



# GOAL ONE

Keep America  
Safe by Enforcing  
Federal Criminal  
Laws

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# GOAL ONE:

## Keep America Safe by Enforcing Federal Criminal Laws

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Keeping America safe by deterring, investigating, and prosecuting violations of federal criminal laws is at the heart of our Strategic Plan. It is a key mission element. The Department focuses on combating those crimes that most threaten the fabric and security of American society and for which the Department has particular jurisdiction and unique competencies. Goal One outlines the Department's strategic objectives in reducing violent crime; identifying, disrupting and dismantling major drug trafficking organizations; preventing and defeating espionage against the United States; preventing and defeating terrorist threats; and reducing white collar crime, including public corruption. The Justice components that share primary responsibility for this strategic goal include: the U.S. Attorneys (USAs), the Federal Bureau of Investigation (FBI), the Drug Enforcement Administration (DEA), and the Criminal, Antitrust, Environment and Tax Divisions.

### STRATEGIC OBJECTIVE 1.1

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#### VIOLENT CRIME

*Reduce the threat, incidence, and prevalence of violent crime, especially as it stems from organized criminal enterprises and drug and gang-related violence.*

Organized criminal enterprises consist of both traditional and non-traditional crime groups. While the traditional groups operate with an hierarchical organization, the non-traditional groups operate more like street gangs. Traditional criminal enterprises of the various La Cosa Nostra (LCN) families focus on making money through illegal activities, including the various racketeering crimes (narcotics trafficking, fraud, money laundering, extortion, gambling, arson, counterfeiting, and prostitution) and maintaining and enforcing the LCN's power through murder and intimidation. Non-traditional organized crime groups from Russia, Eastern Europe, Asia, Central and South America, Africa and many other parts of the world have begun to operate effectively and very dangerously in the United States. These groups have flourished in the drug underworld and have employed violent means to establish themselves. They include terrorist groups that are involved in terrorist and related fund-raising activities.

The threat posed by the LCN to American society is two-fold. First, is the sheer amount of criminal activity it generates, ranging from drug trafficking to theft, loan-sharking, white collar schemes and racketeering. According to law enforcement estimates, annual losses attributable to the LCN are estimated to be more than \$100 billion, much of which is passed on to consumers as higher prices for goods and services. Second, is the LCN's ability to corrupt public officials. It is this ability that is one of the defining factors separating "organized crime" from violent street gangs and other criminal activity. Corruption provides protection for

the organization, shields its leadership from prosecutions, and creates a circle of self-perpetuating criminal activity.

Members of violent street gangs frequently engage in drug trafficking activities and often use firearms in the commission of their crimes. These violent street gangs are taking over parts of cities, flooding streets with drugs, and terrorizing and killing innocent people. An emerging problem is with gangs comprised of older, more experienced and hardened criminals that have formed networks with counterparts across the nation. These gangs are more violent than their predecessors and their criminal activities are far more sophisticated.

In a recent survey on gang activities conducted by the National Drug Intelligence Center, 85 percent of the law enforcement agencies responding reported that gangs were active within their jurisdiction. These reporting agencies identified more than 13,700 gangs and 750,000 gang members. While gang membership is difficult to estimate, experts agree that the numbers are much higher than they were a decade ago. Among the disturbing trends noted in the survey is the increase in the possession of guns by gang members. Despite the fact that the incidence of gun violence has declined and federal prosecutions for firearms offenses have increased, gun violence remains a serious concern. Although the Brady Act has been effective in denying the sale of guns to more than 500,000 felons, fugitives, and other persons prohibited from possessing firearms, all too often guns are in the wrong hands. Every day in the United States, 93 people die of gunshot wounds either accidentally or intentionally inflicted.

### **Strategies to Achieve the Objective**

*Target specific organized criminal enterprises to eliminate their power and influence in America.*

The Department will continue to identify, penetrate and dismantle major criminal enterprises by establishing a proactive investigative effort so that real progress is made toward reducing the influence of all organized criminal enterprises (OCE's). For the traditional well-entrenched organizations, LCN and International Organized Crime (IOC), our strategy is to identify the two most significant IOC organizations operating in the United States; identify their structure, hierarchy, and operations; initiate joint investigations designed to curtail the emergence of IOC; and ensure that IOC does not replace the LCN as the most significant organized crime threat. Addressing the threat posed by the Eurasian Criminal Enterprises (ECEs) requires a dual strategy. It involves neutralizing those identified ECEs that have the potential to engage in complex criminal conspiracies with the potential to inflict substantial harm to American economic interests, and assisting vulnerable foreign governments to build their own investigative capacity to prevent these criminal organizations from establishing a foothold or reducing the places within which ECE can freely operate. Regarding Asian Criminal Enterprises (ACEs), our strategy is to concentrate on identifying the most significant groups, their leadership, and their scope and territory of criminal activity.

*Target, investigate, and prosecute the most violent gangs in our cities and communities.*

The Department has categorized the universe of these violent gangs into seven specific target groups including the outlaw motorcycle gangs, other domestic violent gangs, prison gangs, the People Nation, the Folk Nation, the Crips, and the Bloods. The gangs identified have many resources at their disposal with a distinct capacity to cross multijurisdictional boundaries. The Department's strategy is to provide the necessary leadership and to coordinate the investigative and prosecutorial activities with the appropriate law enforcement authorities across federal, state and local and international levels of government. Often local law

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enforcement lacks the resources and capabilities to deal with this level of criminal activity. Gang members migrate between cities and communities around the country to avoid apprehension and prosecution, escape retribution of rival gang members, establish new criminal markets and move their families for protection.

■ *Implement gun violence reduction strategies in each of the 94 federal judicial districts.*

The U.S. Attorneys' offices (USAOs), in conjunction with the Treasury Department's Bureau of Alcohol, Tobacco and Firearms (ATF), other Justice components, and state and local law enforcement, have developed and are carrying out comprehensive, locally-driven gun violence reduction initiatives in each of the 94 federal judicial districts across the United States. Each district has assessed the nature and scope of its gun violence problem and developed a gun violence reduction strategy tailored to its particular needs and resources, incorporating both enforcement and prevention programs.

■ *Strengthen our nationwide capability to quickly and effectively respond to incidents of crimes against children.*

The Department will continue to provide leadership and technical program support to ensure that our nationwide capacity to quickly and effectively respond to all incidents of crimes against children is strengthened. The Department has initiated several major programs to combat crimes against children, undertaking efforts in close cooperation with local, state, and federal law enforcement agencies. For example, the FBI's National Crime Information Center (NCIC) system now allows state and local law enforcement agencies to "flag" entries to its computerized system when a child is missing under suspicious circumstances or may be in danger. NCIC promptly relays this information to the National Center for Missing and Exploited Children (NCMEC), a non-federal agency that has done landmark work to help endangered children. The Department also continues to support the National Sex Offender Registry (NSOR). Additionally, the Department's Criminal Division serves as the legal advisor to the Internet Crime against Children Task Forces being funded by a grant program from the Office of Juvenile Justice and Delinquency Prevention (OJJDP).

■ *Provide operational enforcement assistance and training to tribal governments.*

The Department will continue to provide both training and direct investigative and prosecutorial assistance to tribal governments. For example, the USAs have designated Assistant U.S. Attorneys as tribal liaisons to work cooperatively with tribal police, prosecutors, and judges. The FBI has placed agents in Indian Country and created an Office of Indian Country Investigations to help with investigations of violent crime and to facilitate training for investigators working to combat crime problems in Indian Country.

■ *Promote increased cooperation with foreign law enforcement authorities.*

The Department will continue to improve international cooperation against violent and organized crime through enhanced liaison and international training and technical assistance activities. It will also strongly support and expand efforts to use Mutual Legal Assistance Treaties as means to acquire evidence and other assistance from foreign countries.

### **Key Crosscutting Programs**

*Asset Forfeiture Program.* The Department's Asset Forfeiture Program (AFP) is a nationwide law enforcement program that continues to be an effective and

powerful weapon in the Department's fight against crime. The primary mission of the AFP is to maximize the effectiveness of forfeiture as a deterrent to crime. Illegal organizations—large and small—are enhanced by the profits and proceeds obtained through such illicit activity. The AFP is committed to destroying criminal organizations by means of depriving drug traffickers, racketeers, and other criminal syndicates of their ill-gotten proceeds and the instrumentalities of their trade. The AFP includes training to educate federal, state and local forfeiture prosecutors and investigators in ways to enhance the expertise needed to integrate forfeiture into every investigation and prosecution appropriately. The Department encourages federal, state, and local law enforcement cooperation by sharing the proceeds of a forfeiture with the state or local law enforcement agency that participates in an investigation which results in a forfeiture.

## STRATEGIC OBJECTIVE 1.2

### DRUGS

*Reduce the threat and trafficking of illegal drugs by identifying, disrupting and dismantling drug trafficking organizations which are international, multijurisdictional, or have an identified local impact.*

Drug abuse and drug trafficking remain among the most serious challenges facing the nation. Foreign-based, sophisticated and well-financed criminal organizations are responsible for bringing most illegal drugs to the streets of the United States, and the trafficking of these drugs is a significant factor in the crime that occurs in our communities. As a result of extensive and effective law enforcement operations in both the United States and Colombia, many of the notorious drug trafficking cartels, such as those formerly operating out of Medellin and Cali, have been dismantled and all but cease to exist as transnational criminal organizations. Unfortunately, while the cartels of the 1980s and early 1990s have disappeared, they have been replaced by smaller entrepreneurial criminal organizations whose collective trafficking activities equal or exceed those of the cartels. Whereas in prior years the cartels would smuggle illicit drugs directly into the United States and conduct wholesale distribution activities and repatriation of proceeds within the United States, today the Colombia-based trafficking organizations have diversified their activities. Colombian organizations continue to distribute heroin east of the Mississippi, often with the assistance of dealers from the Dominican Republic. However, Mexico-based traffickers, who control much of the heroin trade west of the Mississippi, are now viewed by the Colombians as competitors.

Law enforcement strategies to target the organizations that traffic in illicit drugs must address a variety of smuggling and production efforts.

- Cocaine and heroin are produced entirely outside the United States and smuggled into this country, largely over our southern border. Approximately three-quarters of the world supply of cocaine is produced in Colombia. While the majority of worldwide heroin production is located in countries that are virtually immune to United States influence—particularly Burma (Myanmar) and Afghanistan—the primary source of heroin sold in the United States is Colombia and Mexico.
- Although methamphetamine is smuggled into the United States, much is also manufactured in thousands of clandestine laboratories primarily located in California and the Midwest. Not long ago, clandestine laboratory operators treated their recipes for methamphetamine as valuable secrets; now, recipes for making methamphetamine are available on the Internet. In addition,

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Mexican trafficking groups are now manufacturing large amounts of methamphetamine in “super” labs located in California and Mexico.

- I Most marijuana available in the United States is produced in Mexico and South America and smuggled across the southwest border. However, marijuana continues to be cultivated in the United States, often indoors. Over the past two decades, while the average tetrahydrocannabinol (THC) content of commercial-grade marijuana increased from 2 to 5 percent, the increase in THC potency of marijuana cultivated indoor was staggering, rising from 3.2 percent in 1977 to an average 12.8 percent in 1997.

The Department focuses its law enforcement efforts on disrupting and dismantling the drug trafficking organizations and their members that supply and distribute the wholesale quantities of illicit drugs, as well as the individual drug traffickers who sell drugs on the streets of America. Over many years, the Department has developed and will continue an integrated approach to attacking the international organizations that use sophisticated mechanisms to distribute drugs, as well as the local trafficking organizations that prey on communities.

### Strategies to Achieve the Objective

*Coordinate domestic and foreign strategic intelligence information from all sources, including the law enforcement agencies, intelligence community, and financial databases.*

The Department has long recognized the need to focus its limited federal drug enforcement resources in order to achieve any lasting success against the large, well-financed, and sophisticated criminal organizations that were responsible for bringing most illegal drugs into the United States and distributing them once they got here. Such strategic targeting and coordination of national-level drug investigations and prosecutions is accomplished by the Special Operations Division (SOD).

The SOD is a multiagency national law enforcement coordinating entity comprised of agents, analysts, and prosecutors from DEA, the FBI, the USCS, and the Department’s Criminal Division. The mission of SOD is to coordinate and support regional and national-level criminal investigations and prosecutions against the major drug trafficking organizations threatening the United States, particularly the major transnational criminal drug trafficking organizations operating along either side of the U.S.-Mexico land border, as well as major Colombian drug trafficking organizations.

To fulfill its mission, the SOD works closely with the Organized Crime Drug Enforcement Task Force (OCDETF) program, the High Intensity Drug Trafficking Area (HIDTA) program, and USAOs across the country. The SOD routinely performs its mission seamlessly across both investigative agency and district jurisdictional boundaries.

The timely exchange of investigative information and intelligence is critical to the success of the SOD mission. SOD has achieved dramatic successes in coordinating and supporting law enforcement operations to dismantle and destroy national and international drug trafficking organizations. We expect continued expansion in the accomplishments from SOD with the recent inclusion of the Internal Revenue Service’s (IRS) Criminal Investigative Division and the establishment of a financial investigative section at SOD.

*Strategically target drug traffickers and their organizations through OCDETF or equally complex investigations, using asset forfeiture as well as other tools when appropriate, and investigate and prosecute the movement of drug proceeds into, within, and out of the United States.*

The Department's counternarcotics strategy is built around the recognition that the best way to attack sophisticated narcotics trafficking and money laundering organizations and their attendant criminal activity (e.g., corruption, violent crime, organized crime and tax evasion), is through the use of a coordinated, interagency, task force approach. The Department implements this strategy in several ways. The Department's long-standing OCDETF program, with its nine federal law enforcement agencies, is one example. The OCDETF program uses its wide range of agency expertise, experience, and capabilities to disrupt and dismantle the highest level drug trafficking organizations. More recently, the Departments of Justice and Treasury created the above-mentioned Special Operations Division (SOD), a multiagency national law enforcement entity composed of agents, analysts, and prosecutors from both departments which coordinates in the neighborhood of 20 major national and international investigations each year.

Both the Departments of Justice and the Treasury are committed to identifying and attacking money laundering through a coordinated national approach targeting specified sectors of the financial system. In 1999, the two agencies, along with federal regulators and the Postal Inspection Service, announced a joint National Money Laundering Strategy. Through this approach, a particular financial sector is targeted to reduce its money laundering potential. Coordinating the use of asset forfeiture in our efforts to combat drug trafficking is also critical. Through the appropriate use of asset forfeiture, the Department attacks the economic infrastructure of criminal organizations to take the profit out of drug trafficking and deprive the criminals of the ill-gotten gains which are needed to operate and expand their enterprises.

*Develop and implement under the guidance of each U.S. Attorney, a district drug enforcement strategy.*

The harm caused to our cities and towns by local drug trafficking organizations must be addressed at the community level,<sup>16</sup> and the Department, through the U.S. Attorney in each district, leads these efforts. By bringing together the federal, state, and local law enforcement representatives in their districts, the USAs can draw upon the talents and experiences of each of the participating agencies. Whereas state and local law enforcement are likely to have the necessary strategic information and experience on local gangs, federal agents can utilize state-of-the-art investigative technology, witness security programs, and sophisticated laboratory analysis of evidence.

*Reduce the domestic production of illegal drugs and the illegal diversion of precursor and essential chemicals.*

Precursor and/or essential chemicals are crucial for manufacturing most illicit drugs sold on the streets of the United States. For example, the processes used to refine raw coca into powder cocaine and to produce methamphetamine require a variety of chemicals. The Department has two initiatives that target chemical distributors who are involved in diverting precursor and essential chemicals to the illicit marketplace. Operation Backtrack targets "rogue" chemical distribution companies who sell precursor chemicals. Operation Velocity supports investigations of domestic methamphetamine distribution groups and clandestine laboratory operators. The Department, through DEA's Domestic Cannabis Eradication and Suppression Program (DCE/SP), uses coordinated planning and operations to enhance the ability of federal, state, and local agencies to suppress cultivation of marijuana and increase crop destruction. Although domestic cultivation of cannabis requires the attention of all levels of government, the nature of domestic marijuana production places it primarily within the jurisdiction and capabilities of state and local authorities.

<sup>16</sup> The Department's law enforcement effort to counter drug-related violent crime is more fully addressed by Strategic Objective 1.1.

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*Support international cooperative efforts to investigate and prosecute major drug trafficking organizations and bilateral and multilateral initiatives to mobilize international efforts against illegal drug activities.*

The growth of the global economy has unfortunately made it easier for drug traffickers to move across borders and ship their illegal goods. The Department seeks every opportunity to gain cooperation from other nations in its fight against major drug traffickers, through a variety of agreements and treaties, as well as on a face-to-face basis with its foreign law enforcement counterparts. One example is the DEA's successful operation of country attache offices in 57 foreign countries. Another example is the Department's Bilateral Case Initiative, which began as a mechanism through which the Department and Colombian law enforcement conducted an unprecedented effort to investigate and prosecute the most significant traffickers in Colombia and has now been expanded to other countries in the region.

### **Key Crosscutting Programs**

*OCDETF.* The Department is responsible for the administration of the OCDETF program, which includes agencies both within the Department and other federal law enforcement agencies (DEA, FBI, USMS, USAO, INS, ATF, IRS, USCG, USCS). The purpose is to coordinate investigations against drug trafficking organizations which are international, multijurisdictional, or which have an identified local impact as well as organized criminal enterprises. It investigates cases along with state and local law enforcement agencies. The OCDETF Executive Office and the National High Intensity Drug Trafficking Area (HIDTA) Director's Office work collaboratively to ensure that HIDTA task forces are generating OCDETF-quality investigations targeting drug trafficking organizations which are international, multijurisdictional, or which have an identified local impact.

*HIDTAs.* The Anti-Drug Abuse Act of 1988 authorized the Director of the Office of National Drug Control Policy, in consultation with the Attorney General and the Secretary of the Treasury, to designate areas of the United States which exhibit serious drug trafficking problems and harmfully impact other areas of the country, as HIDTAs. The HIDTA program helps improve the efficiency and effectiveness of drug control efforts by facilitating cooperation between federal, state and local law enforcement and demand reduction agencies. Since 1990, 31 areas within the United States have been designated as HIDTAs.

*High Intensity Financial Crimes Areas (HIFCAs).* The Departments of Justice and the Treasury have designated the first four HIFCAs where high concentrations of money laundering and other related financial crimes exist and will coordinate federal, state and local law enforcement resources to identify and target money laundering within the HIFCA, either geographically or as a financial sector.

*Maritime Drug Smuggling Investigations Program.* The Departments of Justice and Transportation/U.S. Coast Guard (USCG) have worked together to set in place improved procedures that will enhance the prosecution of the maritime drug smuggling cases where United States forces participated in the apprehension of the perpetrators.

*National Drug Threat Assessment.* The National Drug Intelligence Center (NDIC) will prepare a "National Drug Threat Assessment" in the Fall of 2000, which will include information on the subjects of drugs, gang drug activity and drug related violence in the United States and the threat they pose to our society. This Assessment will synthesize intelligence from federal, state, regional, and local law enforcement agencies and from the Intelligence Community. The Threat Assessment will help policymakers and counterdrug executives make preemptive, rather than reactive, decisions by providing them with the most timely,



comprehensive assessment possible, based on information collected from the most authoritative sources in the nation. In addition, NDIC will prepare nine Regional Drug Threat Assessments that correspond to the regions of the OCDETF Program.

*The El Paso Intelligence Center (EPIC).* EPIC is a multiagency intelligence program designed specifically to act as a clearinghouse for tactical drug-related intelligence. The coordination services provided by EPIC are information-based and draw on the expertise of staff from multiple federal agencies.

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## STRATEGIC OBJECTIVE 1.3

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### ESPIONAGE

*Deter and detect espionage against the United States by strengthening counterintelligence capabilities.*

Foreign intelligence threats are planned, authorized and financed by foreign powers beyond our boundaries. Given the origin, nature, and constantly changing focus of these threats, they can never be completely eliminated. However, the success of foreign intelligence operations and the harm that they can potentially cause to the United States can be mitigated with effective counterintelligence and other appropriate action.

Over the past five years, the scope and nature of the foreign intelligence threat to the United States has expanded dramatically. Traditional country threats are targeted toward obtaining sensitive information on traditional U.S. targets, (i.e., national defense, military operations and policy, U.S. intelligence, and science and technology information). In addition, numerous non-traditional threats have emerged targeting similar information. Moreover, many of these intelligence threats have expanded their targeting to include other sectors affecting U.S. security, most notably sensitive economic information and proprietary technology information. Concurrently, they now have elaborate and sophisticated networks consisting of governmental and nongovernmental entities that are engaged in long-term efforts to obtain information. Further, rapid changes in technology have provided foreign intelligence threats with new, inexpensive and efficient means to target, collect and disseminate sensitive information. Intelligence operations against the United States are now far more fluid and complex than at any time in the past, making detection and prevention far more difficult.

#### **Strategy to Achieve the Objective**

*Strengthen the Department's intelligence base and analytical capability to assess and respond to intelligence threats.*

Knowledge about the intentions, methods, and capabilities of foreign intelligence threats must be expanded and the precise application of existing policies and guidelines to these threats must be reviewed, particularly with regard to those foreign powers conducting activities in previously atypical targeting areas. Quality human source information as well as timely FISA (Foreign Intelligence Surveillance Act) derived information and analysis are the bases of the foreign counterintelligence (FCI) program. Gaining such information will require strengthening cross-program sharing of information and expertise, improving surveillance capabilities and developing new technologies, including improved information management systems, to keep pace with the rapidly changing foreign intelligence threats. The Department also must improve its capacity to evaluate and anticipate threats posed by the intelligence activities of foreign powers. An increased emphasis on predictive analysis should produce operational intelligence products of broader scope and improved timeliness, as well as long-range,

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strategic FCI studies addressing the intelligence collection plans, methods, intentions, capabilities and personnel of foreign powers.

### **Key Crosscutting Programs**

*National Security List (NSL).* The Department, in coordination with other elements of the Intelligence Community, engages in long-range analysis to identify and counter emerging threats. Foreign intelligence threats are investigated under NSL, which includes two categories of threats: Country threats and Issue threats. The concept of Country and Issue threats was established to focus our investigative efforts on those activities which are detrimental to U.S. interests and to provide sufficient resources to maximize our efforts against those that are the most significant.

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## **STRATEGIC OBJECTIVE 1.4**

### **TERRORISM**

*Deter and detect terrorist incidents by developing maximum intelligence and investigative capability.*

Dramatic changes in the international and domestic environments have produced credible and serious terrorist threats that were not present a few years ago. Each of these threats, which include efforts of international terrorists, the growing threat of the criminal use of weapons of mass destruction (WMD), and criminal acts perpetrated by domestic terrorists, presents the Department with a clear but difficult challenge. As a result of these emerging threats, the number of “players” capable of carrying out a devastating terrorist attack against the United States has increased.

One of the most alarming trends in terrorism today is the rise in the number of groups for which political or religious beliefs constitute sufficient motivation for terrorist attacks. To the individuals associated with and/or following the teachings of these groups, violence is often viewed as the most effective means to achieve their goals. These individuals feel it is their sacred duty to target broad groups perceived to be enemies, such as immigrants, Jews, blacks, U.S. citizens, and government workers. For many international terrorists, there is no incentive to moderate their violence. Rather, they believe that indiscriminate violence and mass casualties serve their ends by intimidating large population groups and fomenting societal instability.

In addition to these challenges, the rapid technological advancements of the information age have rendered crime-fighting efforts increasingly complex and opened new avenues for global criminal activities. All critical infrastructures now rely on computers, advanced telecommunications, and, to an ever increasing degree, the Internet, for system control and management, interaction with other infrastructures, and communications with suppliers and customers. The increasing interconnectedness of our critical infrastructures through cyberspace and information systems has created new vulnerabilities as criminals, terrorists, and foreign intelligence services are learning to exploit the power of cyber-tools and weapons. Our vulnerability is exacerbated by several factors. Most of our infrastructures rely on commercially available, off-the-shelf technology which means that a vulnerability in hardware or software is not limited to one organization, but is likely to be widespread. Infrastructures are increasingly interdependent and interconnected, making it difficult to predict the cascading effects that the disruption of one infrastructure would have on others.

Within the broad range of threats facing the Department, the following are the most significant:

*Usama Bin Ladin (UBL).* UBL, a Saudi-born multimillionaire, and his organization, Al-Qaida, constitute a threat to U.S. persons and interests around the world. On February 23, 1998, Bin Ladin issued a “fatwa” claiming that it is the duty of all Muslims to kill American “civilians and military” whenever possible. UBL and his associates are currently under indictment in the Southern District of New York for various charges relating to the killing of U.S. nationals employed by the U.S. military who were serving in Somalia and on the Arabian Peninsula, as well as the killings of U.S. nationals employed at the U.S. Embassies in Nairobi, Kenya, and Dar Es Salaam, Tanzania. The FBI is aggressively pursuing an investigation of UBL and his associates and considers investigation of Al-Qaida a top priority of the Counter-terrorism Program.

*Chemical and Biological Weapons.* Internationally, there is credible intelligence indicating that terrorist organizations are attempting to obtain a WMD capability. Domestically, a growing number of “lone offender” and extremist splinter elements of right-wing groups are acquiring or developing chemical, biological, or radiological materials for illicit use. The fear generated by WMD threat or attack makes it an effective disruption tool available to both terrorists and criminals. As the public’s awareness of WMD has increased, so has the number of threats, to include a dramatic increase in non-credible threats to use anthrax.

*Anti-Government Groups.* Violent anti-government groups and white supremacists remain a serious threat. We must aggressively investigate those groups whose actual or potential criminal activities rise to the threshold of criminal investigations.

*Information Infrastructure.* Terrorists, transnational criminals, and intelligence services are quickly becoming more aware of and utilizing the power of information exploitation tools and weapons. Because of the widespread availability and low acquisition costs of tools and techniques to conduct cyber attacks, some international terrorist groups may have already developed the capability to conduct such attacks. As greater amounts of money are transferred through computer systems, as more fee-based computer services are introduced, as more sensitive proprietary economic and commercial information is exchanged electronically, and as the nation’s defense and intelligence communities increasingly rely on commercially available information technology, there is a greater likelihood that information attacks will threaten vital national interests.

### **Strategies to Achieve the Objective**

As a means of addressing the national and international problem of terrorism, the Attorney General developed a Five-Year Interagency Counter-Terrorism and Technology Crime Plan in 1998. The Attorney General was charged by the Congress with creating a plan that would be representative of all participating agencies involved in the government’s counter-terrorism effort. The resulting document is comprehensive in scope and serves as a blueprint for the coordination of national policy and operational capabilities to combat terrorism in the United States and against American interests overseas. The three strategies outlined below capture the essence and intent of the Five-Year Interagency Counter-Terrorism and Technology Crime Plan.

#### **■ *Identify, investigate, and prosecute suspected terrorists around the world.***

In responding to terrorist threats, the Department has placed a high priority on developing a comprehensive understanding of the intentions of terrorist organizations and has initiated action designed to counter those efforts. These efforts require an effective ongoing mechanism to receive information on a timely basis and to develop program-specific intelligence products that will provide improved evaluation, exploitation, and dissemination of needed information. A closely

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coordinated effort must occur between FBI Headquarters, FBI field offices, the U.S. Intelligence Community, state and local partners, and the Department's Office of Intelligence Policy and Review (OIPR) in the collection, analysis, and dissemination of information related to specific threats. A comprehensive training program is integral to an effective terrorism response and program management must focus on improving the capability to provide foreign language translators to important investigative operations. Once threats are identified, all appropriate investigative actions must be taken, with the goal being the successful thwarting of terrorist acts and prosecution of those involved.

■ *Ensure domestic preparedness through training, assistance and operational support.*

Because of the catastrophic consequences posed by a terrorist attack involving weapons of mass destruction, we must increase the preparedness of the nation by strengthening capabilities at the local, state, and federal levels to safely and effectively respond to terrorist events. The Department works with communities throughout the country to ensure that they have the resources and training to respond to incidents of terrorism and to assist U.S. citizens who are the victims of such violence. A comprehensive training program is integral to an effective terrorism response.

In addition to partnerships with federal counterparts, the FBI and the National Domestic Preparedness Office (NDPO) will continue to foster the promulgation and dissemination of cooperative domestic preparedness initiatives in support of state and local emergency responders. Consistent with the leadership and guidance of the Criminal Division, the USAs have been charged with the responsibility of developing district crisis response plans. The plans will provide a crosswalk to FBI crisis response plans as well as similarly focused state, local and regional emergency response plans.<sup>17</sup>

■ *Prevent and deter debilitating damage to the U.S. information infrastructure.*

A key area of focus is preventing and deterring terrorists from infiltrating our complex network of U.S. infrastructures. We must initially identify and strengthen all necessary assets and capabilities (equipment, personnel, training, points of contact, intelligence base) to support and initiate complex operations designed to disrupt or defeat threats to the critical infrastructures. The FBI's National Infrastructure Protection Center (NIPC) will strengthen its intelligence base by developing information resources and working relationships with infrastructure owners and operators and a mechanism for information sharing between the public and private sectors. NIPC will develop all necessary assets and capabilities to support operations aimed at disrupting and defeating threats to critical infrastructures. The National Infrastructure Protection and Computer Intrusion Program (NIPCIP) is working with the National Foreign Intelligence Program on state-sponsored infrastructure threats and with the Criminal Investigative Division on criminal threats to the infrastructure.

### **Key Crosscutting Programs**

*Critical Incident Response Group (CIRG).* CIRG was created in 1994 to facilitate the FBI's rapid response to, and management of, crisis incidents and to integrate tactical and investigative resource expertise to address terrorist incidents, hostage taking, barricaded subjects, child abductions, serial murderers, and other high risk violent crimes requiring an immediate law enforcement response. CIRG's many components interact with most federal, state, and local law enforcement agencies on a daily basis, including the Departments of Defense, Energy, and Treasury and all state and local law enforcement agencies.

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<sup>17</sup> The Department's efforts to improve domestic preparedness are also addressed in Strategic Objective 2.1.

*FBI Joint Terrorism Task Force (JTTF) System.* The FBI JTTF System is the principal component for our coordination effort. In addition, a new and ongoing initiative by the FBI's Counter-Terrorism Program includes increasing the number of Regional Terrorism Task Forces (RTTF). JTTFs and RTTFs maximize counter-terrorism resources in a geographic region by combining the capabilities of federal, state, and local agencies into one operational element.

*Infraguard.* The FBI, in conjunction with the private sector, has developed an initiative called "Infraguard" to expand direct contacts with private and public sector infrastructure stakeholders to share information about cyber intrusions, exploited vulnerabilities, and physical infrastructure threats.

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## STRATEGIC OBJECTIVE 1.5

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### WHITE COLLAR CRIME

*Reduce white collar crime, including public corruption, in order to minimize its negative social and economic impacts.*

The Department recognizes that a strong deterrent capability is necessary to prevent criminals from defrauding and, therefore, weakening the nation's industries and institutions and eroding the trust of the American public. White Collar Crime (WCC) encompasses illegal acts characterized by deceit, concealment, or violations of trust. These acts are generally not dependent on the application or threat of physical force or violence. They are committed by individuals and organizations in order to obtain money, property, and services, or to secure personal or business advantage.

WCC has been conservatively estimated to cost the U.S. billions of dollars annually. Precise financial losses resulting from WCC for consumers, government, and business are unknown since no annual or systematic data collection exists. Only periodic case studies of some aspect of white collar crime, such as personal fraud or health care fraud, have been undertaken. For example, a 1995 National Institute of Justice (NIJ) study entitled "Victimization of Persons by Fraud," estimated an annual loss from personal fraud exceeding \$40 billion. The NIJ study also found that 31 percent of survey respondents reported being a victim of personal fraud in 1995. A more recent national study using somewhat different surveys protocols found that 38 percent of survey respondents said they were victims of fraud in the past 12 months. Financial institution fraud accounts for nearly 40 percent of the Department's white collar program caseload.

The true cost of WCC is not always measurable in dollars. The corruption of public officials undermines trust in government, while ecological crimes, such as the illegal dumping of toxic wastes, can result in irreparable harm to the environment and endanger public safety. Some Internet fraud schemes, such as market manipulation of certain stocks, can cause massive losses for unwary investors. Other schemes—such as fraudulent online sales of dangerous drugs or bogus medical devices—can create a risk of serious physical harm or death. Unchecked, WCC can have a devastating impact on the nation's public welfare and economic well-being.

WCC encompasses a wide assortment of criminal economic schemes which vary in scope and complexity. Because the Department realizes the significance of WCC and its national impact, it devotes considerable resources to countering numerous kinds of crime as summarized in Table 1. Two factors contributing to the pervasiveness of WCC are technological advances and globalization. Global computer networks mean that someone in a distant physical location can easily commit crimes that harm persons in the United States. Enhanced anonymity and ability to conceal sources of illegal schemes and transactions are among the greatest problems associated with globalization.

**Table 1: Summary of White Collar Crime Categories and Issues**

Category	Issues
Health Care Fraud	<ul style="list-style-type: none"><li>• Fraudulent billing schemes in health care services rendered, as related to Medicare, Medicaid, government insurers and providers, private insurance companies, home health agencies, etc.</li><li>• Defrauding or misleading patients on quality of care issues.</li><li>• Needless prescriptions for durable medical care equipment in exchange for “kickbacks.”</li></ul>
Financial Institutions, Telemarketing and Other Fraud	<ul style="list-style-type: none"><li>• Mortgage and commercial loan fraud.</li><li>• Check and negotiable instrument fraud.</li><li>• Bankruptcy fraud.</li><li>• Securities fraud and abuse in pension plans.</li><li>• Consumer (telemarketing) fraud.</li><li>• Fraudulent schemes against the elderly.</li><li>• Money laundering.</li><li>• Identity theft (e.g., illegal credit card use).</li></ul>
Public Corruption	<ul style="list-style-type: none"><li>• Corruption of government policies and programs.</li><li>• Loss of government funds due to fraud, kickbacks, bribery, etc.</li><li>• Campaign finance violations in federal elections.</li></ul>
Computer Crime and Theft of Intellectual Property	<ul style="list-style-type: none"><li>• Computer thefts and intrusions.</li><li>• Economic espionage.</li><li>• Intellectual property crime (e.g., illegal copying, counterfeit goods or services).</li><li>• Internet/Online crime and other fraudulent schemes.</li></ul>
Antitrust Violations	<ul style="list-style-type: none"><li>• Price fixing cartels that are:<ul style="list-style-type: none"><li>– Highly sophisticated</li><li>– Increasingly international</li><li>– Significant for the large volumes of commerce involved; and</li><li>– Extremely broad in terms of the number of businesses and consumers affected.</li></ul></li></ul>
Environmental Crimes	<ul style="list-style-type: none"><li>• Endangerment of the environment and public health (e.g., hazardous waste disposal, protection of habitats, water rights disputes, illegal trade in banned products).</li><li>• Fraud in environmental remediation industry.</li><li>• Smuggling of endangered species.</li><li>• Over exploitation and abuse of marine resources through illegal commercial fishing.</li><li>• Environmental impact of other criminal activity, (e.g., clandestine drug laboratories).</li></ul>
Tax Fraud	<ul style="list-style-type: none"><li>• Evasion of taxes through understatement of legal sources of income.</li><li>• Utilizing domestic trusts and other abusive tax shelters to evade federal tax liabilities.</li><li>• Illegal tax protest.</li><li>• Secreting assets in foreign countries to evade federal tax liabilities.</li></ul>

**Strategies to Achieve the Objective**

*Bolster the effectiveness of white collar crime investigations and prosecutions by strengthening coordination among domestic and international law enforcement agencies.*

Developing partnerships and fostering coordination among domestic and international law enforcement and regulatory agencies is a key Department strategy for

addressing WCC. The growth of electronic evidence and records, electronic commerce, and globalization magnify impediments that must be overcome. Because the Department's prosecutorial efforts are reliant upon excellent detection and investigation, Justice agencies have increased their participation on multi-agency task forces and in collaborative initiatives to maximize opportunities to coordinate detection, investigation, and prosecution efforts.

■ *Increase investigation and prosecution of public corruption as a means to maximize deterrence.*

The Department intends to increase its efforts against corruption in three ways. First, the Department will increase departmentwide awareness of the significant harm caused by public corruption and the Department's interest in combating corruption at all levels of government. Second, the Department will make the handling of public corruption investigations and prosecutions a top priority throughout the Department. One way to reduce future corruption is to prosecute current corruption and to seek substantial prison terms for persons convicted of these crimes. Aggressive and effective prosecutions, followed by long sentences, send a clear message that these crimes will not be tolerated and those engaging in them do so at their peril. Third, the Department will increase the number and scope of training events for federal prosecutors and investigators that focus on the handling of corruption investigations and prosecutions.

■ *Investigate and prosecute high-technology crimes.*

The United States is facing an increasing threat from high-technology crime. Therefore, the Department must increase its efforts to investigate and prosecute such crime and will work with other government agencies to ensure a coordinated response. The Department will develop and support the development of tools, legal approaches and operational strategies to assist law enforcement in investigating criminal activity that increasingly uses or abuses the power of global networks and computers. With the increasing globalization of crime, we will work with our international partners to develop the global infrastructure—legal, technical, and operational—necessary to combat criminal activity involving computers, networks, and intellectual property. The Department also continues to provide training and assistance to federal, state, and local law enforcement, including building virtual and personal networks among law enforcement personnel, to ensure cooperation in the investigation of complex cases. Recognizing that the private sector develops the technologies that affect public safety, the Department will work with the computer and telecommunications industry to ensure that law enforcement understands new technologies that may present benefits or threats to public safety and to ensure that industry understands the public safety implications of the technology.

■ *Investigate and prosecute international price fixing cartels.*

The Department decreases and deters anticompetitive behavior affecting U.S. businesses and consumers by investigating and prosecuting violations of our nation's antitrust laws. While we remain vigilant in the face of all criminal antitrust activity, we have placed a priority on the successful prosecution of international price fixing cartels. These cartels pose a number of challenges. They are highly sophisticated; increasingly international; significant for the large volumes of commerce involved; and extremely broad in terms of the number of businesses and consumers affected. The Department is committed to meeting these challenges in order to ensure the arrest of unlawful conduct, wherever it occurs, that causes injury in the United States. Successful enforcement of these laws—which both decreases and deters anticompetitive behavior—saves U.S. consumers millions of dollars, allows them

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to receive goods and services of the highest quality at the lowest price, and enables U.S. businesses to compete on a level playing field nationally and internationally.

■ *Investigate and prosecute environmental crimes.*

Prosecution remains an important cornerstone of the Department's integrated approach to ensure broad-based environmental compliance. Notably, it is the goal of investigators and prosecutors to discover and prosecute criminals before there has been substantial damage done to the environment, serious health effects, or economic damage to consumers or honest competitors. Deterrence of violations due to criminal enforcement is difficult to measure, but available research indicates that a strong criminal enforcement program deters violations and thereby protects human health, natural resources, endangered species, and the competitive position of legitimate companies. The Department will enhance its capability to convict and deter environmental crimes through training, outreach, and domestic and international cooperation and coordination.

■ *Identify, investigate and prosecute tax fraud.*

The voluntary income tax system loses billions of dollars annually in uncollected tax revenues, i.e., the "tax gap." To close this gap and increase revenues, the Department and the IRS began an effort in 1995 to reinvigorate the government's tax enforcement. The imperative to close the gap is self-evident, as the IRS estimates unacceptable levels of noncompliance. In response, the Department launched a series of initiatives, including the Tax Gap Initiative, Abusive Trust Initiative, Illegal Tax Protest Initiative, and International Compliance Initiative. Our Tax Gap Initiative addresses tax crime involving income from a legal source—such as the consultant who reports only part of his income, the restaurant owner who skims from the cash register, or the doctor who keeps two sets of bookkeeping records. IRS studies estimate that the annual legal income source tax gap exceeds \$100 billion. In order to combat the use of trusts to evade federal tax liabilities, we initiated the Abusive Trust Initiative. While trusts have many legitimate uses, they rarely lead to a legitimate reduction in taxes. The Illegal Tax Protester Initiative addresses tax evasion schemes involving claims that the income tax is unconstitutional, the taking of sham "vows of poverty," and the harassment of IRS employees. We have also initiated the International Compliance Initiative to investigate taxpayers who use tax haven countries as well as other offshore countries to evade United States taxes. These cases require international coordination, the obtaining of witnesses and evidence, and the extradition of defendants.

### **Key Crosscutting Programs**

*Attorney General's Council on White Collar Crime.* The Council was established by Order of the Attorney General in July 1995 to serve as an advisory body to coordinate the focus of federal law enforcement efforts to combat white collar crime. The Council periodically brings together senior-level representatives of all federal law enforcement and regulatory agencies that investigate or prosecute economic crime to ensure appropriate participation and cooperation by agencies in ongoing enforcement and prevention programs and to develop new enforcement and prevention efforts. The Council consists of representatives from the Department, including the Assistant Attorneys General from the Antitrust, Civil, Criminal, Environment and Natural Resources and Tax Divisions and the FBI; the Treasury Department, including the IRS, USCS and U.S. Secret Service; the Environmental Protection Agency (EPA); the Securities and Exchange Commission (SEC); the U.S. Postal Inspection Service (USPIS); the Inspectors General (IGs); the Federal Trade Commission (FTC); and the National



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Association of Attorneys General. The Council has endorsed and added its support to various law enforcement initiatives to fight white collar crime that involve multiple federal agencies, including: Internet Fraud Initiative; Intellectual Property Initiative; Counterfeit Aircraft Parts Initiative; Counterfeit Software Initiative; and Identity Theft Initiative.

*National Health Care Fraud and Abuse Task Force.* Consisting of senior officials of the Departments of Justice and Health and Human Services (HHS) as well as state attorneys general and local district attorneys, the task force discusses policy issues and develops directives to member agencies for implementing initiatives to fight common problems affecting federal and state health care programs.

*President's Council on Integrity and Efficiency and Executive Council on Integrity and Efficiency (PCIE/ECIE).* The PCIE/ECIE is a body composed of the IGs of the various agencies of the executive branch of the Federal Government. A 1996 Executive Order established an Integrity Committee for the PCIE/ECIE to handle criminal allegations against IGs and their senior staff and appointed the Department's Public Integrity Section to serve as the Integrity Committee's legal advisor. Investigative procedures for the Integrity Committee were drafted in 1997 with the assistance of the Department. The procedures provide for coordination with the Department in this sensitive area, initial review of these allegations by the Department for potential criminal prosecution, and a framework for the investigation of noncriminal matters by the Integrity Committee.

## MANAGEMENT CHALLENGES

The Department does not face any mission-critical management problems or challenges which would significantly hinder the Department from achieving this strategic goal.