILL REPLACE THOSE OF **ANY** OTHER JURISDICTION! FOR MORE INFORMATION WRITE TO: FEDERAL DIPLOMATIC MOTOR VEHICLE PROGRAM, STATE DEPARTMENT, WASHINGTON, D.C.

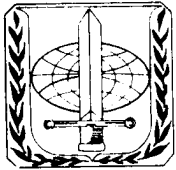
101,361 AUTHORIZED MACHINE GUNS IN UNITED STATES

NATION-WIDE AS OF LAST YEAR AT THIS TIME, 101,361 MACHINE GUNS WERE IN LEGAL POSSESSION OF CITIZENS IN THE UNITED STATES SAYS AT&F. IT IS PERFECTLY LEGAL FOR ANYONE TO OWN A MACHINE GUN AS LONG AS THEY HAVE PURCHASED THE SPECIAL LICENSE. THEY ARE ONLY ILLEGAL WITHOUT THE PERMITS. LAST YEAR, 4,500 PERSONS APPLIED AND WERE GRANTED MACHINE GUN PERMITS. MANY OF COURSE ARE TRUE GUN COLLECTORS.

Cover Photo: Gary Lee Yarbrough and David Lane, both armed, pictured in 1983. There is growing evidence that links extreme right wing groups to the murder of police officers, bank hold-ups and other crimes. To finance their quest for power both the right and left have a common link: Violence.

INTERNATIONAL

**CRIMINAL INVESTIGATORS
ASSOCIATION**



A Division of the American Police Academy

OUR PURPOSE

We are an international association of investigators and police officers in all ranks and departments with an interest in gathering intelligence on criminals and their activities and sharing it through articles and workshops. Our focus is international because both organized crime and terrorist groups often have bases and interests in countries outside the United States. We are not a government sanctioned group but a voluntary, non-profit, informal association of individuals concerned about the rise in domestic and international crime and terrorism. Through our unofficial efforts we hope to alert our fellow officers to impending or potential criminal activity which can adversely affect their communities.



Daniel J. Meany III

ETHICS AND MEMBERSHIP STANDARDS

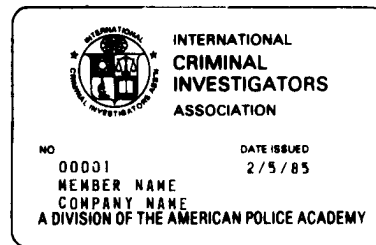
It has been agreed that the data released that may fall into our hands or be shared by other investigators will be screened so as not to effect ongoing investigations and would place in jeopardy the life of any investigators or sources of information. Thus, when such data arrives, the Executive Director may deem it necessary to share it only with a special agency as a TIP (Tell It Privately). However, generally our aim is to keep the police community informed on all levels so they may be aware of dangers past, present or imminent. Membership is limited to professional law enforcement officers in federal, state, county, municipal and in certain cases in private security industry where these skills are used to protect industry essential to the United States and her allies.

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Application for Membership to:
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Chevy Chase, Maryland 20815



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I certify that I am engaged in full-time law enforcement work as a criminal investigator. Enclosed are dues of \$15 a year payable to ICIA. I understand that the Executive Director has the sole responsibility to accept or reject membership for any reason whatsoever and return my dues and application.

Date _____ Signature _____

CREDIT CARD FRAUD SQUAD

By Larry Schwartz and Pearl Sax
Fraud and Theft Information Bureau
**FIRST CREDIT CARD FRAUD SQUAD
IN UNITED STATES
BREAKS ORGANIZED CRIME RING**

Florida, gateway for Caribbean, Central and South American dope smuggling operations, is now the second worst hotbed of credit card crime after New York. Increasingly, drug criminals are diversifying into credit cards because of the ease of fraud, profitability and small chance of apprehension.

Organized in 1982 by Metro Dade Police Chief Bobby Jones as a division of the Dade County Economic Crime Unit, the Credit Card Fraud Squad has achieved remarkable results. Latest is capture of a ring of "Marielitos" (Cuban prisoners sent here by Castro).

The gang bought credit card transaction carbons from dishonest hotel, retail and car rental employees for \$5; created "white plastic" and counterfeit Visa and MasterCard cards; imprinted thousands of gasoline sales slips with the stolen information; sold the slips for \$9 each to gas stations in Florida, New York, New Jersey, Texas and Louisiana.

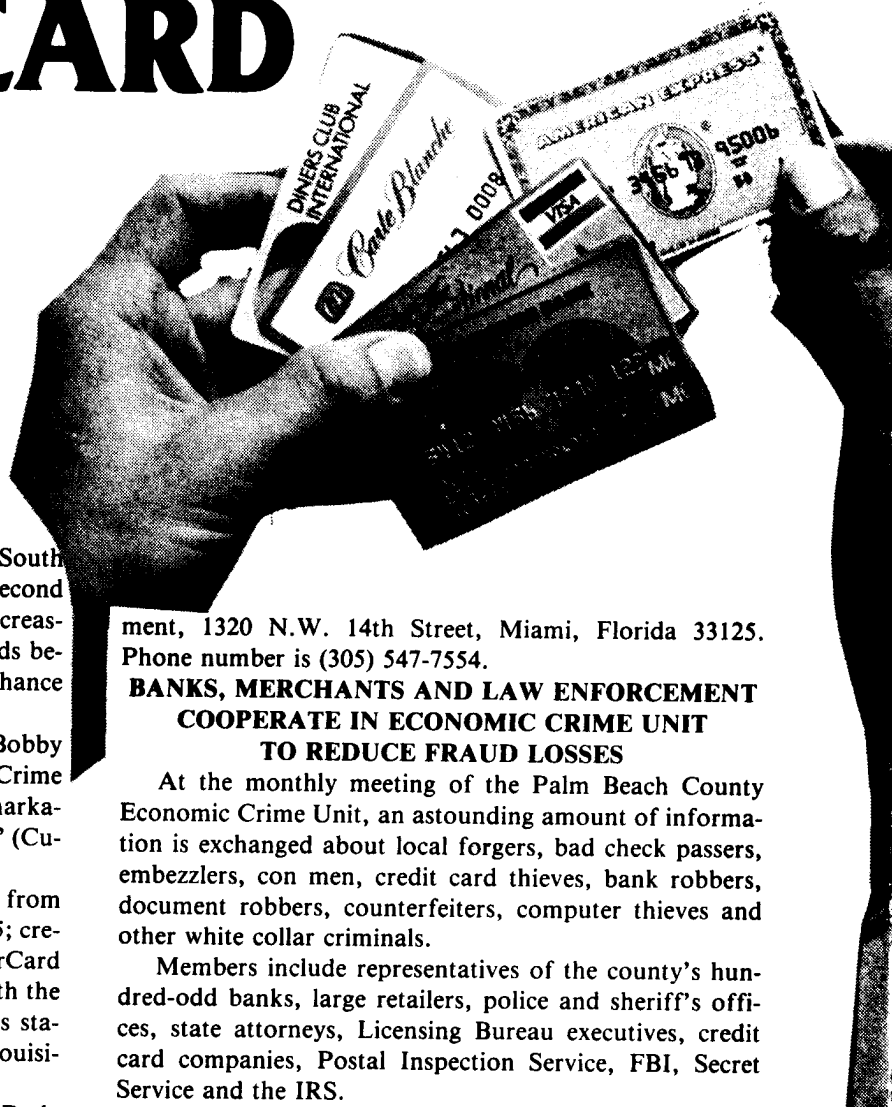
The dishonest station operators (40 of them in Dade County alone) made out the slips for varying amounts under the \$50 floor limit and pocketed the proceeds.

ARRESTS

Arrested by Detective Geno Figueroa were ringleaders Onelio Hernandez, Armando Lorenzo, Enrique Lazaro, Manolo Valdez and his wife, Mary. All await trial on charges of grand theft, second degree; racketeering under Florida's Rico Act; conspiracy to commit organized crime.

To date, the squad has confiscated four Farrington card embossing machines; thousands of "white plastic" and counterfeit cards; recovered \$2 million in fraudulently obtained goods; apprehended airport pickpockets who were stealing and selling credit cards; arrested owners of "bust-outs," stores set up to secure merchant status and submit fraudulent transactions (it generally takes 30 days before banks recognize the crime) — and over 300 merchants who were accepting "white plastic" and counterfeit credit cards.

For further information contact Sergeant Art Stack, Credit Card Fraud Squad, Metro Dade Police Depart-



ment, 1320 N.W. 14th Street, Miami, Florida 33125. Phone number is (305) 547-7554.

BANKS, MERCHANTS AND LAW ENFORCEMENT COOPERATE IN ECONOMIC CRIME UNIT TO REDUCE FRAUD LOSSES

At the monthly meeting of the Palm Beach County Economic Crime Unit, an astounding amount of information is exchanged about local forgers, bad check passers, embezzlers, con men, credit card thieves, bank robbers, document robbers, counterfeiters, computer thieves and other white collar criminals.

Members include representatives of the county's hundred-odd banks, large retailers, police and sheriff's offices, state attorneys, Licensing Bureau executives, credit card companies, Postal Inspection Service, FBI, Secret Service and the IRS.

Headed by Detective Liz Cline of the Palm Beach County Sheriff's Office, a from-the-ground-up veteran of 20 years in law enforcement, the Economic Crime Unit, supposedly the first in the nation, is now in its eighth year.

EXCHANGE OF INFORMATION SAVES MONEY AND STOPS THE THIEF

Both the information exchanged at the meetings and the rapport that has developed among its members have probably saved millions of dollars by eliminating duplication of effort among the county's 37 police departments and by increasing apprehensions leading to convictions restitution and recovery of property.

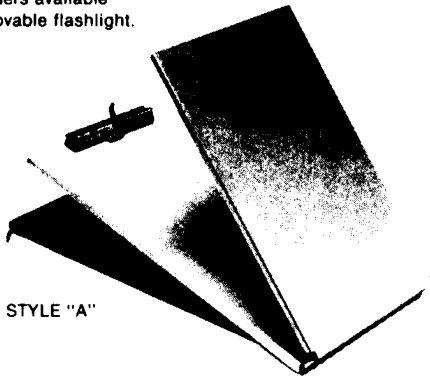
After attending one of these super-helpful meetings and interviewing Detective Cline at length, we got permission to share this information with our readers so that similar units can be formed in other parts of the country. To date, economic crime units have been formed in Dade, Broward and Martin counties, covering all of South Florida, a leading hotbed of white collar crime. These units exchange information, attend each other's meetings and have

• Continued on Page 6

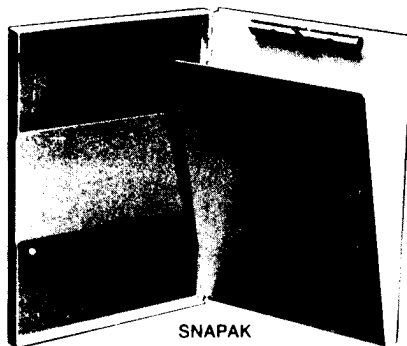
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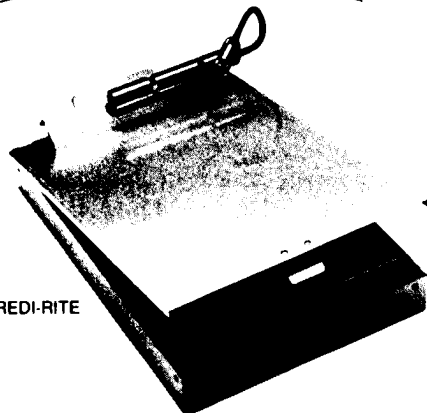
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been helpful in solving crimes in Utah, California, Oregon, Nevada and New York.

"Our objective is prevention, detection and apprehension," declared Detective Cline. "We try to prevent the crimes before they happen and avoid the domino effect of each crime. Unfortunately, every forgery is directly related to a more serious crime — crimes like drug dealing, prostitution, purse snatching, shoplifting, burglary of residences, business and mail, arson, auto theft, even rape and other violent crimes.

"From where we sit, it looks as though losses to the economy from white collar crime and drug traffic are enough to pay off the national debt."

SUBJECTS COVERED AT A TYPICAL MEETING

Here is a sampling of the subjects covered during the two and a half hour meeting we attended — subjects accompanied by much passing around of photographs, copies of forged checks and false ID.

- An ongoing scheme by 12 people using \$250,000 of stolen Citibank travelers checks, most recently in Dade and Seminole counties. One of the leaders, the daughter of a fraud detail sergeant, worked for a Florida bank for one and a half years. Of the 12, three are in custody, two turned state and federal evidence, seven warrants issued ready to be served.

- Members deplored the fact that travelers check companies apparently do not have adequate follow up programs for lost and stolen checks. Lag time in discovery and research of stolen traveler's checks gives thieves high success levels with little chance of apprehension.

- A receptionist at a local Florida motel was carrying a folder with four stolen Marriott travelers checks when arrested. Checks stolen from Denver were being cashed at the motel.

- Bank personnel have been leaving travelers checks in open drawers. If a bank's copies of the checks are destroyed, it will be two or three months before the loss is detected.

- Credit card fraud is still the weakest link. Only six apprehensions out of 25 to 50 frauds per month in stolen and counterfeit cards. Stolen cards in several cases used to buy cigarettes, liquor, Polaroid film to be sold in the European black market, New York night clubs, expensive furniture.

- Discussion about a service for screening people who open new checking accounts. Called Cheque Enquiries, Inc., the service operates in 33 states. They provide information in seconds about any previous bad history of the person opening the account, such as account closed for NSF activity; writing on a closed account; opened with false stolen ID or an NSF check; reported as a charged off loan; credit card account closed for cause; reported lost or stolen check book or pass book. The company also maintains a Fraud Alert is used by many of the unit members. Fraud Alert is used by many of the unit members.

- Drive-in teller at a bank, suspicious about a person wishing to cash a check, called the customer whose name

appeared on the check to ask if she had issued the check, learned that two checks were missing from her book, including the one in question. Thief took off, but teller quickly called 911 and reported license number. Thief apprehended; charges being pressed.

- Counterfeit cashiers checks from a Miami bank printed on brown paper.

- Vandalism that destroyed \$40,000 of ATM machines. Description of vandal in his 20s. Discussion of motivation. Different from bombing to secure money in machine.

- False ID cards, headed "Florida ID," being printed for \$8.50 at a farmers' market one mile from Palm Beach Sheriff's Office. Each card can bear color photo of subject, false date of birth, false name, false Social Security Number, even a fingerprint to make it look authentic. Used to help cash forged or counterfeit checks. Card looks authentic since it bears the state's name. Selling these fake ID cards is not illegal.

- Stolen business checks being used — names of companies and individuals from whom they were stolen.

- Check kiting by a 19-year-old diabetic jewelry operator from New York who obtained \$76,000 fraudulently in 60 days. After apprehension by joint effort of Palm Beach County Sheriff's Office and West Palm Beach Police, the youth paid \$13,000 up front in order to be put on probation.

- Missing Zayre check cashing cards. Cleaning crew or dishonest employee responsible? Three banks hit in Martin County.

- Postal money orders being altered to much higher amounts by purchasing small denomination money orders and pasting numbers on a slightly larger denomination money order. Thirty thousand dollars of such money orders cashed recently. Holding them up to the light reveals pasting.

- Postal Inspection Service representative announced that 24 hour hot line is now available for checking fake money orders. (305-591-0208) He stated that \$1 million in fraudulent money orders have been sent into prisons since 1974. Sympathetic civilians and homosexuals contacted through magazines have been cashing such money orders for inmates.

- Information on a number of individuals writing checks on overdrawn accounts.

- Forgery ring deposits a forged check drawn on a legitimate bank account for \$100 and then withdrew \$480 in cash. It was recommended that all such transactions be standardized, requiring customers to sign the deposit slip.

- Up to date information on home improvement "gypsies" ripping off \$52 million a year, mostly from older people who are often too frightened to report a loss of \$1,000 or \$2,000 for roofing, blacktop or other work that was inadequately performed or not performed at all.

- Local fencing operations have been eliminated and burglary rings because of intensified enforcement of fraud regulations. Pawn shops were not allowed to melt gold

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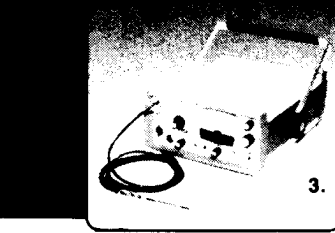
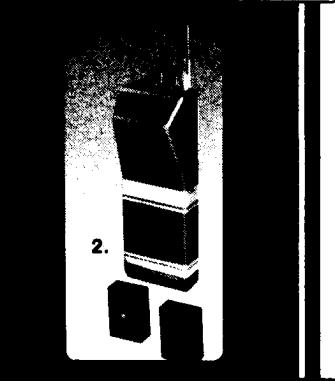
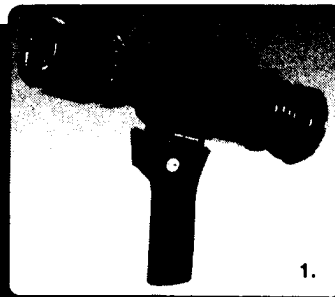
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CENTRAL INTELLIGENCE AGENCY

Overseas Career Appointments
Knowledge is the core of our nation's security

Prudent foreign policy decisions depend on solid knowledge. The most important decisions depend on information our adversaries seek to conceal. A truly extraordinary group of men and women serve abroad as the key players in our national effort to gather this critical information. If you measure up, you may join this group and enjoy an exceptional career.

The Standard: Total professionalism. An Agency career is a vocation, a way of life, not a conventional routine.

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strong ability with people. The knowledge and insight to act in the most effective way. A willingness to accept the responsibilities and risks of a career in the intelligence profession. The ability to perform in the most demanding situations. The essential skills to be prepared to do a job that may require the highest intelligence, skills, and courage toward a goal.

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Central Intelligence Agency

jewelry until a period of time elapsed, had to notify sheriff's department or local police of every piece they took in, had to get driver's license and physical description of customer.

- Retailers were urged to buy a standard rubber stamp at any printing or stationery store to be used on the back of each check. Stamp calls for name, address, physical description, one piece of ID with photo, date of birth, place of employment, home and business phone where the individual can be contacted.

- Members learn to ask the credit card customer to sign the credit card slip first, before the clerk gets authorization. If the customer should run out with the merchandise without having signed the slip, the crime is only a larceny (or a felony if it's \$100 or more). Mere possession of a stolen card is only a misdemeanor. But if the slip is signed, it's forgery plus illegal possession of a credit card.

- Members are warned about crooks taking hot lists off retail counters to see if stolen cards in their possession have been listed. Merchant members are urged to get authorization on all transactions, regardless of amount, to avoid the time gap while hot lists are prepared and distributed.

- Members learn how to deal with face to face counters with bad check passers. Delay is the key. Tell the thief the bank computer is down. Notify the authorities. Mentally record a full description to aid in identification

and apprehension.

- Members share the thieves' addresses and aliases, which jurisdiction to go to, how the crimes can be prevented. Information absorbed by bank managers, head tellers, operations supervisors and retailers attending the meetings is then passed along to their teller lines, counselors and floor people.

- Members learn that they can screen new employees for only \$5 by sending the name, address, Social Security Number and date of birth to the Florida Department of Law Enforcement. In this way they learn if the applicant has a criminal record.

- Members learn that bank systems are not fool-proof when a merchant inquires if a customer has sufficient balance to cover a check. Confirmation that there is a large enough balance is no assurance that the money will be there when the check is presented.

We were pleased to note that many of the recommendations shared among the members of the Palm Beach County Economic Crime Unit were already listed in our manual for banks, merchants and law enforcement agencies, "Credit Card and Check Fraud: A Stop-Loss Manual."

If you are interested in starting an economic crime unit in your city or county and would like further information, contact Detective Liz Cline, Palm Beach County Sheriff's Office, 3228 Gun Club Road, West Palm Beach, Florida

33406. Her phone number is (305) 471-2000.

ANTI-FRAUD SEMINARS SPONSORED BY AMERICAN EXPRESS

Two thousand merchants in the five boroughs of New York have been given anti-fraud training by American Express representatives in individual meetings.

An additional 2,500 New York merchants will be invited to a series of seminars, sponsored by American Express with the cooperation of the New York City Police Department Crime Prevention Bureau, to learn how to take basic steps to protect themselves against credit card and check crime, fraudulent travelers checks, burglary, theft, shoplifting, and pilferage.

B. Garland Cupp, executive vice-president of American Express' Payment Systems Divisions, claims that on-site training of merchants has resulted in a 14% drop in fraudulent use of the American Express card since 1982. (This requires further explanation since national fraud statistics are rising significantly.) Other cities where on-site training was held were Chicago, Dallas, Houston, Miami and Los Angeles, all hotbeds of credit card crime.

WHAT DID MERCHANTS LEARN?

1. Comparing the *signature* on credit card slip with the signature on the credit card itself is the single most important step, according to American Express. (We disagree.)

2. To spot *altered cards*, examine the card in good light. Is there any change in the surface of the card? Any change from the regular glossy surface to a mat surface? Is there any erasure or white-out?

3. Check the *expiration date*. Since the American Express card says "Valid from ---- to ----," is the card being offered before the starting date or after the expiration date?

4. Is there anything suspicious about the *shopping behavior* of the customer? Is he shopping carefully, as a normal customer would, or is he grabbing merchandise?

5. If the customer demonstrates suspicious behavior in making a purchase or in the handling of the credit card transaction, the clerk should announce "*Code 10*" (fraud in progress) when calling for authorization. The authorization operator will then guide the clerk through a series of "Yes" or "No" questions relating to the person, the items being purchased, etc. If still suspicious, the operator will ask to speak to the customer and will ask pointed questions which can only be answered by the actual cardholder.

6. The key focus should be on the card and the human element, not on the approval code. (*This is cause for a merchant's uprising. If the approval code is insignificant, why bother with it? We have been calling for a complete redesign of the authorization system so that it has meaning and protects the merchant. This was first suggested to all credit card companies in 1982 by the publishers of this newsletter.*)

7. *The retail clerk should watch while customer signs travelers checks.* If suspicious about the signature, he

should turn the check upside down and check the signature again. The signatures do not have to be identical, but they should be close.

8. *Be suspicious if the customer or his accomplice tries to distract the attention of the clerk while the checks are being signed.* If the salesperson was distracted, he should return the check to the customer and ask him to sign it again, this time under the American Express chairman's name which appears on the check.

9. *If the clerk is still not satisfied, he should tell the customer that he is required to call in on this series of numbers for validation.* This will put the onus of responsibility on American Express. The clerk returns the checks and requests an alternative form of payment and suggests that the customer contact American Express to straighten it out.

10. *Robbery.* Detective Tony Luizzo of the New York City Crime Prevention Bureau described two systems that have been particularly effective in deterring crimes against retailers.

The first, called the "*buddy buzzer*" involves a buzzer system to signal the store next door that a robbery is taking place. The neighboring store alerts the police.

The second is a much more sophisticated "*networking system*" tested in the Jamaica Mall in Queens, a borough of New York. At first 28 stores were involved successfully, then 70 stores and now it will be used in 350 stores both inside the mall and in the vicinity.

Each retailer is equipped with a hand-held activator which, when pressed, triggers a telephone system which sends a silent signal to the guard booth at the mall. There a thermal printer prints out a "red code" identifying the location of the retailer being robbed. The security guard then calls the police. Cost of this system is \$50,000, of which 70% is paid by the police department and 30% by the merchants.

Not all problems relate to an emergency, so the merchants have installed a *non-emergency activator* at the main register in each store. In the event of shoplifting, aggressive behavior (which the police picturesquely call "breaking chops") or other problems, the merchant walks over to the cash register to press the silent activator. This signal is received as a non-emergency notification at the nearby guard booth and a security patrol scooter is directed to the scene of the disturbance.

PRIVATE SECTOR HELPS PROVIDE PROTECTION

In the Bronx, New York, an area identified during the Carter administration as a depressed area eligible for federal funds (which never materialized) merchants took the helm of developing their own network for crime prevention. One hundred stores joined in a radio network, with the base radio located in a nearby nursing home, staffed 24 hours a day by the nursing home security guards. Upon receiving an alert signal they call the local police, who dispatch help. The system covers both robbery and burglary break-in at a cost that is less expensive than using a regular

burglar alarm service. Once a year each merchant makes a tax-deductible contribution to the nursing home.

Systems such as the "buddy buzzer", "networking" or "local cooperative communication" efforts are just a part of the contribution merchants have made to provide for their own safety.

Law enforcement agencies whom we have interviewed have repeatedly stated that it is impossible with the rising crime rate to be on top of all neighborhood crime. They train many local groups to supplement the efforts of the police department.

LOCAL MERCHANTS FOR PRESSURE ON THE COURTS

When a robber is apprehended, large numbers of merchants show up in the courtroom to apply pressure on the judge for more meaningful sentences.

11. *Shoplifting and pilferage.* The New York City Police Department, via its 100-man Crime Prevention Bureau, now offers to do a security survey for any merchant who requests it.

They inspect locks, lights, alarms, store layout, storage and display of merchandise. They offer plans to reduce shrinkage and shoplifting. They examine the hiring and training of salespeople. They inspect sensitive areas such as location of cash registers, location of check storage and check writing, and location of employee restrooms and lockers.

The survey team may recommend such devices as a "check point," a radio frequency barrier which signals when someone leaves with a article; magnetic bands for merchandise; convex and parabolic mirrors; closed circuit TV. They make both minimum and optimum recommendations.

12. *Street and subway crime in New York City.* Street crime makes it difficult for merchants to conduct business. This has been reduced in many retail areas with the help of 8,300 auxiliary police, specially trained civilians who wear a police uniform and a star instead of a badge, but carry no gun. These volunteers contributed 1.2 million man hours in 1983.

The Crime Prevention Bureau is just completing a booklet on "Retail Security" and will make a limited number available to chambers of commerce; other merchant groups and police departments who write to the Bureau at 120-55 Queens Boulevard, New York, New York 11424.

If you would like to attend a forthcoming seminar, write to Maureen Sullivan, Director of Fraud Prevention, American Express, 708 Third Avenue, New York, New York 10017 or call her at (212) 557-6791.

LAS VEGAS COMMANDS ATTENTION IN TREATING THE CREDIT CARD CRIMINAL

One interview stands out above all the others as a model for police and sheriffs' departments to follow. Most of the officers with gripes asked us not to reveal their identity. But Commander Jerry Cunningham, chief of detectives of the Las Vegas Metropolitan Police Department,

has given us permission to share the following information.

Las Vegas business community, police and private citizens work together to identify, track and apprehend credit card criminals. Las Vegas, seventh largest gambling city in the United States, has three unique advantages when it comes to spotting and apprehending criminals.

First, it is a moderate size community (500,000 population, with 11 million visitors per year) located in the middle of the desert. Exit roads can be easily blocked and the one large commercial and two small craft airports can be easily monitored.

Second, all the casinos are staffed by 3,000 to 4,000 highly trained and armed personnel 24 hours per day who work hand in glove with the police.

Third, a large local credit agency screens both checks and travelers checks for all the casinos. Because credit card fraud often goes hand in hand with check fraud, the police are able, with subpoena power, to get a line on offenders before they can cause losses to banks and to the casinos. So efficient is this coordination that the casino's security staff is immediately alerted and can arrest the offender on the spot.

When bad check passers are apprehended, fraudulent credit cards are frequently picked up at the same time. This is an important technique in getting bad credit cards off the street.

Confiscating the fraudulent credit card should be the beginning of an investigation, not the end. (Editorial note.) Every effort should be made to find out how the card or cards go into the possession of the criminal. Both the merchants who have already been ripped off, and the cardholders whose credit is in jeopardy, are entitled to know if responsibility for the theft, or failure to provide adequate security, lie with the issuing bank or credit card company.

Without this information, defrauded merchants in every part of the country may be powerless to avoid being debited by the issuer. With this information, a long-standing problem may be corrected. For too long, police confiscation of fraudulent credit cards when making bad check arrests has served the issuers primarily.

Las Vegas fraud control staffing — 24 hour duty. Because Las Vegas is a 24 hour city, the police department has to be geared to respond to fraud calls at all hours. Staff available for this work consists of six full-time fraud investigators; 16 general assignment investigators available for follow-up investigation; two handwriting experts; 110 squad cars; and two helicopters, with leased planes available when necessary. Local citizens who comprise an aero squad make available 35 additional planes.

Commander Cunningham has many other things working for him.

He or members of his staff sit in on monthly meetings of the Casino Security Association as well as the Retail Merchants Association — meetings which are also at-

tended by representatives of local banks.

Credit card and check fraud are discussed at all of these meetings and information is exchanged (similar to meetings of the Palm Beach County Economic Crime Unit) which leads to increased apprehensions. Members of both organizations communicate constantly with each other by phone or radio.

There is also an active neighborhood watch program in Las Vegas, as well as an aggressive crime prevention PR program sponsored by the police department.

The Las Vegas Metropolitan Police Department and the Sheriff's Office are one and the same, providing thorough coverage of 110,000 square miles in the State of Nevada. The police departments in small outlying towns are able to call on the might of the LVPD so that even local robberies can be pursued by multiple squad car and helicopters.

Commander Cunningham's department gets "excellent cooperation" from attorneys and the local justice court. Defendants find it so difficult to argue with the visible evidence produced by the department and the testimony of handwriting experts that few credit card and check fraud cases ever reach the district court.

The structure of law enforcement in Las Vegas has impelled many credit card thieves to concentrate on stealing cards and card numbers from well-to-do gamblers rather than on using stolen cards. With 11 million gamblers passing through Las Vegas annually, what better source of supply could they ask for? They can avoid tangling with the local justice system, yet, by using the cards or numbers stolen in Las Vegas, they can be winners in other parts of the country. However, enough thieves try to sell stolen cards while they are still in Las Vegas to keep Commander Cunningham's department quite busy.

Las Vegas police receive grants and contributions to help support their activities. One of the greatest assets of the department is a non-profit corporation that solicits grants and private donations to provide additional funds for fighting white collar crime. With police officers as officers and community leaders such as councilmen, corporate attorneys and hotel and casino executives as trustees, the STIF Corporation, as it is called, sets objectives and puts money into the Metropolitan Police Department to fund covert and other operations, including education and training.

A significant percentage of this money goes to purchase stolen and counterfeit credit cards (the going rate is \$20 a card). Strange as it seems, the biggest beneficiaries of these purchases, the issuing banks, do not reimburse the STIF Corporation for removing the cards from circulation and thereby limiting the banks' liability.

While credit card companies do make modest contributions to this fund, their contributions apparently do not match the thousands of dollars worth of hot cards that are being removed from the street. We fault these companies and banks for failing to put forth adequate efforts to stop the fraudulent use of their cards.

Prostitutes are an important source of stolen cards. ("We buy 'em right off the whores," said one Las Vegas officer picturesquely.) Many more are purchased from so-called "street scufflers," a category that exists between organized crime and the ordinary street criminal. Because of the logistics of credit card and check fraud control in Las Vegas, there is relatively little involvement of organized crime in these activities.

All transactions to buy stolen or counterfeit credit cards are made by the LVPD's extensive sting operation. Every street purchase made his recorded on video tape. "We buy credit cards the moment they are stolen," stated Commander Cunningham. "We know every source in town. Our 'street theater' video tapes are so good they are deserving of an 'Academy Award,' " he continued.

In one recent operation the department accumulated 185 feet of criminal history records in order to obtain 140 arrests. In other operations, the department worked closely with the U.S. Postal Inspectors.

To keep the criminals off guard, the police department, aided by STIF Corporation funds, changes its targets frequently. They have made documentary films for use by the business community; they have purchased machine guns and explosives; purchased stolen government checks; detected and pursued dishonest SETA employees.

Surprisingly, the banks take the biggest lickings from credit card crime in Las Vegas. There are relatively few retailers who suffer from credit card fraud even though they are careless about asking for the customer's proper ID. There are literally no mail order companies in Las Vegas to provide solid target for credit card fraud.

The pawn shops in Las Vegas are the least cooperative retailers. They refuse to provide Cunningham's department with information on stolen personal possessions, including cards. Nevertheless, STIF-supported covert operations have been successful in motivating many thieves to bring stolen checks, credit cards, guns and merchandise to cooperating fences, where arrests are made. In large-scale operations, the police department has been successful in arranging meetings at private homes.

Even though his detail has the highest proportion of convictions, Commander Cunningham deplors the fact that many of the criminals he apprehends plea bargain to avoid incarceration. Nonetheless, his positive-thinking evaluation of his department at the end of our interview was, "We're pretty damn good." Our evaluation — we agree!

If you'd like to learn more about how the LVPD combats credit card crime, including how the non-profit STIF Corporation funds many of its activities, you can write to Commander Jerry Cunningham, Las Vegas Metropolitan Police Department, 400 East Stewart Street, Las Vegas, N.E. 89101. His telephone number is (702) 386-3111.

For a free copy of the "Credit Card and Check Fraud Self-Defense Catalog," write to Fraud and Theft Information Bureau, P.O. Box 400, Boynton Beach, Florida 33425.

SWAT IN A BOX

SPECIAL REPORT ON PRODUCTS

Is \$49.95 worth of non-lethal police chemicals that has been named "Swat in a Box" by its developer an alternative to a million dollar law-suit? Or an indictment of an officer for using too much force? Nearly 70% of the police and sheriffs departments we have polled think so! Pictured here is a box that can be carried in your patrol car (or just be available with any supervisor) that has been *tested* by the International Criminal Investigator Association. *It works!*

It contains:

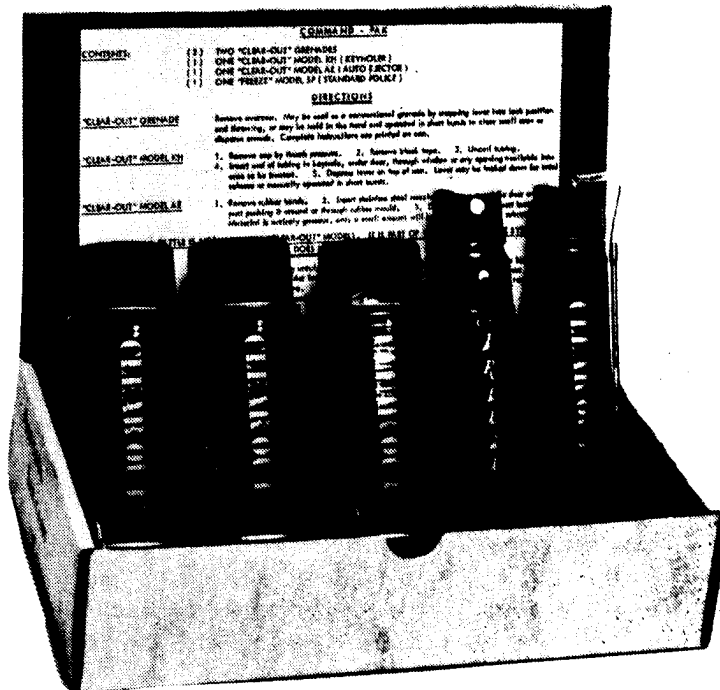
- Two CS Tear Gas Grenades (non-flammable). Disperses in 28 seconds.
- One CS Tear Gas Grenade with plastic hose where the chemical can be dispelled by placing in a key hole, under door, or drilled into a wall, floor, or other entry point.
- One police size hand-unit to be carried by officers, which upon striking the individual, will quickly stop him or her from any actions against the officer or others without any pity.
- One vehicle unit that has a special attachment that can spray CS into a vehicle and cause the person(s) inside to get out of the car within seconds. No need to break a window.

We do not endorse products. We do test them to see if they work. Recently an officer in New York City was indicted by a grand jury when he shot and killed an 80-year-old woman, who, while carrying a knife, resisted being put out of her apartment for non-payment of rent. He used a shot gun. One shot blew her arm, the second hit her in the chest. The New York Police Department stated that the shooting was justified. The response team was quoted as saying they did not want to use tear gas because they would have "to evacuate the entire building."

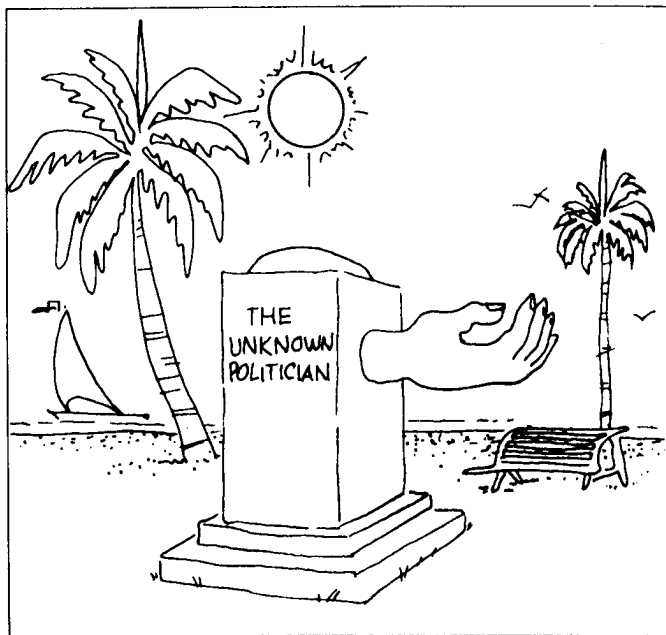
In Clark County, Nevada, we tested the CS Tear Gas shown here and we took video tapes of its effect. While no single item is going to answer all your problems . . . "clear out" has these advantages. First, it does not cling to the area sprayed. It will dissipate quickly if windows are opened, and in some cases where fans are used. It will not linger as do some tear gas units. It is not flammable. It is very strong, and every officer that tested it had to leave a large area in a very few seconds. For situations where there are fights in a jail cell . . . rather than risk injury of an unarmed officer, the persons involved can be parted by using chemicals. Where persons refuse to get out of a car and roll up the window . . . no need for a tow truck or to smash a window. The CS Tear Gas handles it.

Swat in a Box is more than a tool. It shows to the court and a jury (should that occasion arise) that your department has an *alternative* to firearms, head busting batons, etc. It is humane and yet effective. It is also effective against animals and drunks and persons high on drugs.

Our association recommends the use of these non-lethal chemicals, along with *training in how to use them!*



Just as you train to use a baton, handcuffs, firearms . . . there is a one day workshop being offered on non-lethal chemical weapons. Your department can order *Swat in a Box* by using your police or sheriff's department stationery, Swat Unit, Aerko International Corporation, 516 N.E. 34th Street, Fort Lauderdale, Florida 33334. It is sold to police, sheriff and security personnel *only*. It can only be sent to a street address. While individuals may purchase it . . . you must order it and identify your law enforcement agency. The cost of \$49.95 includes shipping, packing and taxes. (In California special permits are required so please check in this state only to obtain test unit for your department.)



CORRUPTION IN THE SOVIET UNION

By O.H. Rechtschaffen

CORRUPTION — SOVIET STYLE

In 1961, Nikita Khrushchev predicted that within 20 years "insufficiency will be fully and finally eliminated." The Soviet Union would enter the final stages of utopian communism as envisioned by Karl Marx.

Khrushchev implied that the Russian people would enjoy the highest standard of living in the world and that poverty, inequality, greed, corruption and crime would disappear from Soviet society.

Khrushchev's dream never materialized. Today, an ever increasing number of Sovietologists assert that the Soviet Union shows clear signs of historical decline, despite the fact that it has built one of the world's most powerful military machines. In the process they have short-changed the Soviet people.

The Soviet Union is a society of pervasive governmental control, where the state runs everything. It is also a society of pervasive corruption, where officials embezzle hundreds of millions of rubles each year from state enterprises and where the secret police are willing to look the other way if the bribe is right. Recently a loyal Soviet journalist candidly summed it up: "There isn't much the leadership can say about corruption today because everybody at the top is raking off whatever he can. To admit that corruption is widespread would be to admit that the country has stopped being revolutionary."

Almost anything can be obtained through bribery — meat, automobiles, apartments, admittance to universities, better jobs and even permission to reside in Moscow.

Khrushchev admitted in 1962 that as a result of widespread corruption "state funds are squandered, housing accommodations are granted unlawfully, plots of land are allocated, pensions are granted, students are admitted to colleges and even diplomas are issued." Nothing has changed in 20 years. Conditions today are probably worse.

In 1982, Pravda reported that a bookkeeper was sentenced to death and dozens of other people were sen-

tenced to long prison terms for bribery and extortion.

U.S. News and World Report recently disclosed that the "I'll help you, and you'll help me" syndrome is widespread. Gift giving is a Russian tradition, but it has developed into petty bribery, usually involving perfume, chocolates, books, liquor and promises of special consideration and favoritism.

For a bottle of vodka or a few rubles a Moscow policeman will overlook a traffic violation, a patient will receive better hospital care, a plumber will fix a leaking faucet, custom officials will overlook contraband goods and teachers will help students pass their examinations.

Corruption seriously undermines the Soviet system:

- It demonstrates that the Soviet economy is an impeccably planned mess. It encourages emphasis on quantity rather than quality, forging of statistics, juggling of books and bribery to hide economic failures.
- It erodes public respect and confidence in the entire government and party structure.
- It reflects a society of shortages caused by a corrupt and inefficient bureaucracy.
- It corrodes ideological confidence in communism.
- It represents a collapse of moral values.
- It reflects loss of hope that life will ever improve.
- It is easily widespread among minority nationalities and reflects overt opposition to communism and "Great Russian" dominance of the country.

CRIME — SOVIET STYLE

Karl Marx strongly believed that within a few years after the establishment of a communist state, a society would emerge where coercion would be unnecessary. In the absence of economic exploitation, crime and corruption would "wither away" and laws and the police would become unnecessary.

Lenin, who modified these views, felt that coercive laws and the police would be needed for some time to curb

individual excesses.

Neither Marx nor Lenin would have remotely imagined that after 65 years of communist rule, the Soviet system would still be struggling with murders, rapes, muggings, burglaries, corruption, embezzlement, bribery, teenage gangs, juvenile delinquency, alcoholism, black marketing and street crimes.

So concerned have Russian authorities become about crime that the Ministry of Internal Affairs has established a special institute to examine the causes of crime.

Brezhnev, in a speech that is often quoted, declared that "crime is a social evil and it is necessary to struggle against it daily, firmly and decisively."

Seven million people have been recruited to serve as volunteer policemen, a reflection of how serious crime has become.

Drinking is considered the main cause of crime. The Soviet journal *Social Law* claims that 50% of all convicted persons were drunk at the time of the offense.

Soviet authorities also claim that much of the violence is committed by the young, 14 to 18 years of age, who roam in gangs through city neighborhoods armed with zip guns and long knives.

Foreign observers note that urbanization has resulted in a breakdown of the family structure and working parents have little time to supervise their children. The divorce rate is very high and family control weak.

A commander of a police precinct was quoted as saying that "if I were to send in to police headquarters the genuine figures about juvenile crime in my precinct, I would not last a day in my job. This is what they all do; I am not the only one. Juvenile crime is a scourge in Moscow and in other cities as well."

The crime rate in the Soviet Union is difficult to measure because statistical data remains secret. Violence and crime are rarely publicized and often denied and covered up.

Despite the high crime rate in Moscow and other metropolitan areas, the level of fear among the population re-

mains low. Fearlessness stems from ignorance because crime and violence are rarely reported.

A journalist of one of Russia's largest newspapers *Izvestia* commented: "If we wrote about crime in Moscow every day, there would be as much fear

as there is in New York." As a rule, a few solved cases are discussed in the media in order to present a picture of police effectiveness and as a deterrent to other troublemakers.

One Muscovite summed it up in this way: "Perhaps we feel safe because we

really don't know what is going on. We usually only hear about crimes when they happen to neighbors. I would say the most feared crimes are apartment robberies or muggings."

(Reprinted courtesy of Texas Police Journal.)

DRUG PROBLEM THREAT TO WORLD SECURITY

Vienna — Worldwide drug abuse and related crimes reached unprecedented proportions last year, even posing a threat to the security of some countries, according to a United Nations report.

"Illicit production, trafficking and abuse has become even more serious" in 1984, the annual report of the International Narcotics Control Board said. "An unprecedented number of countries and human beings are affected:

"The problem has become so pervasive that . . . even the very security of some states is threatened," the report said.

It appeared to refer to Colombia, where the justice minister was assassinated last May after declaring war on drug traffickers.

The 13-member panel of non-governmental experts cooperates closely with the World Health Organization and other United Nations organizations in the prevention of drug abuse.

One of the few positive findings in the 45-page report was that U.S. high school students were turning away from marijuana.

"The abusive consumption of drugs remains a serious public health problem," in the United States, the study said. It added, however, that "overall percentages of new and current abusers" of some drugs are believed to be leveling off within some age groups.

In contrast, it described the drug abuse and trafficking situation in Western Europe as "grim and deteriorating.

"The number of abusers, involving even the very young is growing," it said. "The number of drug-related deaths is increasing in many (West European) countries."

Heroin use there is "a major public health problem," according to the report. It said the amount reported

seized has grown steadily in the past decade and jumped to 1.6 tons in 1983 — about 40% more than in 1982.

Italy, West Germany and Britain reported the highest amounts seized and "other countries most gravely affected by heroin abuse are France, the Netherlands and Belgium," it said.

Cocaine "has become a major drug of abuse" with the largest recent thousands seized in West Germany, Belgium, France and Spain, said the report. In Western Europe, amphetamine misuse is greatest in Scandinavia, it said.

In the United States, heroin abuse last year remained "relatively stable" while cocaine usage "continues to escalate," the report said. Most widely misused is marijuana, "and the number of persons who use this drug once or more monthly is estimated at more than 20 million."

The report said, however, that hashish and marijuana use among U.S. high school seniors declined in 1984 for the fifth successive year. It attributed the trend partly to education, and changes in attitudes.

In Canada, the study said, "Abuse and illicit traffic in drugs constitute serious and growing concerns. Cannabis and its derivatives remain the most extensively abused.

"Cocaine is increasingly becoming the second drug of abuse (and) there also seems to be ample quantities of heroin on the illicit market."

In Latin America and the Caribbean, the study reported "continued expansion of illicit production and trafficking, notably of cocaine. Many countries in Central America and the Caribbean continue to be important transit staging centers for illicit traffic."

The report said the Middle East remains a major source of opiates for the international illicit traffic.

World-wide drug abuse problems outlined in the United Nations report:

UNITED STATES

Heroin abuse is "relatively stable" but cocaine usage "continues to escalate." Marijuana — most widely abused — is used by more than 20 million people once or more monthly, although use is declining among high school seniors.

CANADA

"Abuse and illicit traffic in drugs constitute serious and growing concerns. Cannabis and its derivatives remain the most extensively abused."

LATIN AMERICA AND CARIBBEAN

"Continued expansion of illicit production and trafficking, notably of cocaine." Many countries are "important transit staging centers" for drug traffic.

WESTERN EUROPE

Situation "grim and deteriorating." Heroin use has become "a major public health problem" in Belgium, Britain, France, Italy, the Netherlands and West Germany. Cocaine "has become a major drug of abuse" with large amounts seized in Belgium, France, Spain and West Germany. Amphetamine misuse is greatest in Scandinavia.

MIDDLE EAST

"Remains a major source of opiates." The area, during the first seven months of 1984, was the source for more than half the heroin seized in North America and around 70% seized in Western Europe.



An unidentified drug enforcement agent (right) escorts Ray L. Corona (left), chairman of the board of the Sunshine State Bank in Miami from DEA headquarters in Miami after he and another top bank official were arrested on charges of smuggling marijuana according to the U.S. State Attorney's office.

THE ILLEGAL DRUG SUB-ECONOMY



UNITED STATES CUSTOMS

By George Ed Litaker
INTRODUCTION

The illegal drug industry continues to grow rapidly and is certainly one of the largest areas of the sub-economy in the United States.

Illicit drugs and narcotics profits have a devastating effect on our society and economy. Illicit drugs generated an estimated \$79 billion in retail sales in the United States during 1980; up 22% from 1979. The enormous profits available make drug trafficking an attractive venture, which some people believe is worth the risks inherent in such an illegal enterprise.¹

Drug trafficking is big business. It is organized to earn huge profits. Each year Americans spend almost \$80 billion to buy illicit drugs. The statistics are staggering. Like all other businesses, drug trafficking organizations have three elements:

- Workers and managers;
- Products and services; and
- Money and other assets.

Historically, criminal businesses have been attacked by arresting and punishing their workers and managers. And we have attacked them by seizing their illegal products, such as narcotics and other dangerous drugs. But we have ignored their third dimension. For too long we have not attacked the money, property or assets of these illegal companies.

All businesses need money and property to create products, to deliver them to their customers, to promote sales, and to grow. Criminal businesses are no different. Drug dealers need money and property to produce and market their contraband goods. They need money to buy silence from witnesses, to pay bribes, to expand into other illegal activities, to move into new towns and cities, to seduce more citizens into joining their ranks, and to pay for all their other illegal expenses.

Money and property are at the heart of all businesses. As long as assets and profits go untouched, lost workers and lost products can always be quickly replaced. Even with leaders in jail, confederates continue the dangerous and deadly business of drug trafficking by using the wealth and property left behind. And those imprisoned quickly return to drug dealing after being released, because criminals making huge profits see jail as an acceptable risk as long as they get to keep their earnings. They can invest their illegal fortunes while in jail, and the money will be waiting for them, with interest, when they get out.

Today's drug agents can no longer confine themselves to the "who, what, where, when, and why" of drugs and drug dealers. During every phase of their investigations, they must now ask: "What about the dollars?" If we

are ever to be successful against drug traffickers, we must raid their treasuries, we must confiscate their ill-gotten wealth.²

In the course of this paper, an attempt will be made to put a monetary figure on the amount of revenue that the drug sub-economy contributes to the total sub-economy. The impact of the drug sub-economy upon the money market will be reviewed.

THE PROBLEM

The problem itself does not lie solely with the abuse of illicit drugs, but their substantial contribution to lost revenue in the illegal sub-economy.

In Miami last year, a teenager named Randy Randall found \$800,000 in cash. He gave away shopping bags full of money to friends and bought a few dream items — a Jaguar, an Eldorado — but almost \$700,000 was still unspent when the police caught up with him. Randy told them he had come across this lode in the trunk of a car he'd stolen. Although charges of car theft were filed, the prosecution went nowhere; the owner of the car, a man who professed to be a grocer, said the money wasn't his and then skipped town. Randy's lawyer is now testing whether the theory of finders-keepers can be applied to unclaimed drug money. It is assumed that Randy's good luck was made possible by the business of illegal drugs, most likely

the business of cocaine, which per ounce is worth more than thousand dollar bills.³

Among all the drugs not sold at pharmacies, cocaine is best at creating instant wealth. Cocaine trafficking has been established as the most lucrative enterprise of all underworld ventures according to the drug enforcement administration. In transactions between a Colombian exporter and an American buyer, money is seldom counted any longer. It is weighed. A hundred pounds of 20 dollar bills comes out to a figure that, while not exact to the dollar, is close enough. On March 16, 1983, six Customs' agents needed 45 minutes to lug \$3.6 million in 20s and 50s into a senate hearing room as an exhibit for a hearing about money laundering. No table could hold the exhibit, which weighed 700 pounds and which is a fraction of the overall profits from cocaine. In 1983, the sellers of cocaine were estimated to have earned a collective \$35 billion or so. What happens to all that cash? Thirty-five billion dollars!⁴

Although cocaine is probably the most expensive drug in the illegal drug sub-economy, it is only one of several drugs that are sold in the illegal drug sub-economy.

In July of 1982, 20 people, including two Washington area lawyers, were indicted in Alexandria in a crackdown on what federal prosecutors called one of the area's largest drug smuggling rings.

The operation allegedly funneled 130 tons of South American hashish and marijuana worth an estimated \$75 million into the area during a nine-year period.

Many of those named in the 38-count indictment were said to be either jailed on other charges or fugitives in Costa Rica or elsewhere.

The two lawyers were accused of helping the ring launder \$30 million in profits. Lawyer W. Stephen McConnell of Annandale, a former tax attorney with the Justice Department, was charged with laundering money as well as assisting in the acquisition of boats and aircraft that were used in the drug smuggling operation.⁵

Also, during the past several years, the United States has increasingly become the victim of a new and different kind of international drug traffic based

on the very best technology available. The source of the drugs in question is not the distant poppy fields, the labor of illiterate farmers, or the amateurish products of backroom laboratories, but the most sophisticated chemical factories in existence. Chief among the drugs in question is methaqualone — called "Quaaludes," "Sopors," "Mequin," or "Ludes." This is a synthetic sedative-type drug which can be addictive and cause grand mal seizures. Listed in Schedule II of the Controlled Substances Act, it is legitimately available, but the entire population of the United States consumes less than four tons annually for medical purposes. The amount available for abuse vastly exceeds this quantity, and until recently the sources remained unknown.

According to the drug abuse warning network national report, not only is the illegitimate sale of methaqualone growing rapidly, but deaths and injuries associated with methaqualone have been increasing more rapidly than any other single drug problem.⁶

The contribution of methaqualone to the illegal drug sub-economy is staggering. Exact figures are not obtainable for obvious reasons, but data has been gathered from methaqualone seizures over the past few years. In the United States in 1978, 630 kilograms of methaqualone were seized for an estimated street value of \$3.2 million. In 1979, the figure rose to 7,921 kilograms seized, for an estimated street value of \$40 million. In 1980, the figure was 12,587 kilograms seized for a street value of \$63.5 million, and in 1981, the staggering amount of 57,175 kilograms were seized for an estimated street value of \$426 million.⁷

As can be seen from the examples given, the total illegal drug market can correctly be labeled as the largest sector of the illegal sub-economy in the United States.

CONCLUSION

The sub-economy as a whole has a great impact upon the money market in the United States. However, as was stated earlier, the illegal drug sector of the sub-economy contributes to the greatest extent to the impact upon the money market in the United States.

The United States money market is impacted on in several different ways due to the sales of illegal drugs. The

most obvious impact is lost tax revenue on the billions of dollars that change hands in the drug ring. Also, a large amount of dollars are at times taken out of the money market altogether, which puts increased pressure on the overall money supply.

There is no easy solution to solving the problem created by the sales of illegal drugs. Probably the best answer thus far is the forfeiture laws which permit the government to take possession of the following:

1. All moneys and other property used to buy contraband drugs;
2. All property bought with the profits from drug dealing; and
3. All monies used to facilitate any drug law violation.⁸

The entire drug sub-economy will most likely never be harnessed, but at least some of the sub-economy assets can be brought back into proper perspective with the forfeiture laws.

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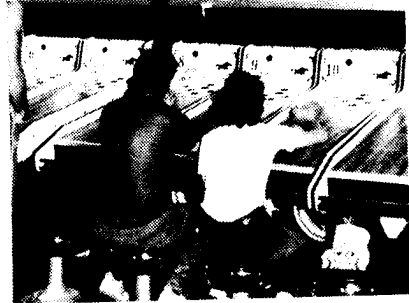
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CHICAGO, ILLINOIS INVESTIGATORS WORKSHOP SATURDAY and SUNDAY, JUNE 22-23, 1985 HYATT REGENCY HOTEL ON WACKER DRIVE

CRIMINAL INVESTIGATION TECHNIQUES DEALING WITH CARNIVALS AND FAIRS THEIR TIES TO ORGANIZED CRIME

Every community in America will at one time or another have a visit from a carnival or fair. Behind the glitter and music is a multi-million dollar racket that stretches from illegal games to unsafe rides and unhealthy food. Payoffs to police, sheriffs, judges and prosecutors are made all the time. Being able to stop crooked games and investigate these carnivals is the subject of our workshop. It will be an on-hands course by a carny turned investigator. This is a "must" course for every police agency. Fronted by charities, millions of dollars are stolen every year. Organized crime figures and families often control even "honest fairs."



POLICE ALTERNATIVES TO LETHAL FORCE AND FUGITIVE APPREHENSION

Demonstration and lessons on alternatives to lethal force, including chemicals, may save you in a civil or criminal action. We will demonstrate how the newer more powerful police chemicals can be used. An expert in fugitive apprehension will demonstrate techniques in taking wanted persons into safe custody. All these are actual demonstrations.

TO ENROLL

Courses are granted credit from Columbia Pacific University and this association. Fee for both days is \$65 and includes books and chemicals. Rooms at the Hyatt Regency are \$60 single or double. Please make your own arrangements. Food, rooms and travel are not included. Courses start at 9:00 a.m. and end at 5:00 p.m. both days. Send name and department to: Criminal Investigators Association, P.O. Box 15350, Chevy Chase, Maryland 20815. Payment in advance is required and not refundable. Class size is limited. Phone: (305) 891-9800 for more information. Certificates will be issued by the university upon completion.



**THE INTERNATIONAL
CRIMINAL INVESTIGATOR**
American Police Academy
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Chevy Chase, Maryland 20815
Daniel J. Meany III
Executive Director

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