

**OVERVIEW OF THE
LAW ENFORCEMENT
STRATEGY TO COMBAT**

**INTERNATIONAL
ORGANIZED
CRIME**



U.S. DEPARTMENT OF JUSTICE

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In recent years, international organized crime has expanded considerably in presence, sophistication and significance – and it now threatens many aspects of how Americans live, work and do business. International organized crime promotes corruption, violence and other illegal activities, jeopardizes our border security, and causes human misery. It undermines the integrity of our banking and financial systems, commodities and securities markets, and our cyberspace. In short, international organized crime is a national security problem that demands a strategic, targeted and concerted U.S. Government response.

The Law Enforcement Strategy to Combat International Organized Crime establishes an investigation and prosecution framework that emphasizes four priority areas of action against international organized crime:

- ▶ **MARSHAL INFORMATION AND INTELLIGENCE:** Collect, synthesize and timely disseminate the best available information and intelligence from multiple sources - - including law enforcement, the intelligence community, foreign partners and the private sector -- to optimize law enforcement's ability to identify, assess and draw connections among nationally-significant IOC threats;
- ▶ **PRIORITIZE AND TARGET THE MOST SIGNIFICANT IOC THREATS:** Select and target for high-impact law enforcement action the international organized crime figures and organizations that pose the greatest threat to the United States, and ensure the national coordination of investigations and prosecutions involving these targets;
- ▶ **ATTACK FROM ALL ANGLES:** Employ all available law enforcement and non-law enforcement tools – including drawing upon the unique expertise of every participating U.S. law enforcement agency in domestic operations, partnering with foreign counterparts to pursue cases at home and abroad, and employing U.S. government sanctions and advisories – all in a crosscutting effort to disrupt IOC activity; and
- ▶ **ENTERPRISE THEORY:** Develop aggressive strategies for dismantling entire criminal organizations, especially their leadership, by using proactive investigative techniques and multi-layered prosecutions.

This strategy is itself the product of sustained cooperation among: the Organized Crime and Racketeering Section of DOJ's Criminal Division, in collaboration with other sections of the Criminal Division; the Federal Bureau of Investigation (FBI); U.S. Immigration and Customs Enforcement (ICE); the Internal Revenue Service; the Postal Inspection Service; the Secret Service; the Drug Enforcement Administration; the Bureau of Alcohol, Tobacco, Firearms and Explosives; the Bureau of Diplomatic Security; the Department of Labor/Office of the Inspector General; components of the State Department, the Treasury Department, and the intelligence community.

INTERNATIONAL ORGANIZED CRIME DEFINED

For purposes of the strategy, “international organized crime” refers to those self-perpetuating associations of individuals who operate internationally for the purpose of obtaining power, influence, monetary and/or commercial gains, wholly or in part by illegal means, while protecting their activities through a pattern of corruption and/or violence. There is no single structure under which international organized criminals operate; they vary from hierarchies to clans, networks and cells, and may evolve to other structures. The crimes they commit also vary. International organized criminals act conspiratorially in their criminal activities and possess certain characteristics which may include, but are not limited to:

- A.** In at least part of their activities they commit violence or other acts which are likely to intimidate, or make actual or implicit threats to do so;
- B.** They exploit differences between countries to further their objectives, enriching their organization, expanding its power, and/or avoiding detection and apprehension;
- C.** They attempt to gain influence in government, politics and commerce through corrupt as well as legitimate means;
- D.** They have economic gain as their primary goal, not only from patently illegal activities but also from investment in legitimate business; and
- E.** They attempt to insulate both their leadership and membership from detection, sanction, and/or prosecution through their organizational structure.

While this definition may be read broadly to include international drug trafficking organizations and international street gangs engaged in criminal activity, those groups are not the focus of the strategy. The strategy places its highest priority on those IOC groups that threaten the national security of the United States, the stability of the U.S. economy, and/or the integrity of government institutions, infrastructure or systems in the United States.

THE STRATEGIC THREATS POSED BY INTERNATIONAL ORGANIZED CRIME

International organized crime poses eight strategic threats. For the purposes of this summary, examples of these threats are set out below, drawn from published reports, publicly indicted cases and publicly available information from law enforcement partners. Due to the necessity of referencing only public, non-sensitive information, this summary contains historical information (albeit some quite recent), since most of the evidence of ongoing threats – and our law enforcement response – is law enforcement sensitive or classified for operational and/or national security reasons.

THREAT 1: International organized criminals have penetrated the energy and other strategic sectors of the economy. International organized criminals and their associates control significant positions in the global energy and strategic materials markets that are vital to U.S. national security interests. They are now expanding their holdings in the U.S. strategic materials sector. Their activities tend to corrupt the normal workings of these markets and have a destabilizing effect on U.S. geopolitical interests.

One of the most frequently reported examples involves Semion Mogilevich and several members of his criminal organization who were charged in 2003 in the Eastern District of Pennsylvania in a 45-count racketeering indictment for their involvement in a sophisticated securities fraud and money laundering scheme. Published reports state that since that indictment and being placed on the FBI most-wanted list, Mogilevich has continued to expand his criminal empire, to the point where he is said to exert influence over large portions of the natural gas industry in parts of the former Soviet Union. Many commentators have noted the significant role that area of the world plays in global energy markets. Mogilevich was arrested by Russian police on tax charges in January 2008. Other members of his organization remain at large.

THREAT 2: International organized criminals provide logistical and other support to terrorists, foreign intelligence services and governments. Each of these groups is either targeting the United States or otherwise acting in a manner adverse to U.S. interests.

International organized criminals have repeatedly demonstrated their willingness to provide logistical support to terrorists.

Viktor Bout, an international arms trafficker, was charged in March 2008 with conspiring to sell millions of dollars worth of weapons to the Revolutionary Armed Forces of Colombia (FARC), a U.S. State Department-designated foreign terrorist organization. Along with an accomplice, Bout allegedly agreed to sell 100 surface-to-air missiles to the FARC, as well as launchers for armor-piercing rockets. Unbeknownst to Bout, the people he believed to be FARC members were actually confidential sources working with the Department of Justice. Viktor Bout is being held in Thailand on a provisional arrest warrant and complaint issued out of the Southern District of New York. The Department of Justice is currently seeking Bout's extradition from Thailand, where he is being held, to face trial in the United States.

Likewise, an ICE undercover investigation revealed an Indonesian smuggling ring that, in 2006, conspired to export state-of-the-art firearms, machine guns and ammunition, surface-to-air missiles, night vision goggles and other military weapons from the United States to the Liberation Tigers of Tamil Eelam (Tamil Tigers) operating within Sri Lanka, to be used to fight against Sri Lankan government forces. The Tamil Tigers, a U.S. State Department-designated foreign terrorist organization, has advocated the violent overthrow of the Sri Lankan government, employing acts of violence, including suicide bombings, against both civilian and military targets. In this case, the conspirators contacted an undercover business located in Maryland about the sale of military weapons. Six members of the international smuggling ring, Thirunavukarasu Varatharasa, Haji Subandi, Haniffa Osman, Erick Wotulo, Reinhard Rusli, and Helmi Soedirdja have pleaded guilty in United States District Court in the District of Maryland.

A number of published works on organized crime point out that, historically, governments and their intelligence and security services have used organized criminals to further their ends. It is not surprising then that such relationships continue today, particularly in locations where lines between organized crime and the intelligence/security services are often blurred.

THREAT 3: International organized criminals smuggle/traffic people and contraband goods into the United States. Smuggling/trafficking activities seriously compromise U.S. border security and at times national security. Smuggling of contraband/counterfeit goods costs U.S. businesses billions of dollars annually, and the smuggling/trafficking of people leads to exploitation that threatens the health and lives of human beings.

Whether smuggling people or goods, international organized crime groups view borders as profit-making opportunities rather than obstacles. Whether they are transporting human beings, narcotics, pharmaceuticals, cigarettes or weaponry, sophisticated criminal networks are adept at exploiting gaps and weaknesses in border controls and finding opportunities for corruption.

In February 2008, five members of an alien smuggling organization were sentenced for their roles in a conspiracy to smuggle purported terrorists to the United States from Colombia. Victor Daniel Salamanca, Jalal Sadat Moheisena and Carmen Maria Ponton Caro were sentenced to 70 months in prison after pleading guilty to conspiracy to provide material support or resources to the FARC. Their co-conspirators Nicolas Ricardo Tapasco Romero and Edizon Ramirez Gamboa were sentenced to three years incarceration after pleading guilty to conspiracy to commit alien smuggling and bringing aliens to the United States for private financial gain. The international smugglers obtained fraudulent Colombian and Spanish passports and other identity documents for people they believed to be terrorists seeking illicit travel to Miami for the purposes of laundering FARC money from the United States to Colombia. In fact, the purported terrorists were informants working in an ICE sting operation.

In March 2006, one of the most successful alien smugglers of all time, Cheng Chui Ping, better known as “Sister Ping,” was sentenced to 35 years in prison for her role in leading an international alien smuggling organization. She smuggled more than 1000 aliens into the United States during the course of her career, sometimes hundreds at a time, and her actions exemplify the threats to health and life inherent to the trade. The trial revealed one incident in which 14 aliens died when one of her smuggling boats capsized. In another notorious incident, 10 aliens drowned when the Golden Venture, a smuggling ship Sister Ping helped finance for several other alien smugglers, intentionally grounded off the coast of Queens, N.Y., in June 1993 because the offloading vessel failed to meet it at sea. Sister Ping also hired armed thugs from the Fuk Ching, a vicious gang in New York’s Chinatown, to transport her customers and ensure they paid their smuggling fees.

A pair of companion cases – Operation Royal Charm in New Jersey and Operation Smoking Dragon in Los Angeles – exemplifies the economic and public health costs of contraband smuggling. These investigations uncovered an Asian criminal organization that was smuggling nearly every form of contraband imaginable, providing a one-stop-shopping point to its customers. The investigations resulted in the indictment of 87 individuals who were involved in smuggling goods into the ports of Newark, N.J., Los Angeles, and Long Beach, Calif., by using shipping containers with bills of lading that falsely identified the contents as toys and furniture from China. Instead, the smugglers brought in high quality counterfeit U.S. currency that had reportedly been produced in North Korea, as well as contraband from China. The contraband included counterfeit cigarettes, ecstasy, methamphetamine and counterfeit pharmaceuticals. Two of the defendants, in a conversation with federal undercover agents, entered into a deal to provide

various weapons, including silenced pistols, rocket launchers, silenced sub-machine guns and automatic rifles.

The Camorra, an Italian organized crime group based in the Campania region of Italy, manufactures designer clothing knock-offs in Italy, then transports some of their material to the United States, where Camorra members retail these wares to U.S. customers. Proceeds filter back to Italian-based Camorra clans. Camorra clans are primarily involved in extortion, infiltration of legitimate businesses, labor racketeering, document forgery, alien smuggling and the sale of counterfeit goods. Press reports indicate that these enterprises earn the Camorra clans roughly \$25 billion annually, with counterfeit goods sales representing more than 10 percent of this total. In July 2004, Italian authorities issued approximately 70 arrest warrants targeting a Camorra ring that trafficked in tens of millions of dollars in counterfeit goods, including designer clothing, electronic camera equipment and power tools. The ring operated in many countries outside Italy, including the United States. With assistance from U.S. law enforcement, approximately 300 million euros worth of real property, bank accounts and businesses were seized at the time of the arrests.

THREAT 4: International organized criminals exploit the U.S. and international financial system to move illicit funds. International organized criminals transfer billions of dollars of illicit funds annually through the U.S. financial system. To continue this practice, they seek to corrupt financial and non-financial intermediaries globally.

Eurasian organized crime groups are a particular concern because of their systemic use of sophisticated schemes to move and conceal their criminal proceeds using U.S. banking institutions and U.S. incorporated shell companies. These groups have mastered techniques to overcome robust anti-money laundering controls and are able to move illicit funds through the formal banking system while disguising the source and ownership of the funds. They offer their illegal financial services for a fee to others who are similarly interested in disguising the sources and ownership of their funds.

The Bank of New York (BNY) case was an early example of such a scheme. In 2000, Peter Berlin, a Russian émigré, and his wife, Lucy Edwards, also a Russian émigré, who was a BNY vice president, pleaded guilty in U.S. District Court for the Southern District of New York to conspiracy to commit money laundering and to operate an unlawful banking and money transmitting business, and to aid and abet Russian banks in conducting unlawful and unlicensed banking activities in the United States. Berlin and Edwards teamed in their illegal scheme with two Moscow-based banks that offered to move money for “clients” without regard to the source or ownership of the funds. During the three and half years Edwards and Berlin were involved in the illegal operation, approximately \$7 billion flowed through the BNY accounts they had established to third-party transferees around the world. BNY admitted its anti-money laundering control lapses, entering into a non-prosecution agreement with the U.S. Attorneys’ Offices for the Southern and Eastern Districts of New York in November 2005 to resolve two separate criminal investigations. BNY agreed to forfeit \$26 million to the United States, and to pay \$12 million in restitution to victims of a fraud scheme in the Eastern District case.

Another example is the case of Garri Grigorian, a Russian national living in the United States who helped launder more than \$130 million on behalf of the Moscow-based Intellect Bank and its customers, through bank accounts in Sandy, Utah. Grigorian and his co-conspirators set up two U.S. shell companies and then set up multiple bank accounts for those companies in Utah. The companies never did any business; they existed only to create the illusion that transactions to and from their bank accounts were legitimate trade. Once those accounts were set up, Intellect Bank could use them to conduct U.S. dollar wire transfers on behalf of their clients. In total there were more than 5,000 of these wire transfers in a little more than two years. In August 2005, Grigorian was sentenced to 51 months in prison and ordered to pay \$17.42 million in restitution to the Russian government.

Criminals have learned from the Bank of New York and Grigorian prosecutions and devised a more complicated version of the same scheme to evade law enforcement. Criminals who establish shell corporations in the United States are now increasingly opening bank accounts for those corporations in offshore jurisdictions where customer identification requirements may be less rigorous. However, these corporations are still able to gain access to the U.S. financial system if the foreign bank has a correspondent account at a U.S. financial institution. On the surface, it appears as though wire transfers are being made to further foreign trade with a U.S. company that has a bank account in New York. In actuality, the criminals are running a sophisticated money laundering scheme in which it is nearly impossible to determine the source, nature or destination of the money moving through it (which by all estimations amounts to billions of dollars annually).

THREAT 5: International organized criminals use cyberspace to target U.S. victims and infrastructure. International organized criminals use an endless variety of cyberspace schemes to steal hundreds of millions of dollars at a cost to consumers and the U.S. economy. These schemes also jeopardize the security of personal information, the stability of business and government infrastructures, and the security and solvency of financial investment markets.

One example of the intersection between organized crime and cybercrime is found in Romania. There, traditional Romanian organized crime figures, previously arrested for crimes such as extortion, drug trafficking and human smuggling, are collaborating with other criminals to bring segments of the young hacker community under their control. They organize these new recruits into cells based on their cyber-crime specialty and they routinely target U.S. businesses and citizens in a variety of fraud schemes.

One of the most lucrative schemes involves online auction fraud, where U.S. citizens are tricked into buying or selling goods, and never receive the funds or merchandise. One particular online criminal, using the online nickname “Vladuz” engaged in multiple fraud schemes, including hacking into the computers of eBay, the largest online auction retailer. On April 17, 2008, Vlad Duiculescu, a/k/a “Vladuz” was arrested in Romania by Romanian police officials and charged with crimes related to these schemes. It is believed that Vladuz is a participant in a ring of Romanian hackers who work together to develop joint U.S. targets for online frauds, share hacking techniques and launder proceeds from multiple crimes committed in the United States. U.S. prosecutors and law enforcement agents worked in Romania with Romanian officials to ensure that a case could be successfully prosecuted in Romania.

THREAT 6: International organized criminals are manipulating securities exchanges and perpetrating sophisticated frauds. International organized criminals use fraud to steal from U.S. investors and rob U.S. consumers and government agencies of billions of dollars.

Increasingly, domestic and international securities markets have become ripe sectors for abuse by international organized criminals who seek to enrich themselves from the pockets of unsuspecting investors. Using the fast-paced securities markets, the Internet and the wire services – where money, communications and inducements can be exchanged in milliseconds – international organized criminals manipulate international borders and the limitations in law enforcement’s detection capability to their advantage without the need to set up a base of operations in any one location. International organized criminals are also adept at using the Internet, wire services and the mails for sophisticated fraud schemes.

Highly organized groups of overseas scam artists have been preying on North American consumers via the mail or over the Internet, attempting to pass authentic-looking counterfeit business checks or money orders. Victims have been approached after posting items for sale or rent on the Internet, meeting a supposed companion on a social dating website, or via “spam” e-mails sent by the West African criminal groups based in Nigeria, the Netherlands or Canada, announcing the victim has won a prize or can share in a business opportunity. In all the scams, the victim is sent a check for an advance payment of the item being offered, or to pay taxes or fees on the sudden riches. The criminal instructs the victim to wire all or part of the check back overseas. However, it often takes weeks for counterfeits to be discovered and the victim is responsible for what has been wired away. U.S. Postal Inspectors have been working with law enforcement in Nigeria, Canada, the Netherlands and the United Kingdom to stop the counterfeit checks from reaching their victims. Since the global counterfeit initiative targeting these international criminal organizations began in January 2007, 77 arrests have been made and more than 600,000 fake checks valued at over \$2.5 billion have been seized.

Telemarketing fraud is yet another means by which international organized criminals fraudulently obtain funding. For example, in Canada, the Royal Canadian Mounted Police have linked the leaders of telemarketing fraud rings operating out of boiler rooms with traditional organized crime groups in Canada. The Canadian anti-fraud call center estimates that 500 to 1,000 criminal telemarketing boiler room operations are conducted on any given day in Canada, grossing about \$1 billion a year.

One Montreal-based telemarketing ring, broken up in a U.S.-Canadian joint operation in December 2006, victimized as many as 500 people per week, many of them U.S. citizens. Investigators targeted boiler rooms from which the ring would contact its victims and arrested 40 Canadian citizens on the suspicion of fraud. The criminals used two different telemarketing schemes to swindle unsuspecting victims, netting \$8 to 13 million annually. In the first, a lottery scheme, victims were persuaded they had won the lottery, but needed to send check payments ranging from \$1,500 to \$60,000 to cover various costs. Approximately 90 percent of the victims in this case were more than 60 years old. The second scheme, a mass telemarketing fraud, used several approaches including telling victims they were eligible to receive a \$7,000 grant, selling

victims health care kits or billing victims for services never rendered. In each instance, victims were told to send money via certified check or money order.

THREAT 7: International organized criminals corrupt and seek to corrupt public officials in the United States and abroad. International organized criminals must corrupt public officials to operate and protect their illegal operations, and to increase their sphere of influence. They have been successful in systematically corrupting public officials around the world, including countries of vital strategic importance to the United States, and they are increasingly seeking to influence U.S. officials by legal and illegal means.

In March 2008, the Bulgarian chief directorate for combating organized crime (CDCOC), a branch of the Ministry of Interior, reportedly revealed that several officials from the ministry had had contacts with controversial businessmen, link to international organized crime, who were currently under investigation. As part of the scandal, Ivan Ivanov, deputy head of CDCOC, was charged with leaking confidential information. Iliia Iliev, chief secretary of the Ministry of Interior, was arrested for his responsibility in granting documents to travel within the European Union to a Serbian national with ties to organized crimes.

In some countries, corrupt public figures and organized criminals have attained status, power and wealth far outweighing those of legitimate authorities. In others, corruption occurs as an accepted means of doing business. Corrupt foreign leaders who aid, support and are beholden to organized crime cause substantial harm to their own people and often to U.S. strategic interests. In the most serious instances, the corrupt official him or herself is for all practical purposes the leader of an organized criminal group.

For example, former Ukrainian Prime Minister Pavel Lazarenko defrauded and extorted millions of dollars from his countrymen and ultimately laundered his illicit fortune through U.S. financial institutions. Specifically, in the 1990's, Prime Minister Lazarenko defrauded and extorted \$44 million dollars from Ukrainian citizens and proceeded to launder \$20 million of these funds through U.S. banks. After fleeing to the United States, Lazarenko was arrested in 2004 and tried in a federal court in San Francisco on money laundering, wire fraud and fraudulent interstate transportation charges. He is currently serving a nine year prison sentence and was fined \$10 million by the court.

Similarly, Arnaldo Aleman, his family and other related officials embezzled several million dollars from Nicaragua during his time as president (1997-2002). Nicaragua convicted Aleman of money laundering and theft of government funds. In a related investigation to recover assets at the request of the Nicaraguan government, ICE initiated an investigation into the embezzlement of Nicaraguan government funds. The ensuing investigation led to the seizure of approximately \$6 million in assets in the United States, approximately \$2.7 million of which was forfeited in U.S. courts and transferred back to Nicaragua during the Bolaños administration to be used for an education program and anti-corruption expenses. Additional funds remain pending in U.S. proceedings.

THREAT 8: International organized criminals use violence and the threat of violence as a basis for power. International organized criminals who use violence are a threat to the physical

security of the U.S. public, as well as the economic well-being of people and neighborhoods and the ability of law enforcement to investigate their crimes when the threat of violence is used as a tool of coercion. Violent tactics used by international organized criminals outside the United States also threaten U.S. interests when their violence sustains and increases their power to operate globally.

International organized crime and violence are fundamentally connected, such that there is no shortage of examples demonstrating this inherent connection. For example, the August 2007 killing of six Italian men as they left a pizzeria in Duisburg, Germany, has been attributed to the 'Ndrangheta crime syndicate. The killers fired at least 70 shots at the six victims with automatic weapons and then proceeded to shoot each victim once in the head. Published reports claimed the killings were the product of a dispute between two rival 'Ndrangheta clans. According to the FBI, the 'Ndrangheta, based in Calabria, Italy, has about 160 cells with roughly 6,000 members. They have a presence in the United States, primarily in Northeast. 'Ndrangheta specializes in kidnapping and political corruption, but also engages in drug trafficking, murder, bombings, counterfeiting, gambling, frauds, thefts, labor racketeering, loan-sharking and alien smuggling. According to published reports, Italian prosecutors estimate 'Ndrangheta operations at home and abroad are worth approximately \$50 billion. Prosecutors say the 'Ndrangheta has set up a network of pizzerias, restaurants and hotels for laundering the group's money.

On March 12, 2007, a federal court in Los Angeles sentenced Iouri Mikhel and Jurijus Kadamovas to death for their role in leading an international criminal organization that abducted and murdered five victims in the United States. Between the summer of 2001 until their arrests on Feb. 19, 2001, Mikhel and Kadamovas targeted wealthy Los Angeles residents who they could abduct and hold hostage for ransom in order to fund their lavish lifestyle. Regardless of whether the ransom money was paid or not, once they confirmed payment of the ransom, Mikhel and Kadamovas brutally murdered each one of their victims by either asphyxiating or strangling them. Then, with the help of their criminal partners, Mikhel and Kadamovas transported the bodies of their victims to the New Melones Reservoir, approximately 400 miles from their base of operations in Los Angeles. Once there, Mikhel and Kadamovas attached weights to their victims' bodies and threw them from one of two bridges spanning the reservoir.

The evidence offered at trial confirmed Mikhel and Kadamovas intended to kill more than the initial five victims. After they killed their last two victims, Mikhel and Kadamovas flew to Colorado to ski and look for new potential victims. They also began planning to send a member of their criminal organization to the east coast to scout potential victims and planned a trip to a yacht show in Florida to search for wealthy Russians who they could kidnap. Kadamovas directly informed one of his co-conspirators that he and Mikhel planned to commit as many additional kidnappings in the future as necessary to amass a fortune of \$50 million dollars, intending to kidnap and kill their victims until the bodies they dropped into the New Melones Reservoir were "stacked on top of each other" to the surface of the reservoir. Evidence presented at trial also established Mikhel and Kadamovas' involvement in previous similar homicides committed in Cyprus and Turkey in 2000 and 2001. Adding to the international scope of the group's activities, the money they received from victims moved around the globe in its laundering process, including through the United Arab Emirates, Latvia, Barbados, Jamaica, Switzerland and England.

KEYS TO UNDERSTANDING AND RESPONDING TO INTERNATIONAL ORGANIZED CRIME

Several critical factors provide essential context for understanding the threats international organized crime poses to the United States and for developing effective responses to these threats. These key factors include:

- International organized criminals do not need to reside in the United States to engage in criminal activities targeting the United States, its interests and its people. With the advent of globalization, the Internet, international banking and modern technologies, international organized criminals can remain in countries that provide them with safe haven from arrest while perpetrating criminal activities targeting the United States and its people.
- The most powerful international organized crime groups benefit from the symbiotic relationship that their leaders have developed with corrupt public officials and business tycoons. The three elements combine forces to form strategic alliances.
- International organized crime in its highest form is far removed from the streets. These groups are highly sophisticated, have billions of dollars at their disposal, are highly educated, and employ some of the world's best accountants, lawyers, bankers and lobbyists. They go to great lengths to portray themselves as legitimate businessmen and even advocates/benefactors for the local populace and others.
- International organized criminals have evolved toward loose network structures and away from traditional hierarchical structures.
- There are large gaps in our intelligence on various aspects of international organized crime. These gaps jeopardize our ability to keep pace with international organized crime threats as they emerge and develop.

The IOC threats and key factors summarized above provided the factual foundation for the strategy and served as a catalyst for discussion among federal law enforcement agencies as well as across the broader interagency community on what is needed to combat the IOC problem and how we may effectively integrate law enforcement and non-law enforcement efforts to maximize success.

STRATEGIC GOALS

The strategy consists of nine strategic goals that emphasize programmatic areas cutting across all international organized crime threats. Some goals propose new tools and capabilities needed to combat IOC, while others enhance or improve existing tools and capabilities. Each strategic goal encompasses specific objectives and actions that will enable the Department of Justice and its law enforcement partners to achieve measurable results in combating the threats posed by international organized crime. The strategic goals are summarized below.

GOAL 1: Prioritize and Target International Organized Crime Figures and Organizations for Concerted, High-Impact Law Enforcement Action

In order to most effectively utilize resources, it is essential to formally identify the international organized crime figures and organizations that pose the greatest and most immediate threats to our national interests. Other law enforcement segments within the U.S. government – particularly those combating drug trafficking – have effectively marshalled intelligence and strategically targeted major offenders. Those combating organized crime have experienced similar success over the last half-century in strategically targeting *La Cosa Nostra*, the Italian-American mafia. Each of these targeting programs has clearly identified the threats emanating from their targets and focused law enforcement and prosecutorial resources on the most notorious individuals and organizations. Selecting high-priority IOC targets will be a crucial step toward disrupting their activities and dismantling their organizations.

KEY RESULTS: Establish and lead an interagency committee to select and target the international organized crime figures and organizations that pose the greatest threat to the United States, and ensure the national coordination of investigations and prosecutions involving these targets. This will focus law enforcement, intelligence and other resources on disrupting and dismantling significant IOC operations and lead to the apprehension of high value IOC figures worldwide.

GOAL 2: Pursue Concerted, High-Impact Domestic Law Enforcement Operations against International Organized Crime Targets

U.S. law enforcement is constantly challenged by highly sophisticated international organized criminals and groups that operate across borders, exploit our economy from within as well as from abroad, and which are always evolving to elude and thwart our efforts to bring them to justice. U.S. law enforcement agencies must therefore work together in cross-cutting, concerted domestic law enforcement operations to attack international organized crime from multiple angles and on a nation-wide basis. This will require every participating U.S. law enforcement agency, from headquarters to the field, to systematically exchange information on

IOC targets and emerging threats; combine their unique skills and expertise; and coordinate their resources and capabilities to disrupt and dismantle international criminal organizations. The effect will be to bring the collective weight of U.S. law enforcement to bear against the serious threats international organized crime poses to U.S. national security.

KEY RESULTS: Assemble teams of prosecutors, investigators, and analysts to pursue each IOC target; develop meaningful measures to reward action against IOC and ensure accountability; and undertake initiatives to identify new IOC targets. This will enable U.S. law enforcement to organize and coordinate resources to minimize bureaucratic barriers and maximize impact against IOC targets, and to properly account for the use of resources devoted to international organized crime.

GOAL 3: Team with Foreign Counterparts to Pursue Domestic, Foreign, and Joint Law Enforcement Operations against International Organized Crime Threats

Every day, law enforcement authorities in the United States and world-wide are engaged in parallel campaigns against international organized crime. Globalization has created a vast new battleground for organized crime that extends beyond national and jurisdictional boundaries. This presents unprecedented challenges to the international law enforcement community. IOC groups increase the scope and depth of their activities exponentially while authorities attempt to navigate international laws and protocols to conduct long-distance investigations. Nations throughout the world recognize the need to cooperate with one another to combat the common threats of IOC. Presently, 137 countries, including the United States, are parties to the United Nations Convention against Transnational Organized Crime. The United States has led efforts with foreign authorities to share information, develop strategies, and conduct joint investigations on IOC matters of mutual interest. Yet, there remains much more to be accomplished. To effectively carry-out cross cutting operations to disrupt and dismantle IOC groups, U.S. law enforcement must capitalize on established relationships with vetted foreign officials and build international partnerships to collaborate in the domestic and foreign prosecution of IOC cases.

KEY RESULTS: Establish operational task forces with foreign counterparts in key locations world-wide to target IOC threats; deploy experienced U.S. prosecutors abroad to coordinate IOC investigations and prosecutions with foreign counterparts; and build the capacity for U.S. law enforcement to collect, translate, and analyze criminal intelligence information on international organized crime from foreign counterparts. This will result in more productive relationships with foreign counterparts and will improve our knowledge and understanding of IOC operations abroad.

GOAL 4: Employ Non-Law Enforcement Measures to Prevent International Organized Criminals from Operating in the United States

In today's global economy, international organized criminals enjoy seemingly endless opportunities for moving, concealing, and investing their ill-gotten wealth through the world's major financial centers. Their market of choice is often the United States, whose banking system, securities and commodities markets, and industrial/commercial assets offer stability, prestige, and global influence. The movement of criminal assets into the U.S. financial system and the investment of these assets in U.S. businesses pose a serious threat to the U.S. economy. There are several non-law enforcement tools the U.S. Government can aggressively utilize to target international organized criminals, freeze their illicit assets, and thwart their ability to use the U.S. banking system and commercial and industrial sectors to advance their criminal purposes. In order for these powerful tools to be employed as a component of U.S. law enforcement's cross-cutting efforts to disrupt and dismantle international criminal organizations, however, the law enforcement community must effectively provide their non-law enforcement counterparts with critical information that can be considered and acted upon.

KEY RESULTS: Utilize all available U.S. Government programs, capabilities, and resources to their greatest possible effect to protect the U.S. financial, commercial, and industrial sectors from international organized crime and its illicit assets, and to prevent international organized criminals from entering and operating in the United States. This will ensure that the U.S. Government assertively employs its arsenal of powerful economic, consular, and other non-law enforcement means to target IOC figures and organizations, freeze or seize their assets, and disrupt their ability to exploit U.S. banks, businesses, and strategic assets.

GOAL 5: Collect and Synthesize Critical Information on International Organized Crime Targets for Law Enforcement Action

The ability of U.S. law enforcement to successfully investigate and prosecute targeted international organized crime figures or organizations will depend heavily on the quality of information that is available on the targets and the capability of law enforcement personnel to systematically collect, synthesize, and analyze that information. As international organized criminals cross borders to conduct their illicit operations, U.S. law enforcement must closely coordinate and communicate across agencies and jurisdictions to identify and exchange the best information available on IOC targets so that quick and decisive action can be taken against the targeted individuals or organizations.

KEY RESULTS: Convene an interagency analytical team that will systematically collect, synthesize, and disseminate to headquarters and the field law enforcement and intelligence information on selected IOC targets as well as emerging IOC threats and trends. This will result in a functioning intelligence mechanism that will facilitate critical information sharing among agencies

and enable investigators and prosecutors to make connections across jurisdictions to uncover and take action against priority international criminal organizations.

GOAL 6: Develop and Retain Skilled and Knowledgeable Analysts, Investigators, and Prosecutors to Fight International Organized Crime

International organized crime has become increasingly sophisticated in penetrating financial systems, manipulating securities and commodities markets, harnessing cyberspace to perpetrate high-tech crimes, and carrying out numerous other schemes. As they have become more advanced in their criminal operations, international organized crime groups also have adapted to the realities and opportunities of globalization, evolving toward looser organizational structures that are flexible, mobile, and elusive. The U.S. law enforcement community must make every effort to keep pace with international organized crime, by ensuring that domestic law enforcement personnel as well as select foreign counterparts are fully equipped with the specialized skills and knowledge required to effectively investigate and prosecute international organized criminals and to dismantle their organizations.

KEY RESULTS: Hold regular criminal intelligence briefings for U.S. law enforcement to ensure that investigators, prosecutors, and analysts have sufficient and up-to-date knowledge of the most significant IOC threats; develop a training cadre to provide IOC training to domestic and foreign law enforcement personnel in the specialized skills required to combat IOC; promote measures to retain experienced personnel; and develop a reserve group of IOC experts to provide case-specific training and mentoring. This will provide U.S. law enforcement and selected foreign counterparts with specialized skills to combat international criminal organizations, and will ensure continuity in the IOC program.

GOAL 7: Provide Law Enforcement with Updated Legislation and Operational Procedures Needed to Combat International Organized Crime

In today's world of international crime fighting, the categories of "domestic" or "foreign" law enforcement cases are almost archaic. International organized criminals simply do not operate within the confines of national borders and geographic law enforcement jurisdictions. Yet, all too often our criminal laws and operational procedures do not sufficiently equip us to address the modern realities and needs of international crime fighting. United States law enforcement and our foreign counterparts are joined in a global offensive against organized crime. We must consider this problem in that broad context and amend relevant laws to enable us to effectively fight international organized crime domestically and in cooperation with our foreign partners.

KEY RESULTS: Expand, update, or modify U.S. laws, regulations, and procedures in critical areas to enhance investigators' and prosecutors' abilities to take

action against IOC figures domestically and abroad, and assist foreign countries in developing legislative frameworks for combating international organized crime. This will enhance the arsenal of tools available to federal law enforcement personnel and their foreign counterparts in their efforts to bring IOC organizations and figures to justice.

GOAL 8: **Raise Awareness and Leverage Resources in Combating International Organized Crime through Outreach to Public and Private Institutions**

The IOC Threat Assessment illustrates the pervasive nature and widespread impact of organized crime. On a daily basis, organized crime directly and collaterally affects individuals and entities in both the public and private sectors. All segments of American society risk being victimized by organized crime, and all share in the increased costs for goods and services. In response, many public and private institutions have acted unilaterally to minimize the impact of organized crime on their respective businesses. These institutions share interests and objectives parallel to those of law enforcement.

KEY RESULTS: Engage the private sector to raise awareness, form public-private alliances, and gather information on IOC threats, and engage other parts of the U.S. government, as well as state, local, and foreign governments, to promote understanding of international organized crime. This will provide U.S. law enforcement with new avenues for exchanging information and leveraging resources to target international organized crime.

GOAL 9: **Reconvene the Attorney General’s Organized Crime Council to Provide Direction on Policy and Resources and Ensure Accountability in the International Organized Crime Program**

The Attorney General has been in charge of coordinating all federal law enforcement activity against organized crime since a 1968 executive order by President Lyndon Johnson established that authority. Similarly, the Organized Crime Council has existed in various forms since 1970 and has always been charged with establishing priorities and formulating a national unified strategy to combat organized crime. This will be the first time the Organized Crime Council has ever convened to focus on the threat from international organized crime and to develop a responsive strategy to that threat. The Organized Crime Council consists of the Deputy Attorney General, the Assistant Attorney General for the Criminal Division, the Chair of the Attorney General’s Advisory Committee and the leaders of nine participating federal law enforcement agencies, which include: FBI; U.S. Drug Enforcement Agency; the Bureau of Alcohol, Tobacco, Firearms and Explosives; U.S. Immigration and Customs Enforcement; U.S. Secret Service; Internal Revenue Service; U.S. Postal Inspection Service; Diplomatic Security and U.S. Department of Labor’s Office of the Inspector General.

KEY RESULTS: Reconvene the Attorney General’s Organized Crime Council to oversee implementation and dedication of resources dedicated to this strategy,

review progress in combating international organized crime, examine options for how best to organize the IOC program, and provide recommendations to the National Security Council on new interagency efforts or capabilities to advance the fight against international organized crime. This will enable the Department to engage the broader federal law enforcement community at the policy level to provide oversight, guidance, and direction to the international organized crime program.