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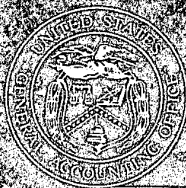
Report to the Chairman, Permanent Subcommittee on Investigations, Committee on Governmental Affairs, U.S. Senate

September 1989

NONTRADITIONAL ORGANIZED CRIME

Law Enforcement Officials' Perspectives on Five Criminal Groups

122043



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U.S. Department of Justice
National Institute of Justice

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General Accounting Office
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122043

Office of Special Investigations

September 29, 1989

The Honorable Sam Nunn
Chairman, Permanent Subcommittee
on Investigations
Committee on Governmental Affairs
United States Senate

Dear Mr. Chairman:

The enclosed report responds to your March 31, 1988, request that we examine information about Colombian, Jamaican, Chinese, and Vietnamese criminal gangs operating in the United States, and street gangs in Los Angeles. The report identifies and describes the gangs and their current organizational structures, and discusses recent major investigations into their criminal activities. Also, in response to your request, this report presents the opinions and insight of law enforcement officials regarding existing barriers to the effective investigation and prosecution of the gangs, the adequacy of current legislation in addressing gang activity, and the appropriate law enforcement responses to gang activity.

As arranged with your representatives, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from the date of the report. At that time, we will send copies to each of the individuals who consented to interviews and to other interested parties. We will also make copies available to others upon request. Please contact me at 272-5500 if you or your staff have any questions concerning the report.

Sincerely yours,

David C. Williams

David C. Williams
Director

NCJRS

FEB 28 1990

ACQUISITIONS

Executive Summary

Purpose

At the request of the Chairman, Permanent Subcommittee on Investigations, Senate Committee on Governmental Affairs, GAO gathered and compiled information concerning five criminal groups—Colombian drug trafficking organizations, Jamaican posses, Chinese organized crime, Vietnamese gangs, and Los Angeles street gangs—that have come to the attention of Congress as posing particular problems for law enforcement nationwide. In addition, as requested, GAO solicited the views of investigators and prosecutors on barriers they have encountered, the adequacy of current legislation in addressing gang activity, and recommendations for possible remedies.

Background

Within the past 10 years, American law enforcement agencies have encountered a number of criminal groups that engage in extensive drug trafficking, display unrestrained violence, and travel freely from one jurisdiction to another. Changing demographics and an expansive drug market have increased gang recruitment and extended the reach of the gangs outside of their traditional neighborhoods. The quest for lucrative drug profits has pushed these groups to expand into more sophisticated criminal activities such as money laundering, infiltration of legitimate businesses, and political corruption.

The traditional view that organized crime is unique to La Cosa Nostra, an alliance of Italian-American criminal factions, is seriously challenged by the events of the last decade. Many law enforcement officials today recognize a collage of ethnic groups that are organized for long-term criminal purposes, and that sometimes link together in powerful criminal alliances. At other times the groups compete for the same economic turf—particularly in the drug trade. Authorities fear that the gang activity and accompanying gang violence will continue to escalate unless immediate steps are taken.

Each ethnic criminal group addressed in this report shares the language and culture of others in its ethnic community. However, these groups reflect only a segment of their respective communities, not the communities as a whole.

GAO's work consisted of interviews with 130 law enforcement officials, including state and local police, federal agents, and state and federal prosecutors, representing 34 federal, state, and local agencies. (See Appendix I.) Agencies and locations were selected for study following a review of material on organized criminal groups, including transcripts of hearings held by the President's Commission on Organized Crime,

Department of Justice reports, congressional hearings, and news articles. GAO did not evaluate or attempt to corroborate the information presented and views expressed by the interviewees.

Results in Brief

According to law enforcement officials, the five criminal groups GAO examined have evolved into sophisticated criminal organizations over the past decade, primarily through drug trafficking. Money earned from illicit drug sales has attracted new recruits and provided the criminal groups with weapons arsenals and the means to expand into other criminal activities. Law enforcement officials told GAO that problems within the criminal justice system, as well as language differences and gang members' community ties, have stymied enforcement efforts. Law enforcement officials said current laws are adequate but contend that federal law enforcement agencies often do not coordinate or cooperate with one another to identify and prosecute members of these groups.

GAO's Analysis

Colombian Drug Trafficking Organizations

Today, through powerful drug cartels formed in Colombia, Colombian traffickers control the manufacturing and distribution of cocaine worldwide. According to the Department of Justice, the Medellin and Cali cartels control approximately 70 percent of the cocaine processed in Colombia and supply 80 percent of the cocaine distributed in the United States. Colombians also engage in marijuana trafficking and opium poppies have been found growing in Colombia, suggesting further expansion of the traffickers' drug interests.

The Colombian-based cartels have developed elaborate smuggling and distribution networks in the United States, employing several thousand individuals at varying levels. These networks of traffickers essentially engage in the wholesaling of drugs. Although these networks typically act independently of the cartels, they are in daily contact with their Colombian suppliers. The drug traffickers have shown a willingness to kill anyone who threatens their operation. (See pp. 10-22)

Jamaican Posses

Law enforcement officials GAO interviewed agreed that the Jamaican posses, who take their name from western films popular in Jamaica, are among the most violent criminal gangs to confront American law

enforcement. Most of the gang members are illegal aliens, although authorities believe the upper echelons of the gang are legal residents who have been in the United States for many years. Once engaged only in marijuana trafficking, the posses have discovered the lucrative "crack" cocaine market. Crack is a highly addictive form of cocaine which is suitable for smoking. By converting cocaine to crack and controlling its distribution the posses are able to increase their profits significantly. As a result, the posses have amassed immense wealth within a short period of time. Reportedly, they are now moving into other criminal activities. (See pp. 22-33)

Chinese Organized Crime

Chinese organized crime is a complex relationship between foreign-based criminal organizations, American-based criminal gangs, and fraternal and business associations in the United States. Chinese criminal gangs network with one another throughout the world and engage in racketeering and corruption.

Many law enforcement authorities are concerned about the transfer of control of Hong Kong to the People's Republic of China in 1997. Authorities speculate that many of the Hong Kong-based criminal organizations will attempt to relocate in the United States and Canada, adding to a growing problem with North American-based gangs. The authorities report an increased movement of money from Hong Kong to the United States. (See pp. 34-42)

Vietnamese Gangs

Law enforcement officials told GAO that criminal gangs have been a mounting problem within the Vietnamese community since refugees began entering the United States in the late 1970's. These gangs are highly mobile, often traveling across country to commit relatively minor crimes. Gang composition changes frequently, making identification and tracking of gang activities extremely difficult. The Vietnamese gangs have displayed a precision in their criminal activities, particularly the brutal household robberies, that suggests structure and organization. (See pp. 42-47)

Los Angeles Street Gangs

Within the past decade most of the black gangs in Los Angeles have been aligned into two factions, the Crips and the Bloods. Authorities told GAO that these gangs were initially involved in trafficking marijuana, LSD, and PCP, but have since discovered the ready money to be made in

dealing crack cocaine. The lure of quick profits has increased the membership of the gangs and led them to seek new markets in major cities around the nation, far beyond their traditional neighborhoods. Competition for the new markets and disputes over drug deals have in turn led to a rash of violence in southern Los Angeles, costing the lives of many innocent bystanders. (See pp. 47-52)

Views of Law Enforcement Officials

Law enforcement officials at the federal, state, and local levels told GAO they are hampered in their efforts to identify, track, and counter organized crime that is not tied to La Cosa Nostra. According to them, the lack of a consistent, national investigative approach; language differences, complicated by a shortage of skilled interpreters; and the difficulty in penetrating tightly knit ethnic communities are major reasons law enforcement agencies face a formidable task. (See pp. 53-55)

Most authorities GAO interviewed agreed that current federal laws were adequate in combating gang activity and that these laws were being utilized. However, they noted a number of areas where legislative improvements could be made. (See pp. 55-57)

Most law enforcement officials GAO interviewed suggested that the best way to combat organized criminal groups was through a multi-agency approach to target, track, and prosecute gang members. The law enforcement officials emphasized the need for interagency cooperation and sharing of intelligence information. (See pp. 57-59)

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Abbreviations

ATF	Bureau of Alcohol, Tobacco and Firearms
DEA	Drug Enforcement Administration
FBI	Federal Bureau of Investigation
INS	Immigration and Naturalization Service
LCN	La Cosa Nostra
NCIC	National Crime Information Center
OCDETF	Organized Crime Drug Enforcement Task Force
RICO	Racketeer Influenced and Corrupt Organizations Act
RISS	Regional Information Sharing System

Introduction

Criminal gangs have existed in the United States for over a century. Outlaw gangs of the Old West victimized settlers in the late 1800s. With industrialization, ethnic gangs emerged from crowded immigrant neighborhoods. Prohibition presented an opportunity for many gangs to prosper and expand. The alliances that resulted from various Italian-American criminal factions led to the emergence of La Cosa Nostra (LCN) as a nationwide organized criminal group engaging in murder, extortion, labor racketeering, political corruption, and infiltration of legitimate businesses.

The LCN has been the most visible criminal organization operating in the United States for the past 50 years. Its hierarchical structure of a single leader and subordinate ranks continues unchanged. Legislation used to counter organized crime, notably the Racketeer Influenced and Corrupt Organizations (RICO) Act, was designed with the LCN in mind. Indeed, "LCN" and "organized crime" are considered to be synonymous terms by many law enforcement authorities.

The LCN is often characterized as traditional organized crime, while non-LCN crime groups are labeled nontraditional or "emerging." Such characterizations are misleading because some of the most violent and insidious groups operating today have "emerged" only in the sense that law enforcement is now aware of the groups and the magnitude of their criminal activity. For example, elements of Chinese organized crime have operated in the United States since the late 1800's. Black street gangs have prevailed in American communities for many years and Colombian criminal groups have flourished as drug trafficking has become more widespread in the United States. Today, organized crime, as defined by the President's Commission on Organized Crime, is a "continuing . . . collectivity of persons who utilize criminality, violence and a willingness to corrupt" to gain profit and maintain power.

The criminal organizations described in this report have several features in common: each group shows permanence in that most members are career criminals; each shows a disposition to link together with other groups for criminal purposes; and each networks across territorial boundaries to carry out illegal enterprises.

Not all of the criminal groups have the strict hierarchical structure associated with the LCN. Many are cellular organizations clustered around one or more reputed leaders. These cells are capable of acting alone or in conjunction with other cells. Other groups operate as loose coalitions of gangs that are related for certain criminal purposes.

Objective, Scope, and Methodology

Our objective was to obtain information regarding the activities and structure of Colombian, Jamaican, Chinese, and Vietnamese criminal groups and Los Angeles street gangs, as requested by the Chairman, Permanent Subcommittee on Investigations, Senate Committee on Governmental Affairs. The requester also asked that we discuss major investigations of these five criminal groups, and obtain law enforcement officials' views regarding barriers in investigating and prosecuting members of these groups, the adequacy of current legislation addressing group activity, and recommendations for remedies.

We reviewed available materials on the five criminal groups including numerous congressional hearings, federal agency studies and reports, news articles, and transcripts of hearings held from 1983 through 1985 by the President's Commission on Organized Crime. We made a computer search for local and federal investigations since 1984 involving members of the five gangs. We selected many of the agencies where our interviews took place based on their involvement in one or more of these investigations.

We interviewed law enforcement officials, including state and local police, federal agents, and state and federal prosecutors, from May 1988 to January 1989, with follow-up interviews continuing through the end of August 1989. We interviewed 130 individuals—both agency administrators, and supervisors and field agents assigned to special gang units—representing the 34 federal, state, and local agencies listed in Appendix I. We interviewed authorities in nine states and the District of Columbia, and in Canada. Many of those we interviewed provided us with documentation on cases they had developed against individual gang members and with agency reports on gang activity. We did not evaluate or attempt to corroborate the information presented and views expressed by the individuals we interviewed.

Organized Criminal Groups

Within the past decade, law enforcement officials throughout the United States have openly addressed the growing problem of organized criminal groups. Five of these—Colombian drug traffickers, Jamaican posses, Chinese organized crime, Vietnamese gangs, and Los Angeles street gangs—have been identified by authorities as posing particular problems for law enforcement.

The following information is drawn from interviews with state and local police, federal agents, and state and federal prosecutors. The information summarizes what law enforcement authorities now know or believe to be true about each group.

Colombian Drug Trafficking Organizations

In the past decade, the magnitude of drug trafficking in the United States by Colombian criminal organizations has raised national concern. Colombia is the major source country for cocaine entering the United States and draws upon coca grown in Peru and Bolivia. Marijuana is also illegally transported here from Colombia, and opium poppies have been found growing in Colombia, suggesting further expansion of the drug trade.

In the early 1970's, Colombian drug traffickers acted as suppliers for established criminal groups outside of the Colombian community, such as the LCN and various Mexican and Cuban gangs. By the late 1970's cocaine use in the United States began to rise and the Colombians attempted to increase their percentage of the profits by becoming directly involved in the smuggling and distribution operations. Almost immediately, the murder rate among Colombian nationals living in the United States rose as differing factions fought for control of the lucrative drug market.

Many of the homicides were committed by Cuban Mariel refugee criminals, referred to as Marielitos, who arrived in the United States in 1980. Marielitos often acted as "muscle" for the Colombian drug traffickers and were sometimes used as contract killers. A Metro Dade County, Florida, homicide detective said that the Marielitos continue to be involved in narcotics-related homicides in Miami. Within the past few years, authorities have also found evidence suggesting that some Colombian traffickers smuggle Colombians into the United States for use as contract killers. It is difficult for local police to identify these individuals because the aliens enter illegally and have no immigration or criminal records in the United States.

The "cocaine wars" which began in south Florida in the late 1970's continued throughout the early 1980's. Unlike the LCN, which has maintained the reputation among law enforcement agencies of avoiding retaliatory actions against uninvolved family members, the Colombians went beyond traditional boundaries and killed not only the individual considered to be the transgressor, but that individual's family as well. Many of the killings occurred in public places, such as shopping center parking lots, and innocent bystanders were sometimes caught in the cross fire. While the open warfare ended in the early 1980's with the emergence of drug cartels in Colombia, Florida officials told us that the level of violence among Colombian wholesalers has not declined and appears to have spread to retailers vying for territory.

Colombian Drug Cartels

The Colombian drug cartels as defined by the Drug Enforcement Administration (DEA) are composed of independent trafficking organizations that pool their resources for the purpose of efficiency. Law enforcement authorities believe that many of the independent drug traffickers based in Colombia, some of whom maintain their own drug networks in the United States, are affiliated with drug cartels. Through these alliances, the traffickers coordinate drug manufacturing and distribution efforts, and at times, for efficiency and convenience, combine shipments and jointly launder drug profits. Thus, according to DEA, the Colombian traffickers have succeeded in monopolizing cocaine manufacturing and distribution throughout the world.

DEA officials believe the controlling members of the drug cartels in Colombia remain the same; the various subgroups and affiliate groups are ever-changing. These groups are organized into complex infrastructures that employ thousands of people. Many of the organizations are based upon family ties, and direct affiliation appears to be limited to Colombians. Loyalty and skills are valued but, unlike the LCN, Colombian drug traffickers have no lengthy organizational heritage and often include women in leadership positions.

Members of the cartels have corrupted and intimidated government officials in Central and South America and in the Caribbean.¹ They have

¹See United States Department of State, Reports and Restrictions Concerning Certain Countries, App. Country Summaries (May 1, 1988).

destabilized governments and influenced foreign policy.² In Colombia alone, according to DEA, cartel members are considered to be responsible for the murders of the Attorney General, the Minister of Justice, a Superior Court Justice, a Superior Tribunal Judge, 2 newspaper publishers, an airline security chief, 7 Department of Security officers, 143 Colombian military personnel, 596 National Police officers, 11 public officials, 146 politicians, and most recently, a leading presidential candidate. United States authorities familiar with cartel activities contend that the cartels pose a significant threat not only to law enforcement but to our national security.

DEA has identified two major cartels in Colombia: the Medellin cartel and the Cali cartel. According to the Department of Justice, these cartels control approximately 70 percent of the cocaine processed in Colombia and 80 percent of the cocaine distributed in the United States. The Medellin cartel, said to be the largest and most powerful, was first identified by U.S. law enforcement agencies in the early 1980's. According to DEA, leaders are believed to be Pablo Emilio Escobar-Gaviria, Jorge Luis Ochoa-Vasquez, Jose Gonzalo Rodriguez-Gacha, and Gustavo de Jesus Gaviria-Rivero.

Authorities believe the catalyst for creation of the Medellin cartel was the November 12, 1981, kidnapping of Marta Nieves Ochoa-Vasquez, the sister of Jorge Ochoa, by an insurgent terrorist group in Colombia. In response to the kidnapping, over 200 traffickers combined their resources and attacked the terrorist group, obtaining the young woman's release. Since then, authorities have found evidence of combined shipments and joint ventures between the various traffickers.

Escobar has been indicted in Florida, California, Georgia, and Colorado. Ochoa has been indicted in Florida and Georgia. Rodriguez has been indicted in Florida, Michigan, and California. Gaviria has been indicted in Florida and Georgia.

All of these individuals are believed to be residing in Colombia, but American efforts to extradite them for trial in the United States had been thwarted by a 1987 Colombian Supreme Court decision nullifying the enabling clause of Colombia's extradition treaty with the United States. The one individual who was successfully extradited prior to the

²These issues were specifically addressed in a series of recent congressional hearings. See Drugs, Law Enforcement and Foreign Policy: Hearings Before the Subcomm. on Terrorism, Narcotics and International Communications and International Economic Policy, Trade, Oceans, and Environment of the Senate Comm. on Foreign Relations, 100th Cong., 1st and 2nd Sess., pts. 1-4 (1987-88).

court's decision is Carlos Enrique Lehder-Rivas, identified by federal authorities as one of the founders of the Medellin cartel. Lehder was convicted in May 1988 of smuggling 3.3 tons of cocaine into Florida and Georgia in 1979 and 1980, and is currently serving a life sentence for that crime.

Following the assassination of Colombian presidential candidate Luis Carlos Galan on August 18, 1989, Colombian President Virgilio Barco declared a state of siege and announced his intention to resume the extradition of indicted drug traffickers. On September 7, 1989, Eduardo Martinez-Romero, the suspected treasurer for the Medellin cartel who was captured by Colombian authorities after Galan's murder, was successfully extradited from Colombia to the United States to stand trial on money laundering charges.

The Cali cartel, comprised of traffickers from Cali, Colombia, appears to be controlled by Gilberto Rodriguez-Orejuela and Jose Santacruz-Londono, according to DEA. Rodriguez has been indicted in New York, California, Louisiana, and Florida. Santacruz has been indicted in New York and Georgia. These individuals are also believed to be residing in Colombia where—until recently—extradition efforts have proven to be fruitless. These traffickers were first recognized by DEA in the mid-1970's. In May 1988, federal agents in Tampa seized an estimated four tons of cocaine, believed to belong to the Cali cartel, hidden in a shipment of hollowed-out Brazilian lumber. The drugs, valued at \$1.7 billion, were destined for New York City, Chicago, Los Angeles, and Miami.

Although these cartels generally work separately, DEA believes that the Cali cartel has used Medellin smuggling routes. In the summer of 1988, however, the two cartels engaged in territorial disputes that led to a number of homicides in Colombia and the United States. By August 1988, law enforcement authorities had attributed at least 80 killings in Colombia and several dozen more in New York and Miami to these warring factions.

Colombian Smuggling and Distribution Networks

The cartels use elaborate smuggling and distribution networks involving thousands of employees to handle the large quantities of cocaine that are shipped to the United States and other world markets from Colombia. According to DEA, the exact number of Colombian drug networks active in the United States is unknown, primarily because most of these trafficking groups are informally structured and operate in a fluid, transactional manner. Often, a network will develop solely to distribute

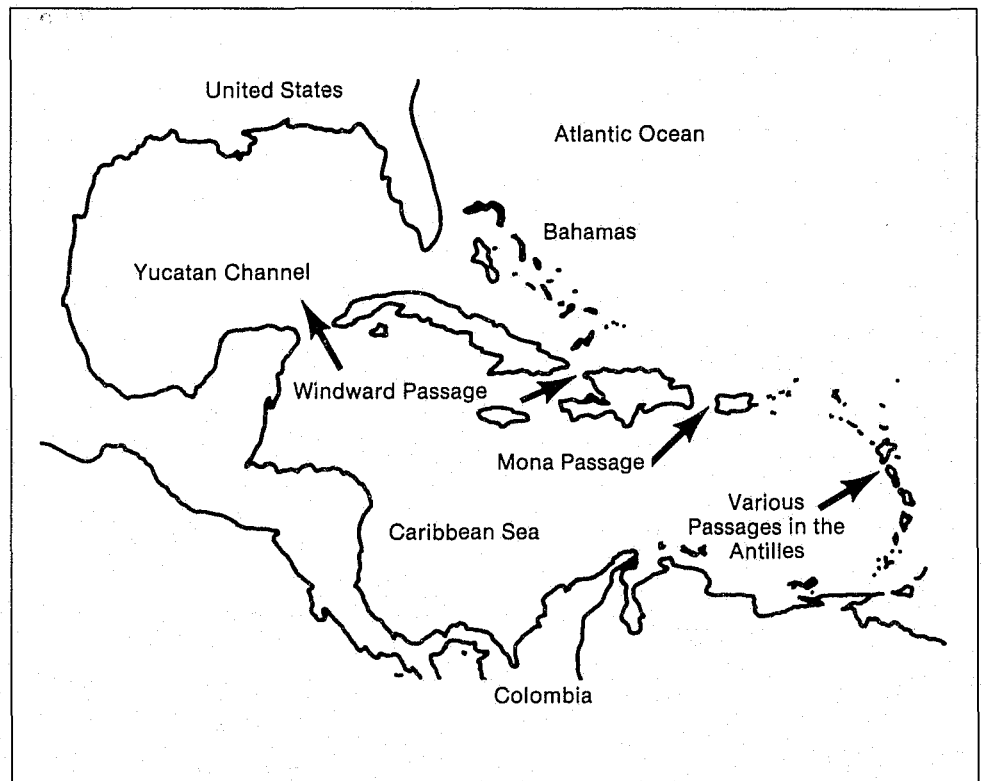
a single shipment of cocaine. The network may operate from six months to one year and then dissolve.

Colombian drug networks extend to every major city in the United States. In some areas, more than one network operates. For instance, in 1988 DEA identified approximately 174 drug networks headed by Class I drug traffickers dealing cocaine in the Chicago regional area, most of whom were Colombian. A Class I drug trafficker is defined by DEA as heading a group with 5 or more members who smuggle into the United States a minimum of 4 kilograms of pure cocaine or its equivalent during a one-month time frame. That same year, the Federal Bureau of Investigation (FBI) identified over 200 Colombian drug networks in south Florida. Although these networks act independently of the cartels, they are in regular contact with them.

Drug trafficking operations require secrecy and tight security. While the main organizers are hand-picked by the Colombian traffickers, individual members of the same network seldom know one another and usually deal with one another on a single occasion. Each drug transaction is conducted separately and each part of the network is compartmentalized. Inventories are stored in hidden locations. After raids or arrests, the cartels conduct internal investigations to assure that their employees were loyal, security measures were followed, and lessons were learned to improve the operation.

According to DEA, the Colombian drug smugglers prefer the trafficking routes shown in Figure 2.1 through the Caribbean basin into south Florida. Miami is the entry point for a large percentage of the cocaine entering the United States; Jamaica and the Bahamas are important transit points. DEA suspects that Haiti too is becoming an important element in the smuggling operations, as evidenced by the sudden increase in the number of Colombian nationals residing in Haiti. DEA suspects that many of these individuals are connected to the cartels and, under the guise of legitimate businesses, are establishing an infrastructure for the movement of cocaine through the island.

Figure 2.1: Colombian Drug Trafficking Routes Through the Caribbean Basin



Source: Based on data provided by the U.S. Coast Guard

Some authorities told us that in an effort to avoid law enforcement scrutiny in the Caribbean, the Colombian traffickers have shifted their operations to the west coast, particularly along the United States-Mexican border. Others noted that the flow of cocaine into south Florida has not diminished, suggesting that the Colombians have simply expanded—as opposed to having shifted—their drug smuggling operations into other countries, particularly Mexico where smugglers with established routes have been recruited. (See Figure 2.2.)

Figure 2.2: Cocaine Trafficking Air Routes Into Mexico and Landing Strips Along the Southwest Border



Source: Southwest Border Intelligence Task Force, Drug Enforcement Administration Office of Intelligence, January 1987

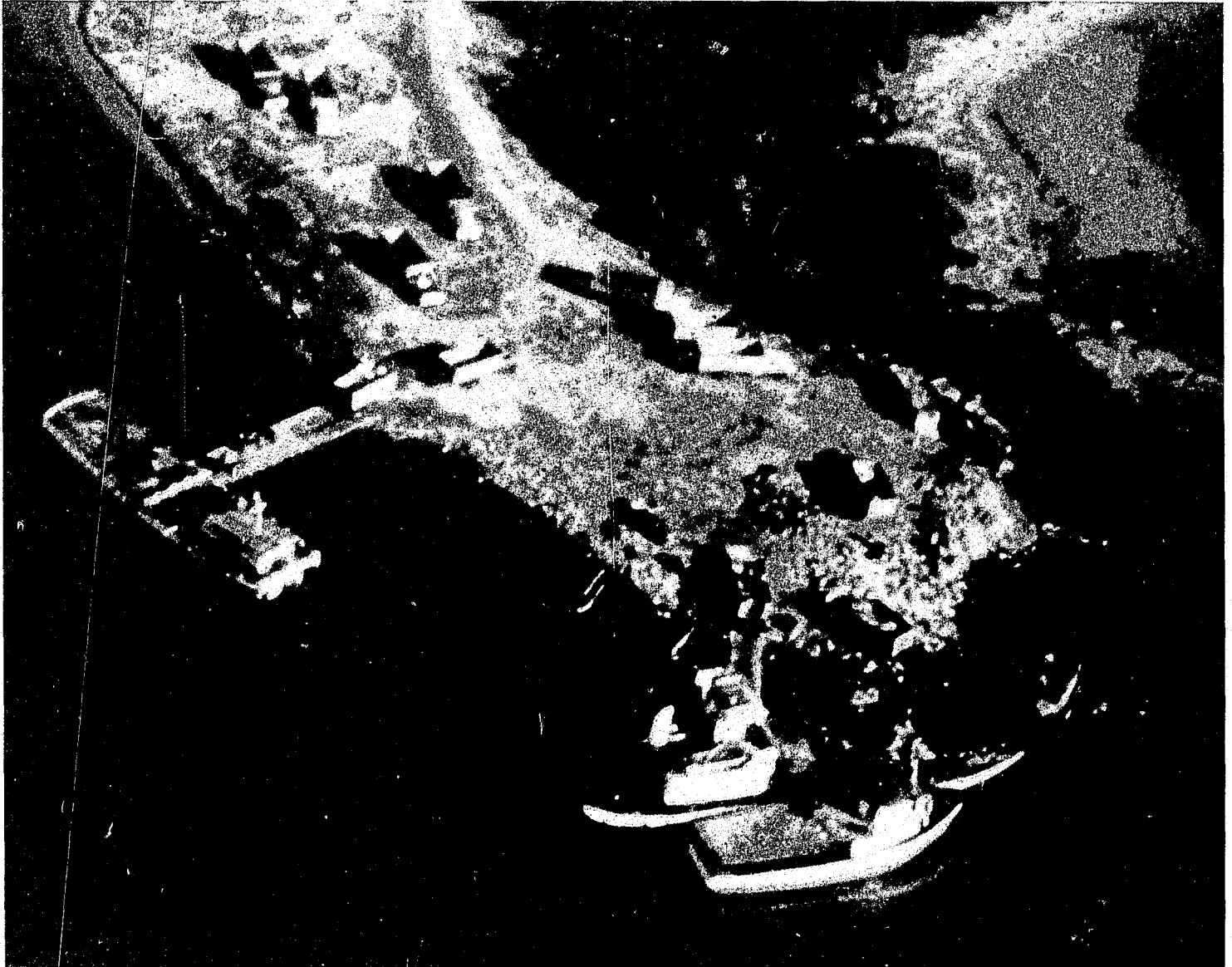
Most law enforcement officials agree that Colombian traffickers now operate extensively along the Rio Grande, especially along the Yucatan Peninsula where they have built airstrips as transshipment points for planes arriving from Colombia, Bolivia, and Ecuador. At the airstrips, drugs are off-loaded and divided into vehicular shipments or transferred to smaller aircraft for transport across the United States-Mexican border. These activities have been documented in several recent prosecutions, including the case of Hernando Noguera, who was convicted in April 1988 of possession with intent to distribute \$84 million worth of cocaine—an estimated 460 pounds. In that case, large amounts of cocaine were sent from Colombia to Mexico where the shipments were picked up and hauled across the border into the United States. According to federal prosecutors, Noguera operated the drug network for the Medellin drug cartel.

Colombian traffickers usually use aircraft, flown by American pilots, to get drugs to transshipment points. Some shipments are air-dropped near the United States coastline for retrieval by high-speed boats. A former federal prosecutor told us that many of the pilots hired by the Colombians have crashed, been imprisoned, or otherwise become unavailable to the Colombian traffickers. As a result, pilots willing to transport drugs are in short supply. Coincidentally, there is growing evidence that Colombians are obtaining visas and coming to the United States to attend flying schools.

Drug shipments are also concealed in hidden compartments or in containerized cargo on large ships, such as the freighters shown in Figure 2.3, for transportation into United States harbors and ports. In 1987 U.S. Customs inspectors in Miami discovered five tons of cocaine with a street value of \$200 million concealed in a shipment of plantains. The individuals in that case were charged with operating a drug importation and distribution network.

According to DEA officials, the Colombian drug cartels control such large quantities of cocaine that the cartels are able to insure shipments against loss. A shipment seized by authorities is replaced by the cartel and the incident noted as the cost of doing business.

Figure 2.3: Freighters Smuggling Marijuana From Colombia to the United States



Source: Drug Enforcement Administration

Once the drugs arrive in the United States, cartel representatives act as brokers to coordinate deliveries of approximately 100 kilograms of cocaine at a time to various distribution networks. These networks do not operate with specific schedules and may contain several layers of mid-level dealers below the major distributors. The dealers are responsible for distributing smaller portions of the shipment to their customers.

With each transaction, money changes hands and profits are made. According to law enforcement officials, Colombian suppliers often advance credit to the major distributors in the United States. The distributor's often use their Colombian holdings as collateral for such loans. If credit is extended, the distributor must make a down payment on delivery of the drugs with the balance due soon thereafter.

While most drug traffickers conduct financial transactions in cash, the volume of business conducted by the Colombian traffickers requires sophisticated financial record-keeping to track expenses and sales. Modern methods of monitoring inventories and deliveries are used; advanced communication centers arrange for the arrival of smuggled drugs, their distribution, the movement of cash proceeds, and other logistical matters. Distributors are instructed to keep accurate records, and many use facsimile machines to keep track of sales and to relay information to Colombia.

Federal authorities took advantage of drug traffickers' need for and attraction to sophisticated equipment in Operation Cat-Com (Catch Communications). In this 18-month undercover investigation, FBI agents in Miami created a bogus company to sell beepers, cellular telephones, and other high-technology gadgets to Colombian drug smugglers. As a result of the investigation, charges were filed against 93 alleged drug traffickers in December 1988.

Colombian Traffickers in the United States

Individuals within each Colombian drug trafficking organization in the United States are usually assigned specific responsibilities. Some handle transportation or money laundering, while others rent the houses that are used as drug storage facilities and distribution points.

These traffickers adopt lifestyles consistent with the neighborhoods where they reside to avoid detection. For instance, if they reside in a middle class neighborhood, the traffickers may appear to work regular hours, live unobtrusively in modest homes, and drive modest cars. To further protect their identities, the Colombians use numerous aliases, carry false identification, and register their cars and pay household bills under different names.

According to the Los Angeles County District Attorney's Office, when a trafficker is arrested in the United States, the criminal network usually provides the individual with an attorney. These attorneys often appear to represent the best interests of the organizations they work for, rather than the interests of the defendant. For example, a defendant may be

persuaded to enter a guilty plea to protect the organization from public trial. In criminal cases involving multiple defendants, defense attorneys often present a unified defense directed toward protecting the interests of the organization.

As an inducement against cooperation with law enforcement authorities, Colombian traffickers in the United States are often persuaded to invest their profits in Colombia where the cartels exert considerable influence. The traffickers risk losing these investments if they cooperate with police. Further, the organizations promise to care for the trafficker's family if the trafficker remains silent, and threatens to torture and kill the family members if the trafficker cooperates with police. Since most of the Colombian traffickers have extended families in Colombia, the threats are taken seriously.

Over the past decade, the Colombian traffickers have gained a reputation for violence and retribution. Although the Colombians use a variety of weapons, they prefer high-powered guns, such as the 9mm and .357 magnum pistols. They acquire guns either through straw purchases, where someone other than the user buys the gun, or by using false identification and falsifying dealer forms.

In the United States, the traffickers have displayed a willingness to kill anyone who turns against them. In Baton Rouge, Louisiana, Luis Carlos Quintero-Cruz was convicted of killing, on behalf of the Medellin cartel, Adler Berriman "Barry" Seal, a drug smuggler turned DEA informant. In a particularly brutal slaying in Florida, a woman scheduled to testify against a Colombian trafficker was machine-gunned to death in front of several children. In Chicago, three members of the Chaverra-Cardona group, which operated a large-volume cocaine trafficking ring, were charged with conspiring to kill an Assistant United States Attorney, a government witness, and the witness' children in retaliation for their roles in a successful prosecution against the traffickers. Two of the defendants were convicted; the third was acquitted.

Laundering Illicit Proceeds

One of the most serious challenges to the traffickers associated with cartels is not in drug transportation or distribution, but rather in delivering the illegal proceeds to the cartels in Colombia. The revenues are used to support additional drug operations, to support lavish lifestyles, and for investment as profits. Although new laws attacking sophisticated money laundering schemes, such as the Money Laundering Control Act of 1986,

have not significantly disrupted drug trafficking operations in the United States, they have inconvenienced the traffickers.

In 1987, FBI undercover agents infiltrated the money laundering operations of the Medellin cartel and laundered money through fictitious companies from Miami to New York City and from Chicago to Los Angeles. The money was sent to bank accounts in Panama, Switzerland, and Japan. Federal, state, and local indictments were handed down on 114 conspirators for drug and/or money violations. Seizures included over a ton of cocaine, 11 tons of marijuana, and over \$22 million in cash. Forfeiture proceedings were also initiated against \$11 million in bank accounts belonging to 2 major subjects.

In another nationwide investigation into the flow of drug funds, federal, state, and local law enforcement agencies, using currency transaction reports and electronic and physical surveillance, combined efforts to reveal a large-scale money laundering organization operating nationally and internationally. Investigators found that drug traffickers with direct links to the Medellin cartel had used sophisticated techniques to conceal over \$1 billion in drug money during a two-year period. At the close of the investigation in 1989, 127 defendants were charged with conspiracy to aid and abet the sale and distribution of cocaine and with illegally laundering the proceeds of drug sales.

Recently, American authorities have had some success in targeting the money laundering operations of the Colombian cocaine traffickers in southern California. One investigation, known as Operation Pisces, resulted in 27 separate cases involving more than 113 Colombian traffickers and seizures of \$78 million in assets, 8,600 kilograms of cocaine, and 6.5 tons of hashish. Additionally, \$12 million in currency was seized by the Panamanian government.

Traffickers at one time relied on banks and financial instruments to launder their illegal proceeds. For example, in 1988 the Luxembourg-based Bank of Credit and Commerce International was charged by U.S. authorities with conspiring with the Medellin cartel to launder \$32 million in illicit drug profits through the world banking system. Indictments in Tampa and 5 other cities named 85 participants in the conspiracy, including several top associates of the Medellin cartel and 9 senior bank officials.

Realizing how closely authorities now monitor them, some traffickers opt to smuggle huge quantities of cash to Colombia as an alternative to

laundering money through United States banks. Others invest heavily in high-volume businesses in the United States, such as import-export companies and electronic retail outlets, to launder their drug money. In addition, law enforcement authorities in south Florida believe that many new shopping centers and banks are being built as a means to launder money. These officials also report that Colombian investors—including suspected drug traffickers—have been buying land in Tennessee, Kentucky, and elsewhere.

Jamaican Posses

According to authorities, Jamaican gangs—known as “posses” after the old western films popular in Jamaica—are among the most violent criminal gangs to confront law enforcement agencies. At least 40 distinct posses, conservatively estimated to have 10,000 members operating in the United States, Canada, Great Britain, and the Caribbean, have been identified by the Bureau of Alcohol, Tobacco and Firearms (ATF). In addition, ATF authorities believe that 16 or 17 major drug traffickers operate from Jamaica, acting as brokers for drugs distributed by posses in the United States.

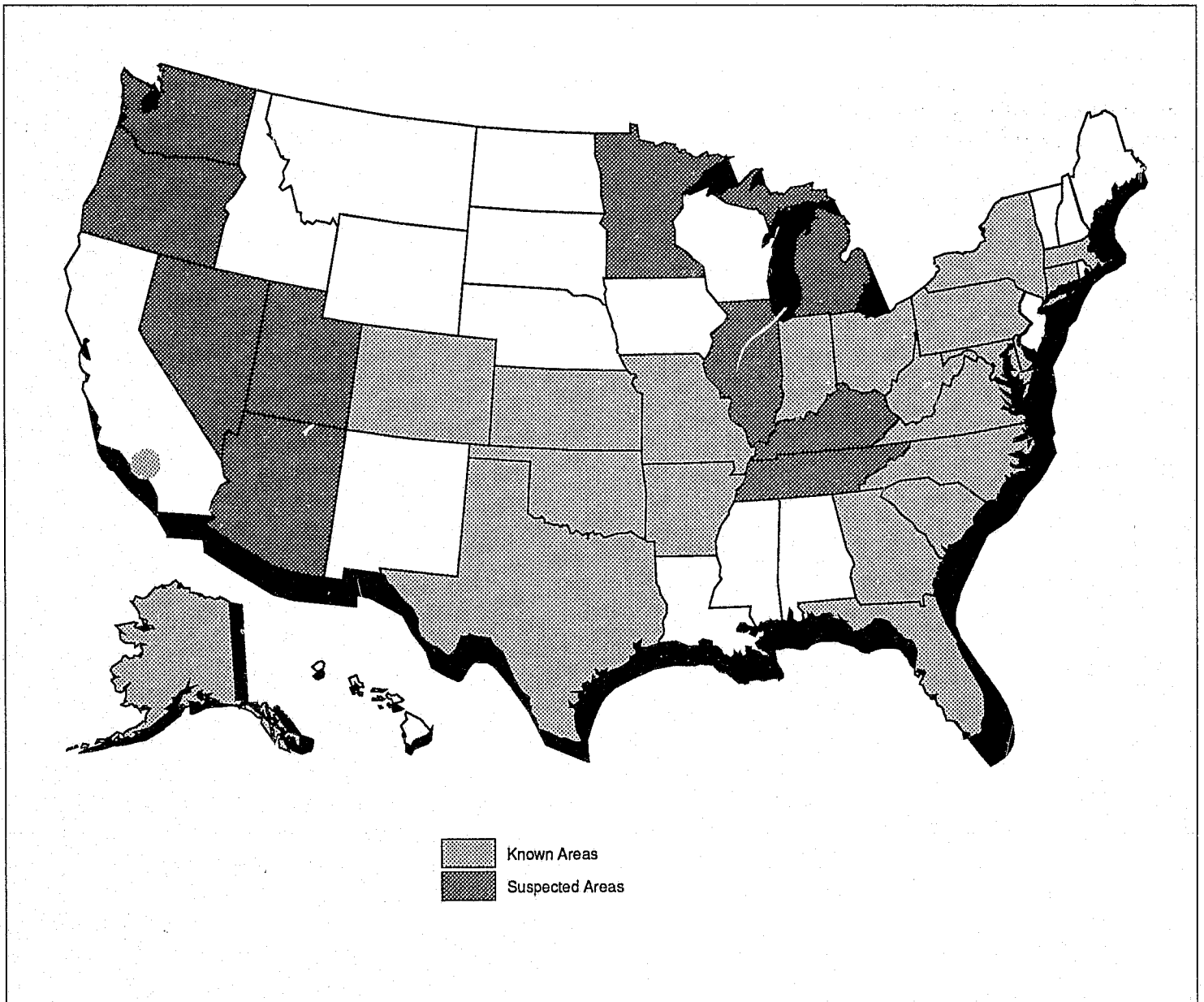
Law enforcement officials claim that the posses have come “farther faster” than any other organized criminal gang now active in the United States. Since 1985 the posses have been involved in at least 2,125 drug-related homicides. According to ATF, posse members are believed to have committed 700 drug-related homicides in a one-year period, from July 1987 to July 1988. The homicide count doubled during the following six-month period, from July 1988 to January 1989, when posse members were involved in 744 murders.

The posses are primarily involved in narcotics and firearms trafficking as well as kidnappings, home invasions, robberies, insurance frauds, bank kiting, auto theft, the falsification of documents, passport and visa fraud, and money laundering. The posses evolved from politically oriented street gangs in Kingston, Jamaica, and sometimes cooperate with one another in specific criminal ventures. The only common thread between some of the groups is their origin, Jamaica. There seems to be little gang loyalty; members change affiliation with little consequence.

ATF officials estimate that the posses have gained control of over 40 percent of the “crack” cocaine sales in the United States. Crack is a highly addictive form of cocaine, suitable for smoking, which first appeared on the illicit drug market in the early 1980’s. It is made by mixing powdered cocaine with baking soda or ammonia and water. The mixture is

dried, broken into small chunks or "rocks," and packaged for sale, usually in small vials selling for as little as \$10. Figure 2.4 illustrates the extent of Jamaican posse involvement in crack trafficking in the United States.

Figure 2.4: Jamaican Posse Crack Trafficking in the United States



Source: Bureau of Alcohol, Tobacco and Firearms

According to the Immigration and Naturalization Service (INS), in 1986 an Organized Crime Drug Enforcement Task Force (OCDETF), a joint federal-local enforcement effort, targeted the Earl L. Wilson organization. This organization was composed primarily of Jamaican nationals who introduced crack cocaine to the Kansas City area. Within 18 months of operation in the Kansas City area, Wilson's posse had established over 100 crack or "gate" houses where drugs were sold. OCDETF identified over 250 Jamaicans as being involved in the crack distribution network. As of February 1989, approximately 113 Jamaicans had been taken into custody for prosecution and deportation. Authorities seized 184 handguns, 37 assault rifles, 2 machine guns, 32.5 kilograms of crack cocaine, and \$605,721 in United States currency and other assets. Of those charged, 66 have been convicted and other trials are pending.

In April 1987, an OCDETF investigation was begun in Rochester, New York, targeting 16 Jamaican posse members who controlled 75 percent of the city's crack market. In July 1988, all of the targeted members were arrested on various charges. Figure 2.5 shows a photograph of suspected posse members posing with semiautomatic weapons. The photograph was confiscated by INS agents during a raid on one of the posse's crack houses.

Jamaican gang members were targeted for arrest throughout the United States in 1987 on a wide variety of criminal and immigration charges. During the operation, officials apprehended 154 gang members in 13 states and the District of Columbia. The following year, in a similar operation, authorities apprehended 304 Jamaican gang members, all of whom were wanted on charges ranging from immigration and firearms violations to narcotics trafficking and murder.

In late 1987, OCDETF investigators in New York City targeted the Delroy Edwards drug distribution network. Known as the Rankers Posse or Southies, Edwards' organization engaged in territorial wars with at least two other drug organizations, resulting in shootings and several homicides. According to the New York City Police Department, Edwards is a former member of the Shower Posse, considered by authorities to be the largest of the Jamaican posses. Police department officials also said Edwards was associated with a leftist insurgent group, known as the Jungle Lites, which received guerrilla warfare training in Cuba. An indictment was issued in March 1988 against Edwards and members of his posse, charging them with operating a drug distribution network responsible for five murders, nine attempted murders, six shootings, one

Figure 2.5: Jamaican Posse Members in Rochester, New York, Posing With Weapons



Source: Immigration and Naturalization Service

kidnapping, and one beating by means of a baseball bat. Most defendants, including Edwards, have either pled guilty or been convicted. A second federal indictment naming Edwards and his posse members was

filed on February 2, 1989, in New York, charging them with racketeering, maintaining a continuing criminal enterprise, passport fraud, and firearms violations.

The posses are often confused with a Jamaican religious group known as Rastafarians, who smoke marijuana as a religious practice. The Rastafarians are followers of the late Haile Selassie, Emperor of Ethiopia, and have been well known in the Caribbean for about 50 years. Since 1971, law enforcement authorities identified the Rastafarians as being involved in violent crime, some of it related to control of the importation and sale of marijuana. While a number of Rastafarians are posse members, law enforcement officials do not believe that the posses are controlled by the religious group. However, authorities note that the method of operation of both the posses and the Rastafarians—particularly in marijuana trafficking—is seemingly identical.

Composition and Organizational Structure

An INS official told us that federal authorities are beginning to witness a three-tiered structure emerging within the posses. At the top is a leader, or leaders, who controls the posse but remains somewhat insulated from street level activity. The second tier consists of subleaders or lieutenants who transport drugs, guns, and money to the leaders. The subleaders also smuggle illegal aliens into the United States. The third tier consists of street-level drug dealers who often become involved in violent incidents as a result of drug disputes.

Posses are cellular in structure, and it is common for new factions to emerge under separate leaders within the same posse. Leadership fluctuates and can be shared at any one time by two or more members. For instance, federal authorities believe that within the Shower Posse, leadership is shared between Vivian Blake and Lester Lloyd Coke. These two individuals were indicted in October 1988 on RICO charges for their alleged involvement in murder, racketeering, gun smuggling, drug trafficking, and related crimes.

Vivian Blake, who allegedly established an extensive drug network in the United States, is believed to be the more powerful leader of the American faction of the Shower Posse. Lester Coke, also known as Jim Brown, is the alleged leader of the smaller faction of the posse that operates in Jamaica. He is a Jamaican contractor who, according to Florida officials, allegedly had a prominent role in political campaigns of former Prime Minister Edward Seaga, a member of the Jamaican Labour Party. Lester Coke was deported in 1987 from Miami to Kingston to stand trial for the murders of 12 individuals, but the charges were dropped when

witnesses failed to testify against him. Since the Florida RICO indictment, both Vivian Blake and Lester Coke have remained fugitives. Coke is also wanted in Jamaica where additional murder charges have been filed against him.

The upper echelon of the posses are usually Jamaican nationals who have lived in the United States since the early 1970's and have legal status here. Roughly 70 percent of the lower echelon are, however, illegal aliens. According to INS, there is a ready pool of new recruits in Jamaica who are willing to enter the United States fraudulently to join the posses.

The posses have "safe houses" where new recruits are brought to be given new clothes and new identifications. The recruit is often given a "cheat sheet" of information before arriving in the United States to use if questioned by authorities. In 1987 Metro Dade County, Florida, police seized one such document that listed information needed to assume a false identity—fictitious family names; work history; and social security number; and the local area code, school, and football team.

According to police, native-born Americans who are second generation Jamaicans primarily from the New York area also belong to posses. In addition, American blacks, particularly females, are sometimes recruited for various criminal functions, such as renting cars or safe houses. In Kansas City, Missouri, one black female rented over 200 apartments for posse members, yet was unaware of the details of the operation. In that case, the apartments were used as stash houses to store drugs or crack houses where the drugs were actually sold.

Since only Jamaicans are directly involved in posse activities, undercover agents have difficulty infiltrating the gangs. Posse members are usually males between 21 and 25 years of age. Most use a nickname or street name, often changing their physical appearance to avoid detection. Some who wore dreadlocks, for example, have changed their hairstyle because the distinctive arrangement of long, matted, stiffened hair made them too easily identifiable to police. Members seldom admit posse affiliation. They frequently use false identification or have no identification. They are transient as well, creating problems for police attempting to track their movements and hampering development of insider sources.

Authorities in several states maintain that posse members have used insider contacts in state licensing and local government offices to obtain

and alter official records including motor vehicle records, drivers' licenses, and birth certificates. In one case, Cecil Rudd, a Pennsylvania State Trooper, was convicted in 1987 on 24 counts of aiding and abetting the sale of valid, but fraudulently issued, Pennsylvania drivers' licenses to members of a Philadelphia-based Jamaican posse. In another instance, an employee of the Baltimore Department of Vital Statistics provided the Stanley Asher Cole organization with false Maryland birth certificates, which were used by Jamaican nationals to enter the United States illegally to join Cole's posse. (See Figure 2.6.)

Informants inside government agencies and police departments have also proven to be valuable sources of information for Jamaican posses. For example, internal security leaks spoiled a major drug operation after 16 months of planning by the District of Columbia Metropolitan Police Department. Because records and intelligence have been severely compromised, at least one police agency—Florida's Metro Dade Police Department—has removed information on its officers and their families from state files out of concern for their safety.

Drug Trafficking Activities

In the early 1980's, the posses became involved in trafficking marijuana, particularly the high-grade sinsemilla strain, that was grown in Jamaica and shipped through the Bahamas to the United States. While the posses are still involved in importing and wholesaling marijuana today, they are less involved in distributing the drug.

Instead, the posses have become increasingly involved in the distribution and marketing of cocaine, particularly crack cocaine, because it is less bulky to transport and more profitable than marijuana. The posses are able to profit significantly by controlling the processing and distribution of crack. Although additional steps are necessary to convert cocaine to crack, the process is simple and requires little effort. Police across the country estimate that a \$5,000 investment in cocaine can yield a \$125,000 profit from crack sales.

Posses usually purchase cocaine powder from suppliers in Florida or Jamaica. Jamaica is an important transshipment point for South American cocaine traffickers. Most of the posses use non-Jamaican black

Figure 2.6: Application by an Illegal Jamaican Alien Based on False Maryland Birth Certificate Used to Obtain an American Passport

UNITED STATES DEPARTMENT OF STATE
PASSPORT APPLICATION
SEE INSTRUCTIONS - TYPE/PRINT IN INK IN WHITE AREAS

CASH # 99

012899306

IDENTIFYING INFORMATION

NAME FIRST NAME MIDDLE NAME
LAST NAME
MAILING ADDRESS
STREET
CITY, STATE, ZIP CODE Baltimore MD 21239

IN CASE OF: SEX Male Female PLACE OF BIRTH Baltimore (MD.) DATE OF BIRTH 10/10/56 SOCIAL SECURITY NUMBER [REDACTED]

HEIGHT 6'0" COLOR OF HAIR BIK COLOR OF EYES BROWN HOME PHONE [REDACTED] BUSINESS PHONE [REDACTED] OCCUPATION Auction Mechanic DEPARTURE DATE [REDACTED]

FATHER'S FULL NAME [REDACTED] FATHER'S BIRTHPLACE AND FATHER'S BIRTH DATE (Mo., Day, Yr.) ST. Croix U.S.V.I. FATHER U.S. CITIZEN? [REDACTED] Yes No
MOTHER'S FULL MAIDEN NAME [REDACTED] MOTHER'S BIRTHPLACE AND MOTHER'S BIRTH DATE (Mo., Day, Yr.) ST. Croix U.S.V.I. MOTHER U.S. CITIZEN? [REDACTED] Yes No

PREVIOUS PASSPORT INFORMATION
HAVE YOU EVER BEEN ISSUED OR INCLUDED IN A U.S. PASSPORT? Yes No IF YES, COMPLETE NEXT LINE REGARDING MOST RECENT PASSPORT, SUBMIT PASSPORT IF AVAILABLE
NAME IN WHICH ISSUED [REDACTED] PASSPORT NUMBER [REDACTED] ISSUE DATE (Mo., Day, Yr.) [REDACTED] DISPOSITION (Submitted, Lost, etc.) [REDACTED]

MARRIAGE INFORMATION
HAVE YOU EVER BEEN MARRIED? Yes No IF YES, DATE OF MOST RECENT MARRIAGE [REDACTED]
SPOUSE'S FULL BIRTH NAME [REDACTED] WIDOWED/DIVORCED? IF YES, GIVE DATE [REDACTED] Yes No

TRAVEL PLANS (Not Mandatory)
COUNTRIES [REDACTED] LENGTH OF STAY [REDACTED]

IN CASE OF EMERGENCY, NOTIFY (When Not Traveling With Your Own Attendants)
FULL NAME [REDACTED] ADDRESS [REDACTED] PHONE NUMBER [REDACTED] RELATIONSHIP [REDACTED]

DO NOT SIGN APPLICATION UNTIL REQUESTED TO DO SO BY ACCEPTANCE AGENT
(Have not, since acquiring United States citizenship, performed any of the acts listed under "Acts or Conditions" on the reverse of this application form, unless explanatory statement is attached.) I solemnly swear to affirm that the statements made on this application are true and the photograph attached is a true likeness of me.

Subscribed and sworn to (affirmed) before me
[Signature] [Date] [Time] [Place]
[Signature] [Date] [Time] [Place]
[Signature] [Date] [Time] [Place]

FOR ACCEPTANCE AGENT'S USE ONLY
ISSUE DATE [REDACTED] EXPIRATION DATE [REDACTED] ISSUED IN THE NAME OF [REDACTED] PLACE OF ISSUE [REDACTED]

FOR PASSPORT SERVICES USE ONLY
APPLICANT'S NOTES: 10/17/56 - 6/3/86 none
 Birth Cert. CR City Filed/Issued: none
 Passport Bearer's Name: none
 Naturalization/Citizenship Cert. No.
 Other: none
 Restricted Examiners (Name) [REDACTED]
 Attached Office Date [REDACTED] FEE [REDACTED] EXEC [REDACTED] POST [REDACTED]

FORM DSP-11 (12-85) (SEE INSTRUCTIONS ON REVERSE) Form Approved OMB No. 1405-004 (Exp. 12-31-84)

Source: Immigration and Naturalization Service

females or white prostitutes as couriers to transport drugs into the United States on commercial airlines. It is common for the posses to have 5 to 10 couriers on the same airplane. Within the past year, Florida's Broward County Sheriff's Office has seized several airplanes

belonging to posse members. This suggests that some of the posses can now afford to buy their own airplanes and hire their own pilots to transport cocaine and marijuana into the United States.

Posses also use commercial airlines to transport the drugs from entry points to local territories for distribution, but airport security checks for weapons and the reluctance of posse members to travel unarmed prevent them from using commercial airlines regularly. A 1987 investigation into a drug ring resulted in the arrest of 52 suspects, most of whom were Jamaican, at Houston's Hobby Airport and the seizure of drugs and cash valued in excess of \$3 million.

Posse members often use trains and buses, since no metal detectors are used at these stations, or rent automobiles to transport drugs. In October 1988, a five-day joint task force targeted suspected drug couriers traveling between Richmond and New York City by train. Authorities arrested 42 individuals and seized cocaine and heroin estimated to be worth \$6.5 million.

The posses also transport entire drug loads—usually sizable amounts of marijuana with smaller loads of cocaine—in U-Haul trailers. In Texas, for example, authorities discovered that a posse member caught hauling marijuana in a U-Haul trailer had rented trailers in various sizes on an average of once a month for 18 months. Some of the vehicles were capable of hauling 6,000 to 8,000 pounds of marijuana, with an estimated street value of \$700,000 to \$1.5 million.

When using private or leased vehicles to transport drugs, the drivers are often followed by trail cars driven by other posse members. The drivers communicate through citizen band radios. The drivers of the trail cars are usually unarmed and act as "rabbits," drawing attention away from the vehicles carrying the drugs in the event of traffic stops by police.

Upon arrival at their destination, new shipments are temporarily stored in stash houses, usually located in secluded neighborhoods where police surveillance can be easily detected. Crack houses are usually blocks away and may be supplied by several stash houses. Runners, often neighborhood youths recruited by the posses, carry small amounts of crack from the stash houses to the crack houses, constantly resupplying the dealers. This allows the posses to deal large volumes of drugs while minimizing their risks in the event of police raids on the crack houses.

Police report that posses frequently buy whole city blocks to protect their crack houses. In many cases, wooden doors are replaced with iron doors to prevent unauthorized entry, pit bull terriers guard the premises, and closed circuit television monitors individuals approaching the houses. Inside the houses, an intercom system is used between dealer and customer, and drugs are often handed through a window by a dealer wearing a glove. Dealers wear gloves to avoid subsequent identification based on race, jewelry, or tattoos and other identifying marks. Such precautions make it difficult for undercover officers to infiltrate the operation and identify the dealers.

Law enforcement officials note that Jamaican posses typically move into neighborhoods controlled by local black gangs. Resulting territorial disputes have led to shoot-outs with local gangs and competing posses, and several killings. In Brooklyn, one posse leader attempted to buy a bazooka to use in his takeover bid. The crack cocaine market is so expansive, however, that the posses are able to move into an area with relatively little opposition.

Discipline within the Jamaican drug network is maintained through violence and enforced with firearms. According to ATF, posse members buy semiautomatic pistols and assault rifles in states with few restrictions, such as Texas and Florida, and transport them back to their localities for use by other posse members. Law enforcement agents have found evidence that some posse members are receiving firearms training. (See Figure 2.7.)

Posse members prefer weapons such as mini-TEC 9s, Ingram mini-MACs, Glock 9mm pistols, and AR-15 assault rifles. In one Florida case, ATF agents arrested two Jamaican nationals in 1987 for federal firearms violations, resulting in one of the largest seizures of weapons from posse members—65 handguns, 2 rifles, and 88 boxes of ammunition shown in Figure 2.8. ATF's investigation ultimately revealed that the two individuals had illegally purchased 149 firearms from various dealers in Tampa.

Illegal Profits

Unlike some major drug importers who profit on single transactions, the Jamaican posses do not collect profits until the drugs are sold at the street level. Money is then funneled to the groups' leaders. Authorities speculate that this method of distributing profits has led to a number of killings by posse members. The killings are the result of thefts of drugs and money by low-level gang members.

**Figure 2.7: Seized Photograph
Suggesting That Gang Members
Conduct Target Practice**



Source: Immigration and Naturalization Service

ATF investigators have documented at least \$1.5 million, earned through drug sales, that has been sent to posse leaders in various U.S. cities through wire transfers. Some of the money, in turn, has been sent to Jamaica, but most appears to be staying with posse members in the United States. Despite the wire transfers, authorities are unaware of any significant banking activity by the posses. It appears that posse members prefer to keep their profits in cash, leaving no paper trail. In a May 1986 Temple Hills, Maryland, homicide related to posse drug activities, investigators discovered \$1 million in cash in the victim's attic.

Authorities believe that posse members have invested some of their illegal drug profits in personal property in the United States, including boats and airplanes, and they are beginning to invest in restaurants, boutiques, race horses, rental car companies, trucking firms, auto body shops, real property, import/export businesses, and record shops as well as reggae bands, concert tours, and festivals. Many of these legitimate businesses are used to shield illicit activities. A Broward County, Florida, official noted that the posses are following the same pattern of

Figure 2.8: ATF Agent With Weapons Seized in 1987 From Two Jamaican Nationals Arrested in Tampa for Federal Firearms Violations



Source: Bureau of Alcohol, Tobacco and Firearms

growth as the LCN in using money earned from the illicit drug trade to invest in legitimate businesses as a cover for further illegal activities.

Chinese Organized Crime

Chinese organized crime is described by law enforcement officials as a complex relationship between foreign-based criminal organizations, American-based criminal gangs, and fraternal and business associations in the United States. According to federal officials, members of some of these groups are career criminals who frequently engage in short-term ventures, sometimes acting on their own behalf and sometimes on behalf of an organization.

According to some federal officials, Chinese organized crime controls and dominates the Chinese communities in the United States, and is engaged in a variety of criminal activities. Through prostitution rings and narcotics networks, Chinese organized crime has expanded its sphere of influence beyond the Chinatown communities of major metropolitan areas into communities throughout the country. Investigators also report several instances where Chinese organized crime is behind political corruption.

As a result of changes in the United States immigration laws in the mid-1960's, Asian immigration has dramatically increased. The majority of the ethnic Chinese in the United States are now foreign born. This trend is expected to continue and its pace to quicken with the approach of 1997, when control of the territory of Hong Kong will be transferred from the United Kingdom to the People's Republic of China. Independent studies predict that 10 to 25 percent of Hong Kong's 5.6 million residents will leave before 1997 due to uncertainty over the transfer. The United States and Canada are expected to be major destination points for those leaving Hong Kong.

Law enforcement officials have developed information about recent immigrants to the United States and Canada, which indicates a number are members of Taiwan and Hong Kong-based³ criminal groups known as triads. These officials suspect that triad members moved blocks of money—presumably the proceeds of illegal activities such as heroin trafficking, gambling, loan sharking, and extortion—into Canada and the United States.

³The oldest and most structured Chinese criminal organizations are the Hong Kong-based triads, which evolved from secret societies organized during the 17th century to overthrow the Manchu Ching Dynasty. To protect themselves, the societies took vows of secrecy, and created initiation rites and special poems and signs to identify each other. Many of these rituals are still observed. However, while the original initiation ceremonies could last from one to two days, ceremonies today seldom last more than an hour due to the need to maintain secrecy and avoid police attention. More details on the history of the triads are found in *The Chinese Mafia* by Fenton Bresler (New York: Stein and Day, 1980).

Only the Sun Yee On—thought by police to be the largest triad society in Hong Kong—is known to have an active faction in this country. However, individual members of the 14K, the Wo Hop To, the Wo On Lok, and the Luen Kung Lok triads have been identified operating in the United States.

California officials are particularly concerned over growing evidence that the Hong Kong-based triads are engaging in criminal ventures with American-based Chinese gangs. One such alliance exists between the Sun Yee On and 14K triads, which monopolize the entertainment industry in Hong Kong, and the Wah Ching gang, which controls Chinese entertainment in the United States. The Luen Kung Lok triad, which controls Chinese entertainment in Canada, is also allied with these groups. These groups cooperate in arranging entertainment tours. No group controls the overall operation, but the alliance has allowed Chinese organized crime to dominate the Chinese entertainment industry.

Although the 50 active Hong Kong-based triads engage in heroin trafficking and dominate street-level drug distribution in Hong Kong, officials do not believe the triads control the larger scale manufacturing and international trafficking operations. Other Hong Kong criminal syndicates are thought to be behind the major heroin networks. Often these syndicates are composed of triad members who support the syndicates' initiatives.

In addition to the Hong Kong-based criminal organizations, several other foreign-based Chinese criminal gangs are known to operate in the United States. The Big Circle Gang, a gang operating in both Hong Kong and Taiwan whose members come from mainland China, trafficks heroin in New York City. The United Bamboo, a Taiwanese gang, is involved in extortion, gambling, prostitution, gun-running, political assassination, and infiltrating the entertainment and construction industries. The gang first achieved notoriety in the United States in 1986 when several of its members were convicted of assassinating Henry Liu, a Chinese-language journalist and naturalized American citizen, who wrote articles criticizing the Taiwanese government.

The United Bamboo was the target of a two-year OCDEF investigation conducted by FBI, ATF, Customs, and INS agents, the Royal Hong Kong Police, and the District of Columbia Metropolitan Police Department. The investigation, which focused on heroin and gun smuggling, ended in April 1988 with the arrests of 20 gang members in the United States and Hong Kong. Authorities estimated that the gang smuggled 137 pounds of

heroin, with a street value of approximately \$137 million, from Burma through mainland China to Hong Kong. From Hong Kong, it was shipped to San Francisco and on to New York City; Newark, New Jersey; and the District of Columbia. A concurrent ATF investigation revealed that the gang purchased guns in Dallas and Houston and transported them through the District of Columbia for use in New York City.

Another Chinese gang, the Fuk Ching, draws its membership from the Fukien province in the People's Republic of China. An INS official identified the Fuk Ching as one of the most dangerous and violent Chinese organized crime groups in the United States. The gang is involved in alien smuggling, and heroin and gun trafficking. According to INS officials involved in a 1986 anti-smuggling investigation, the Fuk Ching, based in New York City's Chinatown, smuggled scores of aliens from the Fukien province to New York City. Each alien reportedly was charged \$23,000 by the Fuk Ching gang. The smuggling operation extended through Central and South America, into the Bahamas, Mexico, and Canada. The scheme used fraudulent documents extensively and relied heavily on corrupt local officials. Illegal aliens had two options for paying off their smuggling debts—working as indentured servants for the rest of their lives, or joining the Fuk Ching. The latter option provided the Fuk Ching with a fresh supply of new recruits. Some of the aliens brought into the United States by the Fuk Ching act as mules for the gang, bringing heroin into the United States, possibly in payment of a smuggling debt. The Fuk Ching is also believed to be importing contract killers who, because they enter illegally as undocumented aliens, are difficult for police to identify.

Tongs and Gangs in America

The extent to which foreign-based Chinese criminal groups control or influence Chinese organized crime in America is largely unknown. Some law enforcement officials speculate that the American criminal groups are extensions of the triads and gangs based overseas. Others theorize that the American and foreign-based groups are independent of each other, merely interacting sporadically to carry out select crimes. American groups—tongs and gangs—appear to be different in structure and composition than their foreign-based counterparts.

More than 30 benevolent or fraternal organizations known as tongs have been formed in the United States, each with membership requirements such as common surname, common village or region in China, common dialect, or common occupation. Tongs are business and benevolent

associations with principally legitimate economic, political, and social functions, but their leadership is sometimes engaged in organized crime.

Since the late 1800's, tong leaders have retained a powerful hold on business and politics in Chinatowns. For this reason, tong leaders are considered useful by Chinese organized crime leaders in accomplishing their objectives. Police believe much of the organized criminal activity in large Chinese communities is conducted by the leadership of local tongs, particularly gambling and heroin trafficking.

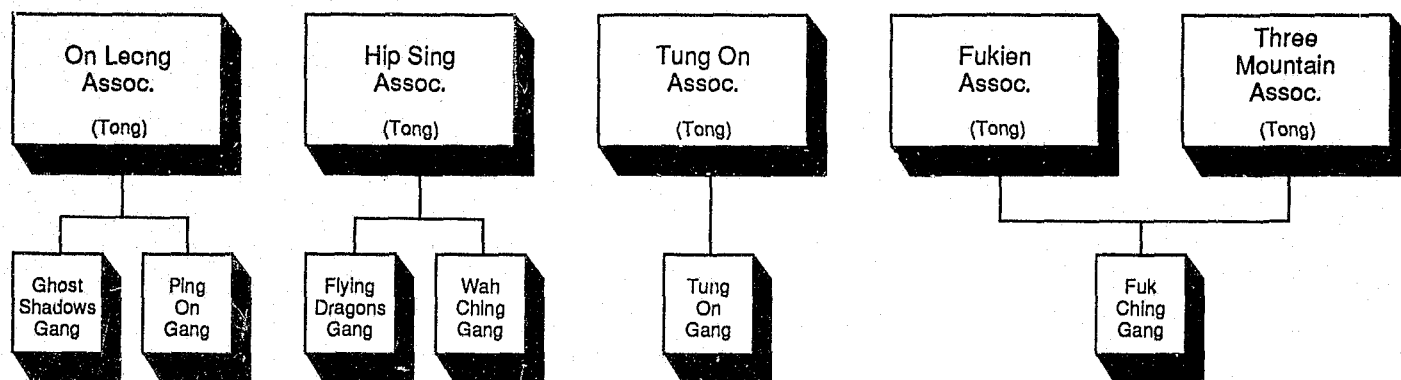
In April 1988, federal authorities in Chicago raided the On Leong Chinese Merchants Association, a tong organization, and seized its headquarters. The seizure followed an FBI raid on a gambling casino in the tong building in which \$323,427 in cash; \$2,500 in cashier's checks; and \$76,000 in gambling chips and paraphernalia were seized. Immediately after the raid, On Leong leaders in Houston temporarily closed their illegal gambling operations. Several months later, New York police arrested five Asians for running an illegal gambling casino sponsored by the New York chapter of On Leong.

Since the 1960's, criminal activity carried out by tongs or individual tong members has usually involved Chinese street gangs. (See Figure 2.9.) Initially, law enforcement officials perceived the gangs to be unstructured, loosely knit, youth gangs that acted as "look-see boys" for local tong gambling operations. Many of these gangs, however, have become more structured, and their members have become more involved in varying types of serious criminal activities.

The most notorious gangs on the east coast are the Ghost Shadows, the Flying Dragons, and the Tung On gang in New York City; and the Ping On gang in Boston. The most significant organized criminal group operating today is the Wah Ching, or "Youth of China" gang, which is based on the west coast. These gangs are involved in a wide variety of criminal activities, including narcotics trafficking, murder, robbery, extortion, gambling, kidnapping, prostitution, alien smuggling, and loan sharking.

The Ghost Shadows, which began to develop as a gang about 1970, is affiliated with the On Leong tong. Members of the gang are known to act as mid-level heroin couriers, traveling frequently between Toronto, Boston, Chicago, New Orleans, and Miami. Twenty-five of the estimated 45 members were imprisoned following their 1986 conviction on several varying counts of RICO. The gang is said to now be split under two leaders.

Figure 2.9: Primary Tongs and Affiliated Gangs Involved in Organized Criminal Activity



Source: Immigration and Naturalization Service

Members of the Flying Dragons, which is affiliated with the Hip Sing tong, also act as drug couriers and have traveled to Hong Kong, allegedly as participants in the drug trafficking activities of the Hip Sing. Although the tong is allegedly behind most of the gang's drug activities, it appears that some deals are completed independently by gang members. Since 1985, the Flying Dragons have recruited heavily among Vietnamese youths, usually ethnic Chinese from Vietnam. Approximately one-fourth of the estimated 50 gang members are believed to be Vietnamese.

Flying Dragons, which are known to operate in New York City, Dallas, Houston, Atlanta, and the District of Columbia, have also been linked to the Taiwan-based United Bamboo gang. In 1985, an INS investigation uncovered a highly organized, clandestine Chinese criminal network of illegal aliens from Taiwan, believed to be members of the United Bamboo, operating in the United States. Known as the Madam Shih Ring, the group controlled seven brothels in the United States using members of the Flying Dragons to protect their operations. The brothels were located in New York City; Houston; San Francisco; and Lakewood, Colorado. The group imported women from Asia through Central and South America, and held them captive until they repaid their "travel debts" by working as prostitutes in the brothels. One of the principals remains a fugitive, but the remainder were convicted and given sentences ranging from 4 to 12 years.

The Tung On gang, which is affiliated with the Tung On tong, is believed to have about 30 members and operates primarily in New York City, Philadelphia, and Portland, Maine. According to INS, the leader of the gang, Steven Wong, also known as "Tiger Boy," was arrested for naturalization fraud. Wong became a naturalized citizen in 1977, but allegedly failed to reveal a series of prior arrests for various crimes in the United States when applying for naturalization, including kidnapping and rape, illegal firearms possession, and destruction of property. Based on his cooperation with federal authorities, the naturalization fraud charges were dropped. Wong was convicted in 1989 for conspiring to import over 20 pounds of heroin and sentenced to a lengthy prison term.

The Ping On, one of the largest Chinese gangs on the east coast, is allied with the Boston chapter of the On Leong tong. Led by Stephen Tse, the gang reportedly has 200 members. In February 1986, Tse was released from prison after serving 16 months for civil contempt for refusing to testify before the President's Commission on Organized Crime.

The California Bureau of Organized Crime and Criminal Intelligence estimates that there are 600 to 700 Wah Ching gang members operating on the west coast. Many members of the gang immigrated to the United States in 1967 and 1968, and police now speculate that some may have been gang members in Hong Kong prior to entering the United States. The Wah Ching is believed to be allied with the Hip Sing and Hop Sing tongs.

The Wah Ching gang began as lookouts for Hop Sing tong gambling houses in San Francisco. In the early 1970's, the San Francisco-based Wah Ching expanded to Los Angeles but internal conflicts arose between the two factions. The Los Angeles faction eventually broke away and became known as the Cheung Ching Yee, or "Joe Boys" gang, after its leader, Joe Fong.

The Wah Ching and the Cheung Ching Yee fought over control of the profitable fireworks business in California. Several gun battles erupted between the two gangs, culminating in the Cheung Ching Yee's 1977 attempt to kill Wah Ching members at the Golden Dragon restaurant in San Francisco's Chinatown. Five bystanders were killed and several others wounded in the shooting. The Wah Ching members escaped unharmed. Members of the Cheung Ching Yee were convicted and sent to prison, effectively eliminating that branch of the gang.

After the shooting, the Wah Ching went underground to avoid police attention. In the years that followed, the Wah Ching youth gang became an adult organized crime group that gained power and money through its criminal activities. The gang expanded throughout northern and southern California, and moved into organized prostitution, gambling, and heroin trafficking. California authorities believe the gang has infiltrated legitimate businesses including gas stations, entertainment, night-clubs, automobile repair, construction, travel, printing and publishing, medical administration, and jewelry.

As adults, Wah Ching members have attempted to legitimize their activities by joining local tongs, and several Wah Ching members have served as officers of these associations. Today, the Wah Ching operates as four separate factions, due to personality conflicts between the group's members. Despite its multiple leaders, the Wah Ching is a nationwide organized criminal group that has formed powerful alliances with foreign-based Chinese criminal groups.

Viet Ching

In 1977, two years after the fall of Saigon to communist forces, internal conflicts within Vietnam forced a mass exodus of minority ethnic groups, particularly the Chinese-Vietnamese. In the early 1980's, following detention in refugee camps along the Vietnam border, ethnic Chinese refugees from the northern provinces of Vietnam entered the United States. Because of their common ancestry and culture, these ethnic Chinese refugees assimilated into established Chinese communities.

Soon after their arrival in the United States, several of the Chinese gangs, such as the Wah Ching and Flying Dragons, allowed Chinese-Vietnamese, also known as Viet Ching, into the gangs. However, the Chinese gangs soon discovered that the Viet Ching sometimes robbed other gang members and engaged in illegal activities outside of the gang. In a few instances, the Viet Ching openly opposed the Chinese gangs and formed their own gangs.

Today, Viet Ching gangs—some of which remain allied with Chinese gangs—are actively engaged in residential robberies and burglaries. The gangs are generally unstructured but highly mobile. They seldom have names and are constantly changing in size and membership. The Viet Ching are often confused with ethnic Vietnamese gangs because they are from Vietnam and engage in criminal activities similar to those in which Vietnamese gangs engage.

Illegal Revenues

Law enforcement authorities believe that the primary source of money for Chinese organized crime is gambling—a multi-million dollar business within the Chinese community. In California, where most forms of gambling are illegal, card clubs are allowed to operate if approved by the local government. Licenses for several card clubs have been granted in a number of California counties. Within the past three to four years, the Chinese game of Pai Gow⁴ has been introduced into the local card clubs. Pai Gow appears to have brought new interest and considerable revenue to the card clubs, which had begun to dwindle in popularity. Pai Gow games are generally high-stakes games and card clubs may charge a minimum seat rental of \$1,000. In 1987, the Bicycle Club in Bell Gardens, California—billed as the “World’s Largest Card Casino and Restaurant”—grossed an estimated \$1.5 million to \$2 million per month on Pai Gow.

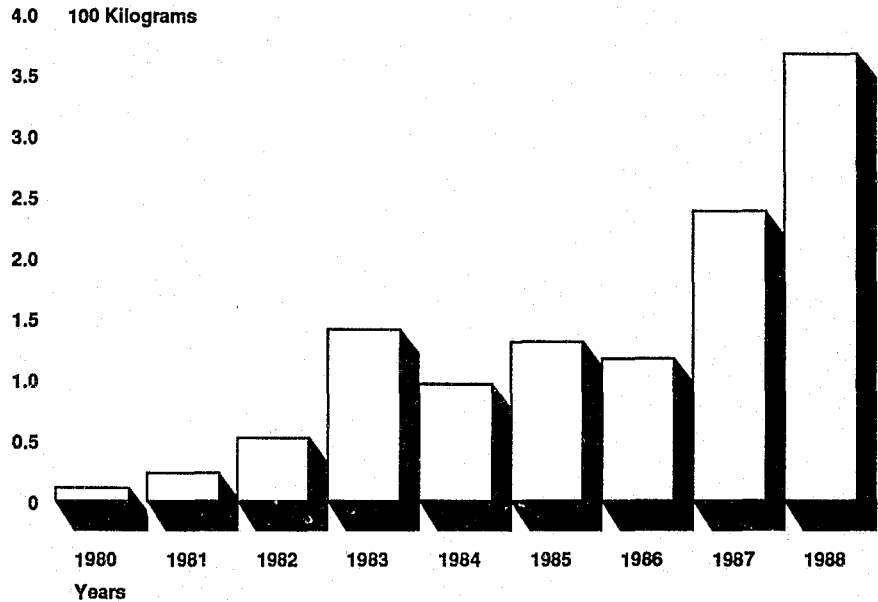
Although California state law does not apply to individuals who lease Pai Gow tables inside the clubs, local ordinances generally require employees of the club to register with local police. Through these registrations, police have identified at least 37 members of Wah Ching who work as dealers in the card clubs. California authorities believe that Pai Gow activity is controlled by Chinese organized crime and that Chinese organized crime members have hidden ownership in the card clubs.

Heroin trafficking is another significant source of revenue for Chinese gangs in the United States. The Chinese typically traffick in “China White,” a highly refined heroin obtained in Southeast Asia. The heroin is trafficked directly from Thailand to the United States. It is also transshipped through Hong Kong, Tokyo, Seoul, and Singapore en route to the United States. During the past two to three years, bumper crops of opium poppies from which the heroin is derived have been reported in Southeast Asia, and DEA has begun seizing record amounts of heroin entering the United States. (See Figure 2.10.)

Currently, DEA has an ongoing enforcement operation directed at Chinese heroin traffickers. This operation is being worked in conjunction with approximately 13 domestic and foreign offices. Thus far, investigations related to this operation have been responsible for dismantling at least 7 large Asian trafficking organizations, one of which was documented as having smuggled 500 kilograms of heroin to the United

⁴Pai Gow, an ancient Chinese game, is played with 32 dominoes and is the forerunner to American dominoes. The dominoes are mixed or shuffled by the house dealer and then placed in eight stacks of four each. The dealer and up to seven players are each dealt one stack. The object of the game is to set the dominoes into two pairs for the best “ranking” combinations.

Figure 2.10: Seizures of Southeast Asian Heroin in the United States (In Kilograms) 1980-1988



Source: Drug Enforcement Administration

States, while another imported in excess of 200 kilograms of Southeast Asian heroin with direct sales to Italian organized crime.

Money from gambling and heroin trafficking may be going to Hong Kong, Canada, and possibly the Caribbean. In addition, law enforcement officials speculate that American-based Chinese gangs are investing their proceeds in legitimate businesses in the United States. There is also evidence that foreign-based Chinese gangs are transporting proceeds from their criminal enterprises to the United States for investment in otherwise legitimate entities.

Vietnamese Gangs

During the late 1970's and early 1980's, thousands of Vietnamese refugees entered the United States. Shortly thereafter, Vietnamese criminal gangs became involved in extortion, arson, property crimes, and murder. Although these gangs have been viewed as a local law enforcement problem, many of the gangs' career criminals actively work a geographic circuit extending from southern California to the east coast and back. Local law enforcement officials now believe that the interstate nature of the criminal activities and the growing level of violence displayed by the Vietnamese gangs make them a national concern.

California officials generally classify Vietnamese gangs into two groups—adult gangs and youth gangs. The adult gangs are former military officers or individuals who were engaged in criminal activities prior to entering the United States. Initially visible within the Vietnamese communities, they are now more clandestine in their criminal activities and appear to be more organized than when they first began. The youth gangs, something of a misnomer since many of the members are young adults, are more visible but appear to be less structured than the adult gangs.

Adult Gangs

One of several Vietnamese adult gangs to emerge in southern California was identified by police as the “Frogmen,” because some of its members had belonged to underwater demolition teams in the South Vietnamese military. The original gang was led by Tai Huu Nguyen, also known as “Tai Chiem,” and was involved in gambling and extortion. California law enforcement officials believe that the original gang has splintered into two groups—one led by Tai Huu Nguyen, and the other headed by a regional leader of the original gang who recruited Vietnamese from Houston.

Several adult gangs seek donations from the Vietnamese community by claiming political affiliations and promising to help free their homeland. Gang members often threaten to brand individuals as procommunist—a serious accusation within the refugee community—if they fail to donate money. Law enforcement officials believe much of this donated money is pocketed by the gangs. Several homicides, arsons, and threats of violence have been attributed to these gangs, but prosecutions and convictions are rare.

Authorities disagree over the extent to which Vietnamese gangs engage in fraud. In one of the few Vietnamese fraud cases adjudicated, the California Bureau of Medi-Cal Fraud revealed in 1984 that Vietnamese doctors in southern California had falsely billed almost \$25 million to the program. Most of the 60 doctors and pharmacists involved in the elaborate scheme were viewed by some authorities as comprising an adult Vietnamese gang. A California official involved in the prosecution said that several of the couriers who worked for the doctors and pharmacists were suspected members of Vietnamese youth gangs. Since their convictions, the doctors and pharmacists are believed to be engaged in criminal activities with other ethnic criminal gangs in northern California.

Youth Gangs

Vietnamese youth gangs are comprised of 15 to 30 members ranging from 12 to 24 years of age. Most gang members are junior and senior high school boys; females are usually not allowed to join the gangs. At least two female gangs, however, have been identified in southern California.

The gangs do not claim turf; they are highly mobile and often drive across the country to commit minor crimes. Most of the gangs do not adopt names for themselves. It is nearly impossible for law enforcement officials to identify gang leaders or members because membership changes every day as the group travels. There is no initiation into the gangs and no penalty for leaving them. These gangs are profit-motivated, and the members distribute the profits among themselves after each crime.

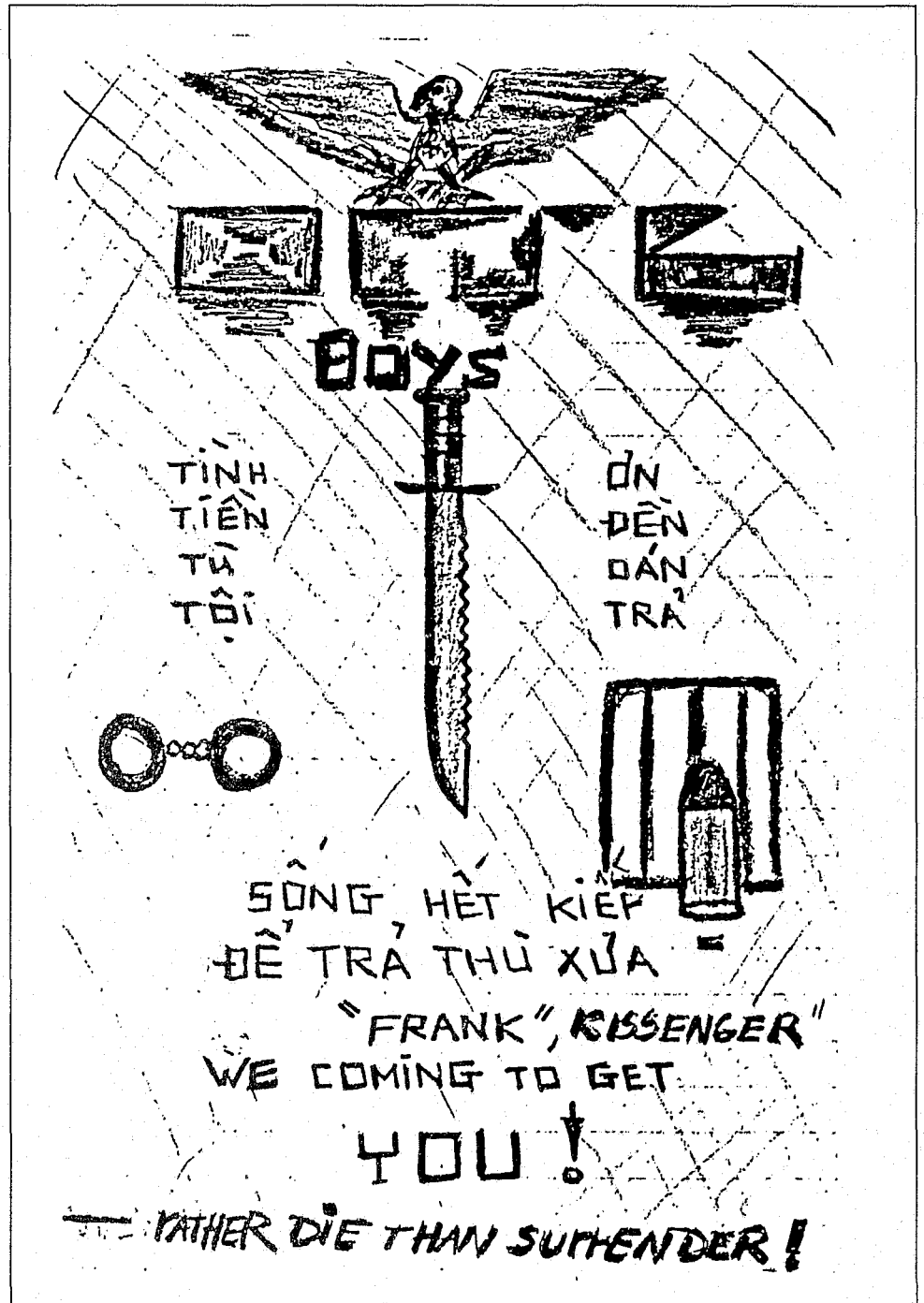
Recently these gangs have begun to act more like typical street gangs. Many gang members now dress alike and use gang graffiti. Gangs in Orange County, California, have adopted names. Some gang members have tatoos, while others have cigarette burns on their hands or arms to signify courage. Several boys have slash marks on their arms, usually from knife cuts, to show their gang affiliation and manhood.

Vietnamese youth gangs appear to be better armed than most city street gangs. They buy, steal, or swap guns and prefer large caliber automatic handguns. They conduct their criminal activities with a precision that suggests structure and organization.

In recent years, the youth gangs have displayed a willingness to confront police, as evidenced in a 1986 shootout between gang members and police in San Jose, California. In 1988, a probation officer found numerous copies of a hand-drawn flyer, shown in Figure 2.11, in the car of a Vietnamese youth. The flyer reflects the acronym of the Orange County Jail Boys, a local Vietnamese gang, and threatens two policemen assigned to gang units in Orange County, California.

Many of the youth gangs are led by an older member. The leader arranges lodging for the gang members, oversees the gang's criminal escapades, acts as a fence for stolen merchandise, and provides the members with drugs for recreational use. Financial affairs are usually handled by a female associate of the gang who divides the profits from the robberies according to each member's participation.

Figure 2.11: Hand-Drawn Flyer
Threatening Two Orange County,
California, Police Officers Found in the
Possession of a Vietnamese Gang
Member in 1988



Source: Westminster Police Department, Westminster, California

Police analysts theorize that because their activities are planned and carefully executed, the youth gangs are controlled groups that are sent out by older Vietnamese to engage in property crimes. These loosely structured gangs travel up and down U.S. highways, committing crimes at random. Another police theory is that the gangs are comprised of adolescents who are having trouble assimilating into the American culture. These adolescents begin hanging out at local pool halls and connect with old friends from the refugee camps who, like themselves, have been unable to blend into American society. Police in California believe that many gangs communicate directly with refugees in camps along the Thai-Cambodian border. In several instances, police have found evidence suggesting that robbery victims were targeted because of information available in the refugee camps.

Criminal Activities

According to police, all Vietnamese gangs are involved in property crimes. They extort and harass Vietnamese merchants, and steal cars and car stereos. Thousands of car stereos have been stolen in California with no visible sign of entry into the vehicles. In the San Jose area alone, several thousand car stereos were stolen by a relatively small group of Vietnamese gang members. Police have no idea where the radios have gone, although some authorities speculate that they are being sold in Mexico. Stolen vehicles are cut apart, and the parts are sold in "chop-shop" operations. Some of the gangs have learned to replace the vehicle identification numbers of stolen cars with numbers from cars in salvage yards. While this technique appears to be relatively simple, police report that few car thieves are sophisticated enough to do it successfully.

Many gang members who began by stealing cars or car stereos are now active in residential robberies. In almost all of these cases, police find that the gangs have gathered intelligence information regarding the occupants of the targeted house and the existence of cash or valuables. Often some event, such as a festival, a wedding, or a gambling party, is occurring at the time of the crime.

Gang members remain in their victims' houses for hours, terrorizing their captives while searching for hidden objects. Sexual assaults and murders have occurred. Police now refer to these robberies as "home invasions" because of the violence and destruction that has become the trademark of the gangs.

Typically, the gangs prey only on other Vietnamese or Viet Chinese. However, the gangs have begun to strike residences outside of the

Vietnamese community. In one such instance reported by police, a Vietnamese gang robbed a Korean home. Police learned that the family had a daughter who had run away and become involved with one of the Vietnamese gang members. The daughter had provided the needed information about her parents to the gang.

The magnitude of the home invasion problem is uncertain. Many Vietnamese do not trust the United States monetary system and prefer to use gold teal, a form of Vietnamese currency molded from gold. Also, police believe that many Vietnamese merchants invest unreported profits in precious metals and stones, which they hide in their residences. As a result, residential victims often do not report the full extent of the theft, fearing the consequences of unreported income.

Local police warn that the Vietnamese gangs pose a growing threat to the Asian communities throughout the United States. They contend that federal assistance is needed to track these highly mobile gangs as they become increasingly involved with other ethnic groups in drug trafficking and money laundering in a pattern of organized racketeering activity.

Los Angeles Street Gangs

In 1989, the Los Angeles County Sheriff's Department identified over 750 active street gangs in Los Angeles County with an estimated membership of 70,000. Although Hispanic gangs have existed in Los Angeles for over 80 years, it is the black gangs—numbering about 330—that today cause the greatest problem for law enforcement.

Black street gangs first emerged in the south central Los Angeles and Compton areas about 20 years ago. These black gangs were similar to traditional street gangs, operating only in their own neighborhoods and engaging in limited violence with rival gangs in adjoining neighborhoods. About 10 years ago, the black gangs began dealing heavily in marijuana, LSD, and PCP, and the intergang violence began to escalate for control of drug markets. In the early 1980's, the gangs began selling crack cocaine. Within a matter of years, the lucrative crack market changed the black gangs from traditional neighborhood street gangs to extremely violent criminal groups operating from coast to coast.

Crips and Bloods

The two major black street gangs of south central Los Angeles—the Crips and the Bloods—are among the most violent gangs in the country.

Each is a coalition or network of loose-knit neighborhood gangs comprised of young black males. Virtually all of the black street gangs in Los Angeles are aligned with either the Crips or the Bloods. Law enforcement analysts estimate that there are 10,000 to 15,000 hardcore members—those who participate in gang activities on a regular basis. Crips are believed to outnumber Bloods three to one. Youngsters between the ages of nine and ten routinely are recruited into the gangs. Gang members have no formal initiation. Membership, individual identification, and even the existence of some gangs constantly change. Although there are similarities among the gangs, they have no common code of conduct and each neighborhood gang operates differently.

Intelligence information about the Crips' origin is contradictory and no one is certain of the meaning or source of the group's name. Some claim the name was taken from a movie popular at the time the group was formed. Others contend that the term is derived from the word cripple and note that canes were used by many of the original gang members. Crips are also known as Cuzz, Crabs, Blue Rags, and Blood Killers. Crips organizations in prisons are known as the Consolidated Crips Organization, the Blue Note Crips Organization, and the Blue Freedom Movement. The Bloods are known as Pirus, Slobs, Red Rags, and Crip Killers. Bloods members in prison are known as the United Blood Nation, the Blood Line Army, and the Blood Line Nation.

Several all-female gangs have been identified, but the extent of their relationship with the all-male gangs varies depending on the area in which they are located. Often the male gangs use the female gang members to set up crack houses, rent vehicles, or act as couriers for drugs and money. In one case reported by police, a female gang member managed the financial aspects of the gang's drug operation.

In many instances, gang members know one another only by sight or by the colors they wear. The Crips wear blue, while the Bloods wear the color red. Graffiti is an important element in street gang activity; it clearly signifies that gang activity is present. Graffiti marks the turf of a gang and often challenges other gangs. It can be an invitation to violence and murder.

While some members appear to have more wealth and prestige than other members, the gangs do not have a structured hierarchy or an identifiable leadership. The leadership role changes frequently and does not always rest on one person. It is not unusual for several members to

claim leadership at the same time, based on their most recent criminal activity.

The Crips and the Bloods engage in murder, drug dealing, robbery, burglary, and extortion. Law enforcement officials report that within the past three to four years, the gangs have gained control of 30 percent of the crack cocaine market in the United States. Ten percent of all gang-related murders in Los Angeles are believed to involve narcotics, specifically the distribution of crack cocaine or rock cocaine as it is known on the west coast. It is estimated that more than half of gang-related homicides involve individuals who are not associated with the gangs.

Most gang violence occurs in gang-controlled areas, but these areas are expanding and the violence is intensifying. Profits from sales of crack cocaine have enabled the gangs to build weapons arsenals. Weapons of choice are powerful semiautomatic assault rifles, such as the AK-47. Gangs have purchased semiautomatic weapons and illegally converted them to fully automatic firearms. Most of the guns are bought locally by gang members or gang associates of legal age who have no criminal records. Some weapons are acquired in other states and delivered to gang members in California.

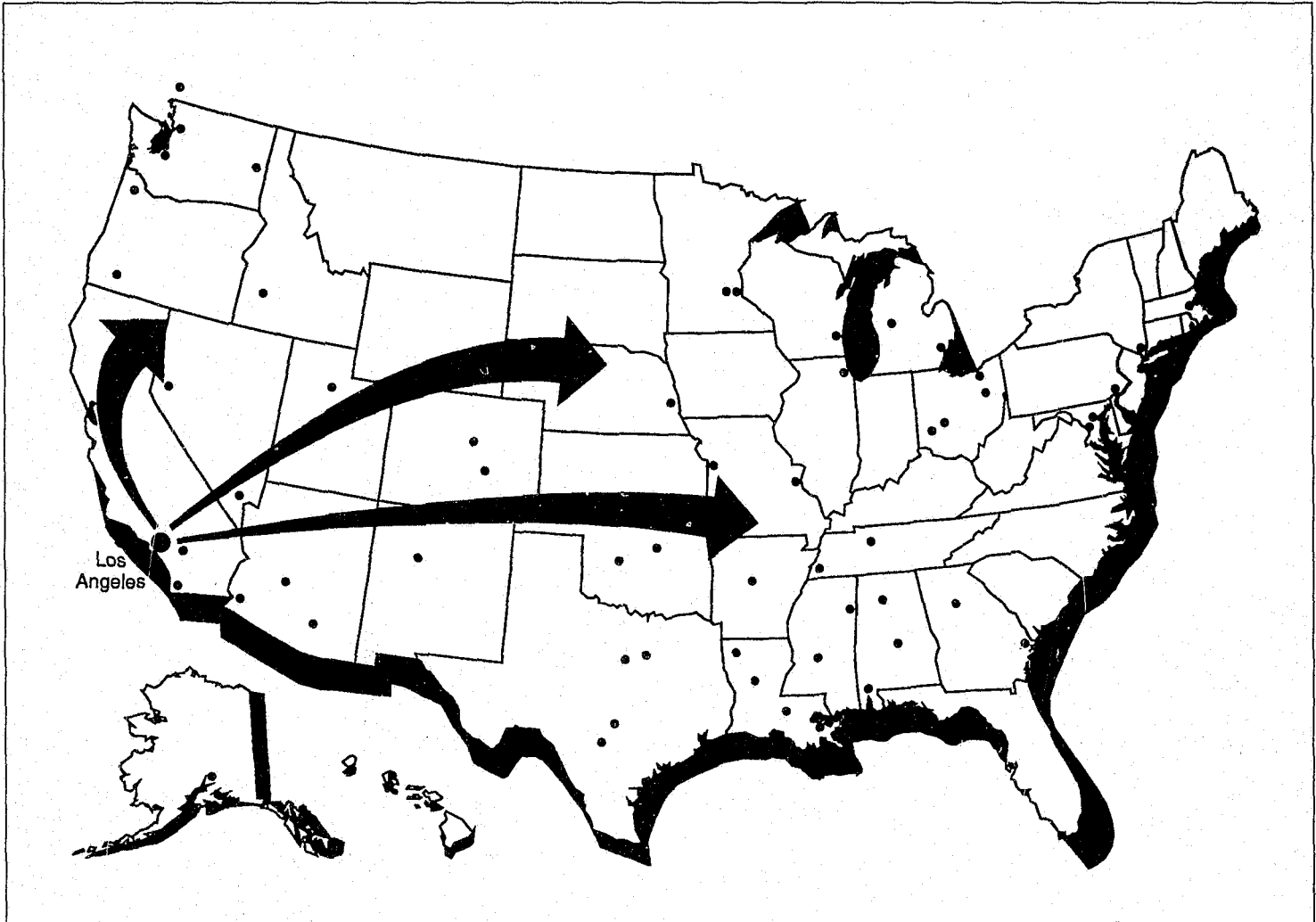
Drug Trafficking

Crack cocaine was introduced to Los Angeles in the early 1980's. Law enforcement officials say crack is the most "insidious" drug to confront the United States. The time it takes to become addicted to crack is measured in days rather than months or years. Today, the use of cocaine by residents on the south side of Los Angeles, particularly crack, is considered by law enforcement officials to be of epidemic proportions.

According to the Los Angeles County Sheriff's Department, cocaine is inexpensive and plentiful in Los Angeles and can be sold in other cities for five to six times the Los Angeles rate. The lure of profits coupled with increased pressure from local police have prompted the Los Angeles gangs to extend their territories far beyond their neighborhoods. Within the past three to four years, members of the Crips and the Bloods have been identified selling or distributing crack in Washington, Oregon, Kansas, Oklahoma, Colorado, Missouri, North Carolina, Arizona, Virginia, Maryland, and elsewhere. (See Figure 2.12.)

Authorities believe that the Colombians are the major wholesalers of cocaine to the Los Angeles gangs, whose members then act as both street-level and mid-level dealers. Some mid-level dealers handle only a

Figure 2.12: Crips and Bloods—Areas Reporting Rock Cocaine Activity in 1989

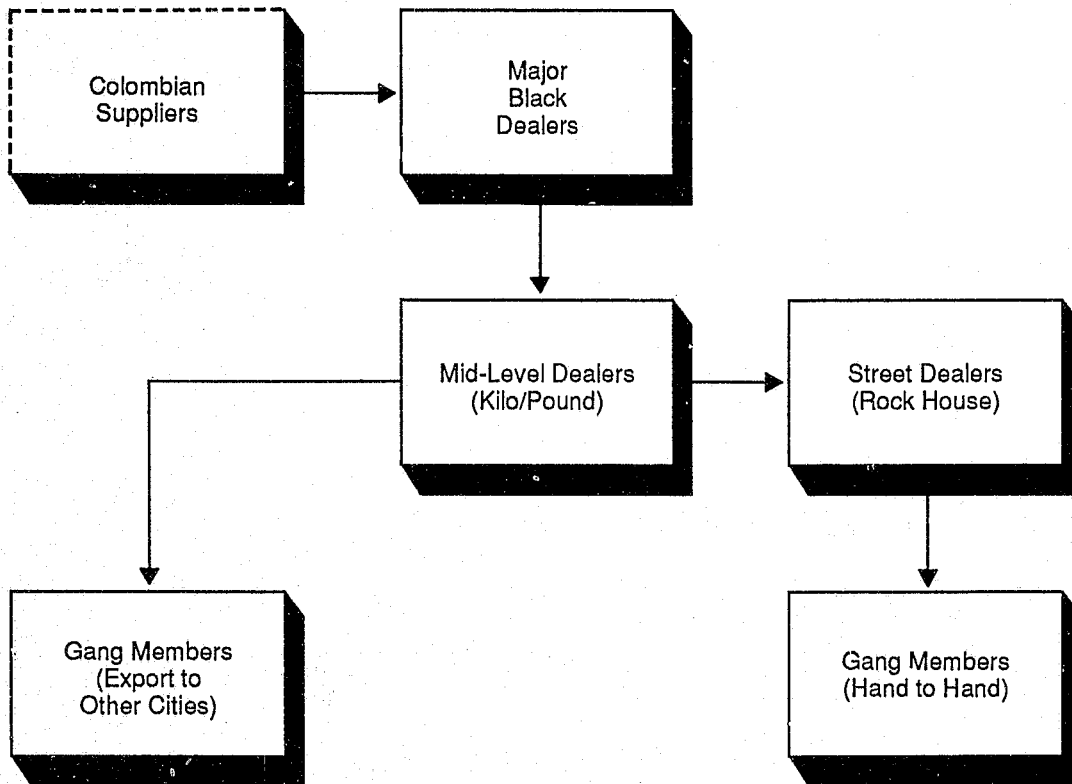


Source: Based on information provided by the Los Angeles Police Department

single kilogram of cocaine at a time, while others handle multi-kilograms and operate their own distribution networks, as illustrated in Figure 2.13.

An April 1989 drug enforcement operation in the District of Columbia, that resulted in the arrest of 18 people who belonged to a gang which allegedly distributed as much as 440 pounds of cocaine a week there, illustrates the nationwide impact of the Los Angeles street gangs. Much of the cocaine distributed by the gang was allegedly purchased from the

Figure 2.13: Organization of Black Street Gang Narcotics Operations



Source: Based on information provided by the Los Angeles Police Department

Crips and the Bloods, who had purchased their cocaine from the Colombians. The District gang, which is believed to be responsible for more than 30 homicides in the past year, is alleged to be part of a larger, locally based drug cartel that controls more than 50 percent of the cocaine and much of the heroin and PCP market.

In some areas, such as Denver, Colorado, the Los Angeles street gangs now control the crack distribution network. However, Los Angeles police generally do not believe that the movement by gang members to other cities and states is a planned, organized expansion. Individual members may move to another location with their families or visit relatives. Once there, the gang member surveys the market to determine the demand for drugs in the area, the existence of established drug operations, and the identity of major drug dealers. A small group of gang members will then move into the city and take over, or drive out, the

existing drug network in the black neighborhoods by recruiting local drug dealers and “doubling down”—selling twice the usual amount of cocaine for half the price. Once the market is controlled, normal or higher prices return.

The gangs usually use low-income housing projects as their base to sell drugs, often occupying a house for one day and then moving to another location. Occasionally, the gangs use hotels as their base. Gang members sell crack on credit to welfare recipients and collect payment the day welfare checks arrive in the mail. Sometimes, gang members recruit local youths to act as lookouts and drug carriers.

According to police, gang members are using advanced communications equipment and security measures to protect their drug operations, particularly the houses where cocaine is converted to crack and sold. Gang members also guard other street-level dealers and mid-level traffickers against theft and encroachments by rival dealers. They buy, furnish, and use weapons in connection with drug dealing activities and engage in drive-by shootings to protect market areas they control.

California authorities report that gang members typically spend their profits on jewelry, cars, and expensive clothes. Although little of their illicit money appears to be going into bank accounts, some gang members are beginning to look for ways to launder money derived from drug sales. The Los Angeles Police Department has developed information that the gangs are funneling the proceeds of drug sales into legitimate businesses, including car washes, mobile telephone companies, beauty parlors, apartment complexes, and automotive stores.

Views of Law Enforcement Officials

The 130 law enforcement officials we interviewed expressed various views regarding the barriers they encountered in their efforts to investigate and prosecute members of nontraditional criminal gangs, the adequacy of current legislation to facilitate officials' enforcement efforts, and their current actions and those still needed to wage successful attacks on nontraditional organized criminal groups. The information in this chapter is based solely on our interviews and represents the opinions and concerns voiced most often by the interviewees.

Investigative and Prosecutive Barriers

The majority of the law enforcement officials we interviewed agreed that several obstacles confronted them in their efforts to investigate and prosecute members of nontraditional organized criminal gangs—gangs other than the traditional LCN criminal organization. Most officials felt the greatest barriers exist within the criminal justice system which lacks a consistent, national investigative approach to nontraditional crime. Many officials told us that language differences, coupled with a shortage of skilled interpreters, and the difficulty in penetrating tightly knit ethnic communities hamper police use of traditional investigative tools such as wiretaps, informants, and undercover operatives.

Criminal Justice System

Law enforcement officials generally agreed that nontraditional criminal groups are a major law enforcement problem throughout the United States. They note, however, that federal law enforcement agencies continue to target money for and focus their attention and personnel on the more structured LCN families located on the east coast.

Although several law enforcement officials faulted the federal government's lack of a defined national strategy as inhibiting the investigation of nontraditional criminal organizations, west coast officials were particularly frustrated by the lack of a national commitment to fight nontraditional crime. Nontraditional criminal organizations, such as Chinese organized crime groups, have become major problems on the west coast. One local official in San Francisco stated that federal agencies did not appear to believe organized crime exists west of the Mississippi River.

Federal officials, however, told us that within the past year, the Department of Justice has begun addressing Chinese organized crime. For instance, the FBI, DEA, and INS have established liaisons with law enforcement officials in Hong Kong. In addition, a national task force has been established to target Chinese gangs in New York City, Boston, the District of Columbia, Houston, San Francisco, and Los Angeles. However,

we were told that the task force is loosely coordinated and that it has not developed a plan to address the expected influx of triad members or members of other criminal organizations into the United States before Hong Kong is returned to the People's Republic of China in 1997.

Also, several authorities we interviewed challenged the effectiveness of current investigative techniques in combating many of the major drug trafficking organizations. For instance, one local police official noted that although more than \$1.4 billion had been spent on drug interdiction, there has been no notable decrease in the availability of drugs on the street. A federal drug agent stated that it is becoming increasingly difficult to infiltrate drug organizations by purchasing drugs because single transactions with major traffickers in today's drug market usually involve millions of dollars. In addition, the risks to undercover officers have increased as more drug deals result in attempted robberies. Several officers have been killed while attempting to buy or sell drugs undercover, including two DEA agents in southern California.

Language Differences and Community Ties

In addition to problems within the criminal justice system, most officials we interviewed cited language differences, complicated by a shortage of skilled interpreters, as a significant obstacle to the investigation and prosecution of members of ethnic groups belonging to nontraditional criminal gangs. Most officials also cited the tightly knit nature of many ethnic communities as an obstacle to the use of certain investigative tools.

The Chinese language, which consists of numerous dialects, presents significant barriers, as does the language often spoken by Jamaican posse members known as "patois," a subliterate French language. Police noted that a severe shortage of qualified interpreters complicates investigations of these criminal gangs. Wiretaps of conversations in foreign languages are useless, for example, if not monitored by someone who understands the language. In one fraud case, an average of seven to nine languages were recorded on federal wiretaps, including Chinese and Hebrew. Police note that credible and reliable interpreters are essential because defense attorneys have begun to challenge the accuracy of translations in motions to suppress evidence.

Investigative agencies have attempted, with little success, to recruit ethnic minorities, particularly Asians, as undercover operatives. The demand for language-skilled minorities is high because an operative that infiltrates a gang cannot safely be used again. The growing demand is

compounded by the lack of competitive salaries offered by many departments and the belief of many minority officers that working in specialized gang units will limit their career opportunities. These officers, generally not trained as interpreters, are placed under considerable stress because they are frequently expected to interpret and translate on the spot. In addition, they often face social and cultural stigmas from members of their ethnic communities who distrust police agencies.

According to police, strong community ties present an obstacle to enforcement efforts in developing informants. Also, many potential witnesses refuse to cooperate with police that would require them to enter a witness protection program, breaking their ties with the community.

Adequacy of Current Legislation

Overall, the officials we interviewed agreed that federal laws are adequate to target criminal gangs involved in racketeering and other illegalities. Many of the concerns raised by investigators and prosecutors were addressed by Congress in the Anti-Drug Abuse Act of 1988. In particular, the act emphasizes joint task force efforts; establishes the Office of National Drug Control Policy to coordinate law enforcement efforts against drug traffickers; and aids efforts to identify, investigate, and ultimately deport individual criminal aliens involved in "aggravated felonies," such as murder, and narcotics and weapons trafficking. However, authorities noted additional concerns that were not addressed by the act.

Gun Control

Law enforcement officials from New York to California cited the need for ways to limit the availability of semiautomatic assault weapons to combat gang activity. Law enforcement officials noted that many of the gangs use semiautomatic handguns and assault rifles. They claimed that the states are incapable of containing the problem, although several have tried, because individuals simply travel to states without gun control laws to purchase weapons. Several of the law enforcement officials we interviewed advocated a permanent ban of these weapons to limit gang violence.

On March 14, 1989, ATF announced that it was suspending, effective immediately, the importation of several makes of assault-type rifles, pending a reevaluation by an ATF working group of their importability. On April 5, 1989, the Administration expanded the suspension to include all similar assault-type rifles. On July 6, 1989, the working group issued their findings that "the semiautomatic assault rifle is not a

type of firearm generally recognized as particularly suitable for or readily adaptable to sporting purposes and that importation of these rifles should not be authorized under 18 U.S.C. Section 925(d)(3).⁵ The following day, the Administration imposed a permanent import ban on 43 types of semiautomatic rifles.

Enforcement of Immigration Laws

Several officials noted a high crime rate among the alien population of the United States. California authorities indicated that aliens comprise about 60 percent of the Los Angeles County jail population. Many are narcotics traffickers and a large number enter the United States illegally. For instance, approximately 70 percent of the Jamaican posse members are believed to be illegal aliens.

According to officials, although INS is charged with both the administration and the enforcement of U.S. immigration laws, its enforcement responsibilities have traditionally been overshadowed by its administrative responsibilities, such as processing applications for permanent resident status. Officials criticized INS for granting considerable enforcement autonomy to its regional commissioners and district directors, rather than conducting centralized, long-term investigations.

Several INS agents told us that a needed bail provision for alien criminals apprehended by INS was not contained in the Bail Reform Act of 1984. INS officials claim that many alien violators perceive the bond as a fine and flee before a hearing can be held. The agents indicated that INS needs the authority to keep dangerous alien criminals in jail until their cases can be heard and decided upon.

These agents also expressed concern that information about INS fugitives—aliens who have posted bond and fled from INS charges such as alien smuggling and document fraud—are excluded from the computer records maintained by the National Crime Information Center (NCIC). NCIC provides law enforcement agencies with criminal histories and information on wanted persons, missing persons, and stolen property. INS agents emphasized the potential danger posed to law enforcement agents by some INS fugitives and urged that INS fugitive warrants be accepted into the NCIC database.

⁵BUREAU OF ALCOHOL, TOBACCO AND FIREARMS, DEPT OF THE TREASURY, REPORT AND RECOMMENDATION OF THE ATF WORKING GROUP ON THE IMPORTABILITY OF CERTAIN SEMI-AUTOMATIC RIFLES 15 (July 6, 1989) (available from the Bureau of Alcohol, Tobacco and Firearms).

Juvenile Justice Reform

Investigators generally agreed that juvenile gang members presented one of the most significant problems to law enforcement officials and that reform of the juvenile justice system, on both the federal and state levels, was needed. Officials at all levels told us that juvenile gang members who already had lengthy criminal records had been arrested for engaging in violent criminal acts. Many of these juveniles were affiliated with the Jamaican posses, Chinese street gangs, Vietnamese youth gangs, and the Los Angeles street gangs.

According to federal and local authorities, most of their juvenile cases are referred to the states, but they note that the state juvenile justice systems generally treat all juveniles—including gang members—as troubled youths in need of protection and counseling.

According to officials throughout the country, juvenile gang members realize that any punishment they receive will often be delayed because of overcrowded juvenile facilities. Further, according to police, gang members often perceive incarceration as a means of gaining status with their peers because only the more hardened youths are likely to be incarcerated.

Prison Overcrowding

Several authorities noted that investigators targeting gang members are likely to seek federal prosecution whenever possible, placing additional burden on the federal system, because of serious state prison overcrowding. Many of the police officials investigating criminal gangs are concerned about overcrowded adult correctional facilities. Investigators and prosecutors told us state prison overcrowding needs immediate attention.

Ways to Attack Nontraditional Organized Criminal Groups

Investigators and prosecutors generally agreed that the key to successful attacks on organized criminal groups is through effective gang tracking and identification systems, and interagency cooperative efforts, such as multi-agency task forces.

Tracking Gang Activity

Officials cited the need for a nationwide tracking and identification methodology, specifically for those criminal groups that appear to be permanent, carry on illegal activities with other gangs, and expand into areas outside their neighborhoods. Currently it is difficult for law

enforcement officials to assess the extent and impact of nontraditional criminal groups such as the Vietnamese gangs, because they are not tracked on a national level. In many instances, there is no consistent standard used by local law enforcement agencies to identify gang members.

Also, because many gang members routinely change names, fingerprints are the only reliable means of identification. Although the technology is available, fingerprint checks with the FBI are seldom made in time to be effective, while checks with the INS—which usually takes only a thumb print of suspected aliens—are often insufficient for positive identification. To overcome existing delays and inadequacies of fingerprint checks, the FBI, INS, and ATF are attempting to establish an intelligence system to facilitate the identification of Jamaican posse members.

We asked several agents citing the need for a unified tracking and identification system whether the Regional Information Sharing System (RISS) projects had helped their efforts. RISS is composed of geographic “networks” that assist federal, state, and local law enforcement in tracking and identifying traveling criminals by coordinating and disseminating multi-jurisdictional criminal information to member agencies. Some of the agents were aware of, and others had attended, the June 1988 Jamaican Organized Crime Conference held by one of the RISS networks in conjunction with ATF. The attendees generally agreed that the training provided at that seminar was useful in developing agency cooperation and in focusing police attention on what the agents perceived to be a national problem. Agents in California noted the usefulness of reports that were issued by another RISS network on other gangs. However, several experienced officers in other parts of the country were completely unfamiliar with the RISS networks.

Joint Task Forces and Federal Strike Forces

Most of the officials we interviewed suggested creating target groups through multi-agency task forces. The task force approach, a temporary effort between federal, state, and local agencies, is considered by many officials to be an important means of improving agency cooperation and a practical way for federal agencies to use state and local resources that allows state and local agencies to reach across jurisdictional boundaries. However, some officials told us that although the task force concept is good, parochial interests and an unwillingness to share intelligence information prevent the effective use of task forces in many cases.

According to several officials, the Organized Crime Drug Enforcement Task Force (OCDETF), a nationwide structure of 13 regional task forces operating under the auspices of the U.S. Attorney's Office, have been highly effective in targeting Colombian, Jamaican, and to a lesser extent, Chinese drug traffickers. However, these task forces were not intended for the purposes of targeting gangs involved in non-narcotics related criminal activities. In addition, an OCDETF coordinator noted that the OCDETF bureaucracy is sometimes too slow to react to the less structured, highly mobile, opportunistic groups such as the Los Angeles street gangs. Criminal gangs often commit a crime, then move to other jurisdictions before officials can establish a local task force. The agent stressed the need for immediate response to counter gang activity.

Several officials stated that a consistent investigative approach—in the form of a strike force or central tactical unit—is the best way to attack organized crime because it allows investigators to take a “project” approach. According to the officials, this approach allows agents to share the same office space and facilitates the creation of a central repository for information and well-planned investigative strategies.⁶

⁶Currently, the Department of Justice has 14 Organized Crime Strike Forces in place throughout the nation. In June 1989, Attorney General Richard Thornburgh announced his intention to merge these units into local United States Attorneys' Offices. GAO examined the Strike Forces in a report earlier this year, Organized Crime—Issues Concerning Strike Forces (GGD-89-67), but made no recommendations.

Agencies Contacted by GAO

Arlington Police Department, Arlington, Virginia

Broward County Sheriff's Office, Ft. Lauderdale, Florida

Bureau of Alcohol, Tobacco and Firearms, Washington, D.C.

California Bureau of Medi-Cal Fraud, Los Angeles, California

California Bureau of Organized Crime and Criminal Intelligence, Sacramento, California

Chicago Police Department, Chicago, Illinois

Chicago Strike Force, Chicago, Illinois

District of Columbia Metropolitan Police Department, Washington, D.C.

Drug Enforcement Administration, Washington, D.C.

Federal Bureau of Investigation, Washington, D.C.⁷

Florida Department of Law Enforcement, Miami, Florida

Garden Grove Police Department, Garden Grove, California

Georgia Bureau of Investigation, Atlanta, Georgia

Houston Police Department, Houston, Texas

Immigration and Naturalization Service, Washington, D.C.

Los Angeles County Sheriff's Department, Los Angeles, California

Los Angeles Police Department, Los Angeles, California

Los Angeles Strike Force, Los Angeles, California

Metro Dade Police Department, Miami, Florida

Metropolitan Toronto Police Force, Toronto, Ontario, Canada

⁷The Federal Bureau of Investigation declined GAO's request for interviews.

Appendix I
Agencies Contacted by GAO

Miami Strike Force, Miami, Florida

Middle Atlantic-Great Lakes Organized Crime Enforcement Network,
West Trenton, New Jersey

New York Police Department, New York, New York

Oakland Police Department, Oakland, California

Office of the Los Angeles County District Attorney, Los Angeles,
California

Office of the Santa Clara County District Attorney, San Jose, California

Office of the United States Attorney, Central Judicial District of California,
Los Angeles, California

Office of the United States Attorney, Northern Judicial District of Illinois,
Chicago, Illinois

Office of the United States Attorney, Southern Judicial District of Florida,
Miami, Florida

San Francisco Police Department, San Francisco, California

San Francisco Strike Force, San Francisco, California

Santa Ana Police Department, Santa Ana, California

Texas Department of Public Safety, Houston, Texas

United States Coast Guard, Washington, D.C.

United States Customs Service, Washington, D.C.

Westminster Police Department, Westminster, California

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