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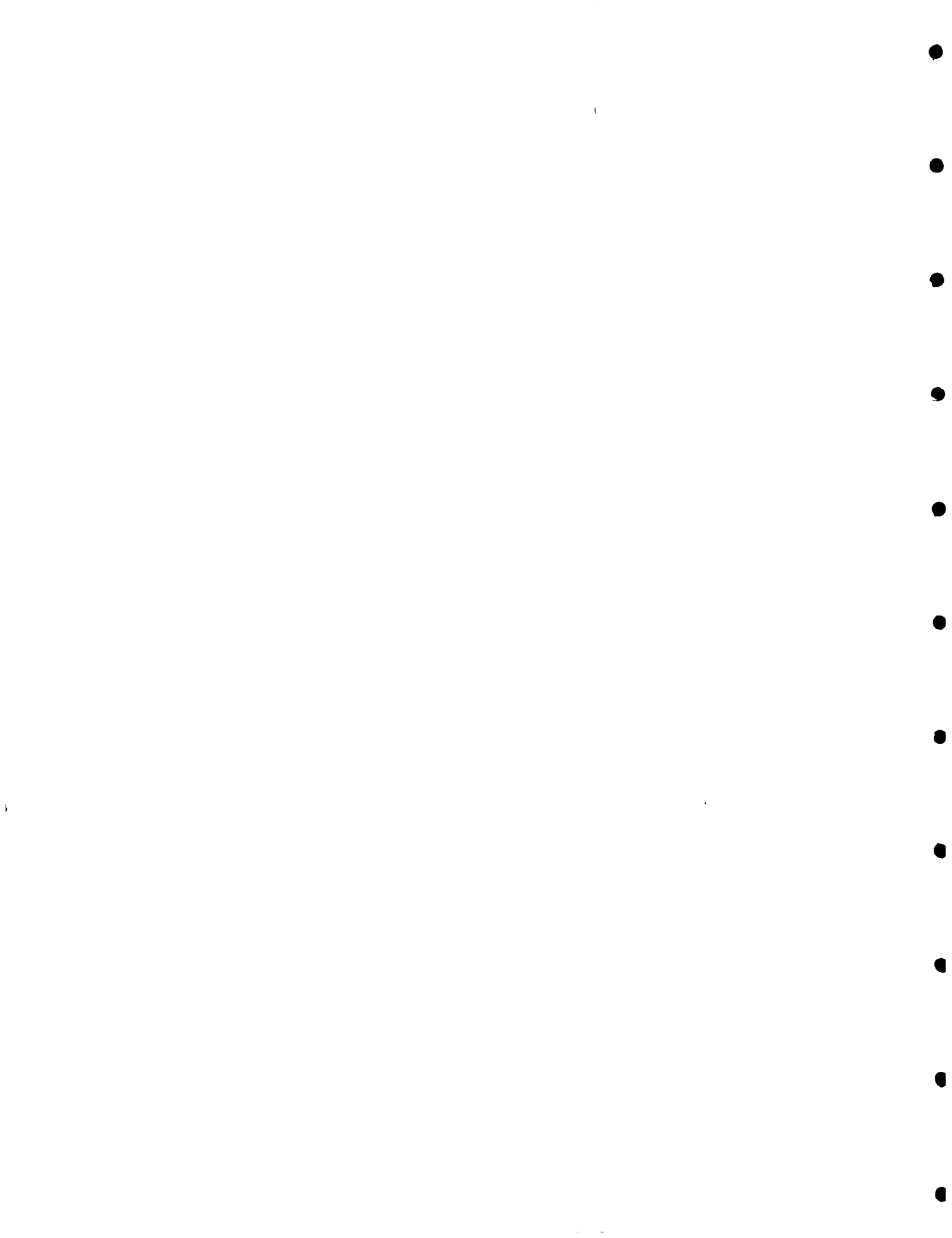
MEASURING THE EFFECTIVENESS
OF ORGANIZED CRIME CONTROL EFFORTS

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I. INTRODUCTION

One day a man came by the house of the Mullah Nasrudin and observed him walking around it, throwing bread crumbs on the ground.

"Why in the world are you doing that, Mullah?" the man said.

"I'm keeping the tigers away."

"But," the man said, "there are no tigers around here."

"Exactly. It works, doesn't it?"

This Sufi story (Shah, 1972) is at the core of the problem of evaluating programs aimed at reducing criminal activity: how do you measure the absence of crime?¹ The story is even more applicable when trying to assess the efforts of an organized crime program, where much of the crime under investigation takes place hidden from public view, and where much of the enforcement effort is similarly not subject to public scrutiny: for all the public knows, both the tigers and the bread crumbs are nonexistent.

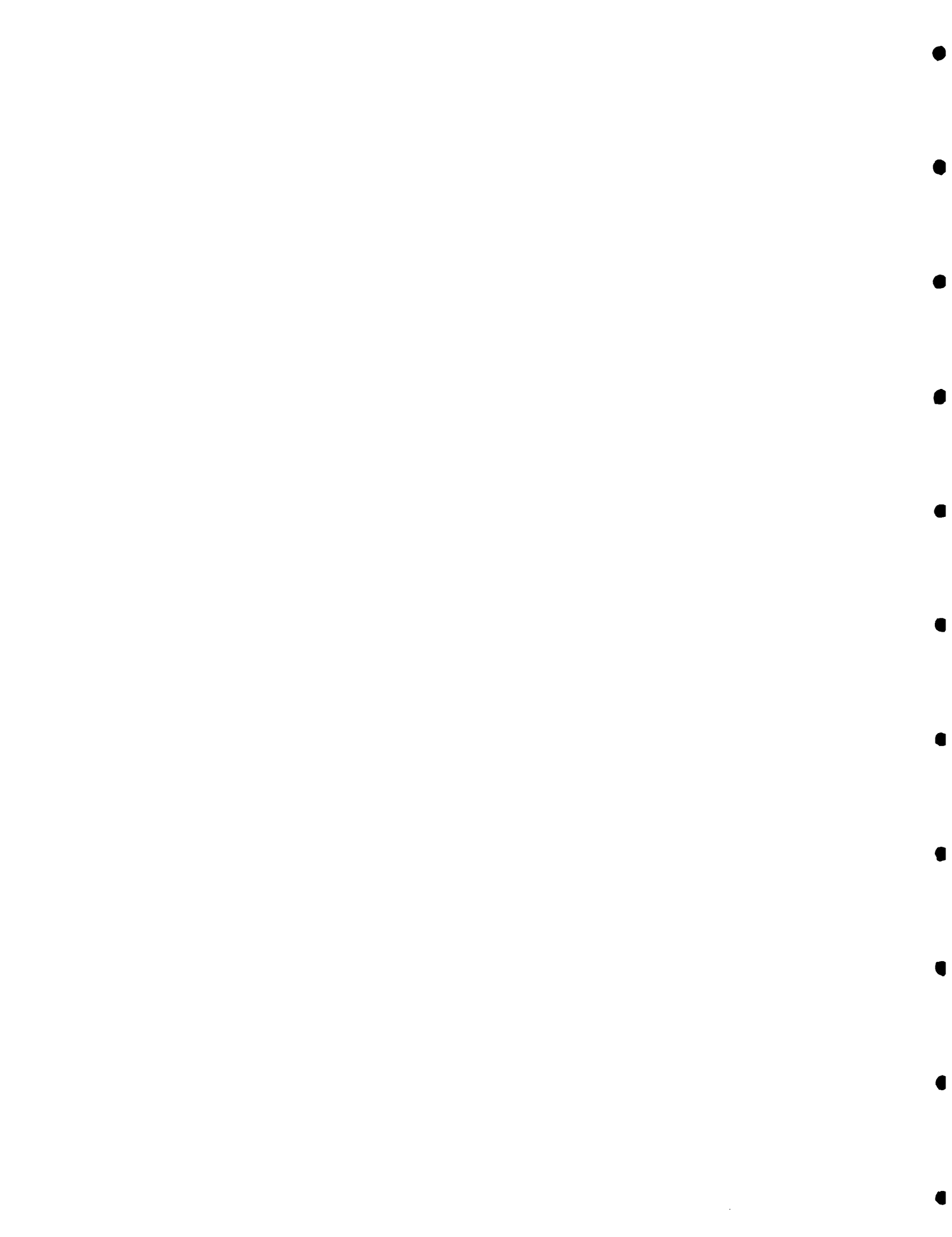
Yet these programs and agencies have the same need to be held accountable as does any other recipient of public funds. Accountability need not require full disclosure of covert surveillance, undercover operations, and informants, a fear which some organized crime agency administrators have invoked to protect their agencies from oversight. Oversight, in the form of an evaluation of agency operations, can be rationally conceived and tailored to the characteristics of the enforcement effort, and in fact can be of great benefit to administrators.

This is especially true in times of declining budgets, when all public agencies are under severe pressure to cut costs. The agency that

cannot justify its budget and demonstrate its usefulness may not be able to survive intact. Since building a credible organized crime unit and developing informants take time and nurturing, it may take years to recover from budget cuts. Budget justification can be crucial to the continuity of organized crime enforcement.

Furthermore, organized crime enforcement agencies are not universally popular. Their investigations often focus on those who pass on agency budgets, or on their friends and colleagues. This makes it doubly important for these agencies to justify their activities and, ultimately, their existence. Continuous, ongoing evaluation of agency efforts can be a primary component of this justification.

Evaluating an organized crime program requires the development of measures of effectiveness. Just as the absence of tigers near the Mullah's house does not prove that the bread crumbs are effective against them, the absence (or reduction) of known organized crime activity in a jurisdiction does not prove that organized crime control activities are effective. There are a number of difficulties in measuring the effectiveness of organized crime enforcement efforts. This report describes the nature of these difficulties and proposes some new measures for evaluating their effectiveness.



A. Purpose

The purpose of this report is to develop a means of evaluating law enforcement programs established to control organized crime. To do so requires developing new methods for measuring organized crime activity, testing these measures, and implementing them in an existing agency. This report deals with all three aspects--some of the recommended measures can be readily implemented, while others need all three phases. The measures are described in the context of an evaluation design for the Organized Crime Strike Force Program of the U.S. Department of Justice.² However, the design is not limited in application to this program alone. It is equally applicable to other Federal programs, such as the Labor Department's Organized Crime Program, and to state and local organized crime operations as well. In fact, the measures were developed in cooperation with both Federal and state agency officials.

A report of this sort has many audiences--legislators, agency administrators, criminologists and specialists in evaluation research, to name a few. These audiences have different viewpoints. Pragmatists may find it too theoretical and either too difficult or expensive to carry out, while theoreticians may find it lacking in rigor, without adequate formal definitions and quantitative measures. While this report has benefited from advice from both sides, neither may be fully satisfied.



B. Scope

Although the need to evaluate organized crime programs is not new, past evaluation efforts have not been very useful for our purposes. Section II discusses the reasons why so many prior efforts appeared to be half-hearted attempts at evaluation, and gives some examples of measures proposed but not used. It also describes some measures that have been used by the U.S. General Accounting Office in evaluating the Justice Department's Strike Force Program, and raises questions as to the approaches taken in these evaluations.

Part of the reason for the ineffectiveness of evaluations of organized crime programs is that standard evaluation techniques are simply not appropriate for that purpose. Section III describes a standard program evaluation design and shows why it cannot be used in evaluating an organized crime control program. This is followed by a discussion of the major features of our proposed evaluation design in Section IV, based on the characteristics of the Strike Force Program. Again, we stress that it is applicable to other organized crime programs as well as to the Strike Force Program.

The evaluation design is predicated on a harm-based measurement of organized crime rather than an activity-based measure. In Section V we describe the types of harms generated by organized crime, and the advantages and disadvantages of a harm-based measure. This measure is further described in Section VI, in which we provide examples of different harms produced by representative organized crimes.

These measures have not yet been tested or implemented by an organized crime enforcement agency. In Section VII we describe a

three-phase plan to develop, test, and apply them to determine their usefulness in evaluating organized crime control efforts. This process will undoubtedly result in their modification and, we hope, in discovering additional, more useful measures for evaluating organized crime programs.

II. PRIOR EVALUATIONS OF ORGANIZED CRIME CONTROL EFFORTS

Prior efforts to evaluate organized crime agencies or programs have generally not been noteworthy, in large measure because of the manner in which the projects being evaluated were initiated. For the most part, funding was initially provided by grants from the Law Enforcement Assistance Administration (LEAA), one of whose requirements was a project evaluation. Rarely, however, did the LEAA grant awards specify how or at what level the mandated evaluations were to be conducted.

The evaluation requirement was intended to ensure project accountability: certain goals were detailed in project plans, along with techniques to carry them out. LEAA was understandably interested in the extent to which goals were met and in the efficacy of the techniques used to meet the goals. Furthermore, because projects initially focused on process goals (e.g., getting a new organized crime unit up and running), LEAA also wanted evaluations to address impact goals, especially the impact of such projects on organized crime activity.

The requirement that an evaluation be performed, then, was reasonable and understandable. As a custodian of public funds, LEAA wanted to ensure that the money was well spent, that there were no duplications of effort, that mistakes made in one project were not repeated in others, and that something learned in one project would benefit other enforcement agencies with similar problems. But in their eagerness to get projects funded and under way, many enforcement agency heads agreed to evaluate their projects without knowing what an evaluation would entail. In most instances only nominal grant

resources were allocated to such efforts, almost invariably too little for a useful evaluation. These were usually self-evaluations by agencies whose staffs had little understanding of evaluation methods or requirements. Little forethought was given to planning evaluations, and those evaluations that were conducted tended to be of little benefit to subsequent organized crime projects.³

All this explains why, despite the many evaluations of organized crime projects that have been conducted, little of practical value can be gleaned from them. Many impact evaluations were premature in that one would not expect the projects examined to have demonstrated any impact on organized crime at the time of the evaluation. Others concentrated on administrative data--numbers of indictments, convictions, etc.--without providing any understanding of whether these actions had any impact on organized criminal activity. This was true of virtually all the organized crime project evaluation reports we reviewed, both those in LEAA files and the few that were available in the Library of Congress.

A. Measures Suggested in State Organized Crime Plans

Most states faced similar problems in evaluating their organized crime programs, yet none seemed to have developed a satisfactory approach to the problem. Evaluation plans described in their grant applications often included potentially useful measures of effectiveness, but the evaluations themselves did not necessarily use these measures. Several states proposed to use LEAA or expert consultants to evaluate their programs, while others planned to rely on their state organized crime programs to evaluate their own progress.

One state reported that it had tried, without success, to develop statistical measures or cost-benefit ratios to apply to its organized crime program. Some of the proposed measures were:

- o A Rhode Island grant application suggested measuring the extent to which organized crime activities have been reduced or eradicated. Data for this measure would include: (a) the structure of organized crime leadership, and who among them have been prosecuted; (b) illegal operations stopped in loan sharking and labor racketeering; (c) the number of organized crime leaders imprisoned; (d) recoveries of evaded taxes; (e) legitimate business penetrations stopped; and (f) fraudulent bankruptcies identified. A judgment also was to be made as to whether the investment in reducing organized crime might have produced better results if utilized in different ways.
- o A Louisiana grant application stressed the need for both statistical and subjective evaluation criteria. The statistical data they suggested included number and nature of cases opened, the number completed, and the number pending prosecution. They also felt that the evaluation should include observations regarding the manner in which the unit was established, the composition and integrity of its personnel, the effectiveness of its liaison, and its ability to get information and evidence as needed.
- o An Illinois grant application proposed a qualitative program evaluation, which would include such factors as: (a) development of new and creative approaches against organized crime, and their effectiveness; (b) a comparison of operations before establishment of the unit with operations after its establishment; (c) the effect of the unit on local, state, and Federal law enforcement agencies, and their responses; and (d) the effect of the unit on the public.
- o The New Jersey organized crime unit plan stated that it did not want to rely on arrest or conviction statistics, because they do not reflect the importance of any particular investigation. It pointed out that a year of work on important cases could yield a low arrest/conviction statistic since these kinds of cases are generally more difficult to build.

- o The New York Organized Crime Task Force relied heavily on requests from local prosecutors in developing a caseload. Its grant application proposed that one element of the evaluation be a count of the number of requests from local prosecutors--as the number of requests for aid increases, so does the usefulness of the office. Another criterion for evaluation should be the number of cases handled by the unit that other law enforcement agencies could not handle because of the nature of the case.
- o A California grant application stated that the evaluation should address the question of "What happened after the creation of the organized crime unit (i.e., information developed, prosecutions, results, etc.), which would have not occurred without the program?" Some examples of indicators are: How much organized crime information has been developed? Has there been an increase in prosecution?

As can be seen, the ideas included in the proposals suggest that the state agencies were aware of the problems of evaluating an organized crime project. Unfortunately, the evaluation reports did not show that they had solved the problems.

B. Evaluations of the Federal Strike Force Program

The only evaluations of organized crime control programs that appear to have been used in making decisions were two reports on the U.S. Department of Justice's Organized Crime Strike Force Program, prepared by the General Government Division of the U.S. General Accounting Office (GAO).⁴ These two reports, both quite critical of the Strike Force Program, describe some significant problems, most especially the lack of coordination among its participating agencies.

However, GAO's impact evaluations of the Strike Force Program have missed the mark in important respects. In the 1977 report the GAO took the Strike Force Program to task for producing convictions that resulted in no incarceration or in short prison terms. In the 1981 report the

primary evaluative criteria again were conviction rate and sentence length. Aggregate measures of this sort are of limited utility when there are significant variations in the things being counted. Such measures lump together the defendant who stonewalls with the defendant who testifies for the government, and the career organized crime figure with the government official who succumbed to a bribe. Furthermore, they do not recognize the ancillary benefits of prosecution even if conviction does not ensue: deterrence; the cessation of illegal behavior; publicizing a scheme, person, or organization that had been victimizing the unsuspecting; or liberating sectors of the economy from extortion and control by organized crime groups.

Using conviction rate as the primary measure of effectiveness can be dangerously counterproductive to a Strike Force effort, or to the effort of any organized crime control agency. These agencies are supposed to undertake chancy cases and occasionally go out on a limb; concern for a high conviction rate would cause them to pursue less risky alternatives.

The GAO reports also recommended that Strike Forces "minimize the investigative resources spent on cases that never reach prosecution." This recommendation is questionable. To start with, it would require Strike Force administrators to be clairvoyant. Secondly, it ignores the duty of the Strike Force. For example, if credible information implies that a government official is corrupt, it is the duty of the agency to investigate the allegation to the full extent of its resources. It would be unfair for an innocent official to have this allegation hanging over his/her head, for the agency to withdraw resources merely because the chances of making a case are low. Few matters surface with built-in

guarantees of success.

Although the GAO may have used inappropriate measures of effectiveness to evaluate Organized Crime Strike Forces, GAO is not to blame for the lack of better measures. In fact, it merely used the same measures employed by the Justice Department (Reuter, 1982). Part of the difficulty stems from the Strike Forces' (and other organized crime enforcement agencies) not collecting much of the information that would be more appropriate for measuring their own effectiveness.

But this is only part of the problem. Strike Forces also collect information that is both useful and appropriate for evaluative purposes. Although some of it cannot be used due to legal constraints (e.g., grand jury testimony or information obtained through wiretaps), much of it can be, but has not been used because the goal of a Strike Force, as its members see it, is to produce output, not to measure it. Thus, they are not sensitive to making the information do double duty, by using it both to make a case against a defendant and to evaluate their own activities.

III. THE STANDARD EVALUATION AND AN ORGANIZED CRIME EVALUATION

The purpose of an evaluation is to determine whether a program "works," whether it fulfills certain predefined objectives. The extent to which it works, the conditions under which it works and the reasons for it working (or not working) are also part of an evaluation. This section describes some of the standard techniques that have been developed for evaluating programs, and shows why they are inappropriate for evaluating the Strike Force Program.

A. The Standard Evaluation

An evaluation generally consists of two parts, an impact evaluation and a process evaluation. The impact evaluation describes the extent to which the program met (i.e., had an impact on) its goals; the process evaluation describes how the program's activities produced this impact.

Consider, for example, a preventive police patrol program aimed at reducing crime. An evaluation might consist of implementing the program in some ("experimental") sections of a city, maintaining standard patrol procedures in similar ("control") sections of the city, and comparing the number and types of crimes that occur in each during the evaluation period.

The process evaluation would describe the preventive patrol strategies that constitute the program's "treatment," and detail how these strategies presumably led to increased criminal apprehensions and/or reduced crime rates. The impact evaluation would compare crime rates and arrests in the two areas before and during the program's

implementation. For example, if the crime rate rose by seven percent in the experimental area and by fifteen percent in the control area, the eight percent difference would be the estimated impact of the program.

This type of impact evaluation presupposes (or more strongly, requires) that the experimental and control areas be equivalent in all relevant characteristics except for the program being evaluated. Only under these conditions can one attribute the crime rate difference to the program.

This poses few problems in some types of evaluation, for example, when evaluating the efficacy of a drug using standard genetic strains of white mice. The unit of analysis, the mouse, has been standardized by breeding. But since no two cities (or sections of a city) can be considered "standardized" in the same way, criminal justice evaluations are considerably less reliable than drug evaluations.⁵

One might try to improve reliability by using perhaps ten experimental areas and ten control areas, so that individual differences in the areas would "average out." However, this strategy may simply introduce a higher degree of variability in the way the program is implemented in these areas; therefore, the increased number of areas may not yield a net gain in reliability.

The primary impact or outcome variable is usually the crime rate. It is implicitly assumed that any two crimes of the same type are equivalent, so that eighty robberies in one section of the city are twice as harmful as forty robberies in another section. Although we know that this may not be the case, we rely on the relatively high frequency of occurrence of robbery, which permits us to conclude that individual differences average out.

B. Evaluating Organized Crime Programs

When we move beyond standard criminal justice evaluations to organized crime evaluations the problems become more complex. We are dealing with a field that is poorly defined; in which much of the criminal and enforcement activity remains concealed; in which targets may be investigated for years with no "success," at least as measured by conviction; and in which the conviction of significant organized crime figures may have little effect on the targeted criminal activity. These problems, while not entirely insurmountable, create major difficulties in determining how well a specific project or agency is dealing with organized crime or criminal groups.

These difficulties relate in part to the very idea of a "measure" of effectiveness; to the impossibility of using an experimental group/control group evaluation design; to characteristics of the impact variable; to the nature of the data we can use; and to legal and administrative considerations.

1. "Measuring" Effectiveness and the Unit of Analysis

The word "measure" implies that we have a standard unit of analysis and that the measurement is reasonably precise. Neither inference can be made for organized crime. First, what is an appropriate unit of analysis? Is it the number of firms extorted; the number of usurious loans or narcotics sales or sweetheart contracts; the number of different schemes (e.g., extortion, loan sharking, drug dealing, labor racketeering) engaged in by a criminal organization; the number of defendants in a criminal case; the number of charges; or the dollar value of the loss?

People with different viewpoints will use different units of analysis. The administrator of an investigative agency may measure the number of people targeted for investigation. A prosecutor may look at the number of cases, defendants, or charges. A narcotics enforcement agency administrator may want to measure the street value or the weight or volume of the narcotics being sold or seized. As Andrews, Longfellow and Martens (1982: 15) point out with respect to drug enforcement, measurement practices of drug enforcement agencies can have major and counterproductive impacts on drug enforcement. A Strike Force director may count the number of separate criminal organizations or "families" committing crimes within its jurisdiction.

Discussion of the appropriate unit of analysis may seem pedantic, but it is crucial to developing useful measures. If, for example, the unit of analysis is the type of criminal activity, then a reduction in this type of activity would be considered a successful result. But that decline may only reflect a shift from one activity to another: it is hardly a net gain to society if loan sharks become drug dealers. A corresponding problem arises when convictions becomes the unit of analysis; an increased conviction rate is seen as beneficial. However, if the criminal activity continues unabated with new recruits or less personnel, there is no gain to society.

In this field we do not have the precision one expects from a "measure," a term that implies some numerical exactness. How does one measure the value of aborting a bankruptcy scam? What is the cost to the public of a corrupt public official? Yet we attempt to develop numerical measures because we consider them more scientific and

objective than qualitative measures. Lord Kelvin made this observation:

When you can measure what you are speaking about, and express it in numbers, you know something about it; but when you cannot measure it, when you cannot express it in numbers, your knowledge is of a meager and unsatisfactory kind: it may be the beginning of knowledge, but you have scarcely, in your thoughts, advanced to the state of science.

It should be kept in mind that Kelvin was dealing with measuring natural phenomena, which are not affected greatly by efforts to measure them.⁶ In contrast, we are trying to measure the activity of a group of people determined to keep their activities secret, and whose activities change greatly in response to the efforts of the "measurers," i.e., investigators.⁷

The hidden nature of most organized criminal activity often requires using proxy, rather than direct, measures of the activity. For example, the sale of cigarette papers has been used as a proxy for marijuana consumption, and the number of heroin overdose victims for the number of heroin addicts. It has been suggested that the recovery rate of stolen goods, and arrests of thieves still in possession of stolen goods, are possible indicators of the success of anti-fencing activity. Overly and Schell (1971), Edelhertz, et al. (1981) and Parisi (1983) have described a number of other proxy measures for specific types of organized crime. Yet some of these measures are of unknown or questionable validity. For example, heroin overdose deaths may be more a measure of heroin quality than quantity. The strength of the relationship between the activity and the proxy measure must be carefully examined.

In summary, "measuring" the effectiveness of organized crime control efforts may not always be possible. We may not be able to estimate the magnitude of an activity, but must be content with knowing only whether it is increasing or decreasing, or what its targets are, such as which businesses are being infiltrated. Furthermore, we may have to resort to sources of information that cannot be cross-checked--for example, the comment of the target of an investigation in a tapped telephone conversation that he has had to alter his activities due to enforcement efforts.

2. Experimental and Control Groups

The experimental group/control group evaluation design cannot be used in organized crime-related programs; this would be tantamount to advertising that the "control" jurisdictions are (and will remain) free of Federal enforcement efforts. Presumably, no matter how bad the organized crime problem is in a city, it would be far worse absent Strike Force efforts.

This is not to say that specific strategies cannot be evaluated using this technique. In fact, strategies are informally evaluated all the time using this method: "Let's try it out in Jurisdiction A," or, "It worked in Jurisdiction B, so let's implement it in Jurisdiction C."

3. The Impact Variable

A major difficulty in evaluating an organized crime-related program is in specifying the impact or outcome variable. Although the crime rate and conviction rate are often used as impact variables, they are not well-suited for evaluating organized crime programs. While we may not be too far wrong in assuming that reducing the number of common crimes (e.g., robbery, burglary) by ten percent is equivalent to

reducing the harm to the community by ten percent, this cannot be assumed for organized crime. First, since one organized crime may involve a single victim while another affects one thousand victims, using "crime" as the outcome variable is meaningless. If "conviction" is to be used as the impact variable, as suggested by the GAO, Strike Forces may be inclined to go after retail pushers and leave the drug wholesaler alone, improving their "impact" statistics but not the crime situation in their jurisdiction.

Second, a jurisdiction may experience a few thousand common crimes over the course of a year, while a Strike Force may open fewer than twenty new cases in that same time period. Consequently, we cannot expect "statistically significant" results from a Strike Force evaluation.

Third, common crimes are typically reported to the police in far greater numbers than organized crimes are reported to Strike Forces. In fact, the Strike Force itself largely determines how much organized crime we know about. For example, if a racketeering scheme remains uninvestigated, it will be absent from the Strike Force's estimate of the extent of organized crime. So our estimate of the extent of organized crime will be based largely on what the Strike Force has investigated.

Of course, if the agencies that conduct criminal investigations for Strike Forces--the Federal Bureau of Investigation, Drug Enforcement Administration, Labor Department, etc.--were to prepare periodic reports about organized crime, the situation would be different. These agencies

collect a considerable amount of organized crime-related information not directly relevant for prosecution purposes; it is this information that could be used to obtain a more accurate estimate of the extent of organized crime in a jurisdiction.

4. The Nature of the Data

There are essentially two kinds of data available to enforcement agencies. The first is internal data, which falls into two classes: (1) administrative data (e.g., number of complaints, indictments, prosecutions, convictions, and hours spent on a case), and (2) operational data (e.g., victim or witness interviews, prosecution memos, investigative reports, surveillance transcripts). The second kind is external data, that which is available from other government agencies, the media, business, labor, and other private sources such as credit bureaus and financial institutions.

Program evaluations generally use administrative data rather than operational or external data. For evaluating programs directed against common crimes, administrative data may be adequate since they include "crimes reported to the police." But administrative data by themselves are not useful for organized crime program evaluations: the number of crimes reported to the agency or the number of cases opened would be poor indicators of organized crime activity.

Operational data are rarely used in program evaluations. Yet they are constantly used in making internal evaluative decisions, such as whether a lead should be followed up, a search warrant issued, a wiretap authorized, or more resources allocated to a specific case. Sections IV and V describe how these data can be incorporated in an

evaluation of organized crime programs.

External data are also rarely used for evaluations. However, business data can be particularly helpful for organized crime evaluations. For example, one cannot gauge the extent of arson-for-profit without some knowledge of the role played by fire insurance in such schemes. Subsequent sections show how such data can be used in an evaluation.

5. Administrative and Legal Difficulties

The process of conducting an evaluation creates many problems for any agency, but especially for an enforcement agency. The "doers" in the agency often resent the "researchers." The evaluators may be perceived as distracting agency personnel from enforcement activities. Practitioners see the end result of evaluative efforts as a report detailing what the doers told the researchers, and criticizing the doers for not being more effective. These problems are compounded when an evaluation requires access to information painstakingly gathered using undercover agents and informants whose lives may be in danger. Having outside researchers in their offices when these individuals visit makes agency personnel understandably nervous.

Legal barriers exist to using many forms of operational information, such as grand jury testimony or information obtained through electronic surveillance. Clearly, no court would allow grand jury or other secrecy to be breached merely to facilitate an evaluation. Much operational information, however, is not subject to such restrictions.

It is clear, therefore, that standard evaluation techniques fall

far short of what is needed to evaluate the Strike Force Program. The obstacles are substantial; some of them are surmountable, while others mandate that we live with a less than perfect, but nonetheless useful, evaluation. The next section describes a research design which attempts to deal with these obstacles in evaluating Strike Forces and other organized crime investigative and enforcement agencies.

IV. CHARACTERISTICS OF THE EVALUATION DESIGN

How well is the Justice Department's Organized Crime Strike Force Program working? Which aspects need to be improved? How effective are individual Strike Forces? How do we know when a new Strike Force should be started in another city, or when an existing one should be closed? These are some of the questions that an evaluation of the Strike Force Program should answer. But a fundamental question must first be addressed. What is the Strike Force Program supposed to accomplish? Its goals are often taken to be entirely criminal-justice related: the conviction and incarceration of members of organized crime groups. However, this is a narrow interpretation of the Strike Force Program's mandate.

The Strike Force Program can be viewed more broadly as an effort to reduce the harm to the American public caused by organized crime. Note that reference is not made to reducing crime, but rather to reducing the harm caused by crime. As previously discussed, crime reduction, normally measured by tallying crimes, is a wholly inadequate measure in the context of organized crime. The meaning of the word "harm" will be considered below in Section V, but for now we will consider it a quantifiable measure of the amount of injury to society caused by organized crime.

Measuring and quantifying harm implies that we have "data." Data usually, but not always, consist of numbers. In this particular evaluation some if not most of the data will be non-numerical. But for the moment, assume that we have the best of all possible worlds: suppose that we not only have access to and have collected all the data

we need, but that the data are reliable and accurate. To evaluate the program, then, we would determine the amount of harm that occurs in a jurisdiction in one year and compare it with the previous year's harm. The difference between the two is then attributed in differing degrees to several causes:

- o to the enforcement agency's efforts;
- o to other agencies' efforts;
- o to natural changes in supply and demand (e.g., changing drug preferences, crop failure in Colombia);
- o to non-enforcement phenomena (e.g., the death of a key organized crime figure);
- o to measurement difficulty or error (e.g., "This year was the first year we were able to penetrate the syndicate's video cassette recording bootlegging activity. We have estimates for this year's business but not for last year's");
- o to other unknown sources;
- o and to random fluctuations.

We see that, even in this ideal situation, determining the Strike Force's contribution to the overall change in harm requires a major effort; the extent to which these other factors contribute to the change much first be determined.

Strike Force impact can be assessed by looking at the overall harm caused by organized crime in a jurisdiction, whether or not the Strike Force has targeted all of the activities. Or it can be assessed in a more focused manner by looking only at the specific harm produced by the activities the Strike Force is investigating. In this latter case one need only determine the Strike Force's impact on the harm attendant to those specific crimes. This is a much simpler task, since most of the

necessary information is contained in the Strike Force's files. Yet both types of assessment are necessary.

There can be a strong relationship between the overall harm caused by organized crime in a jurisdiction and the harm caused by the specific crimes under investigation by the Strike Force. The connection between them is the rationale used in selecting particular crimes to investigate. When the overall harm is considerable but the Strike Force is concentrating on crimes that result in relatively little harm, there may be a number of reasons for this:

- o it may have been unable to get leads on the more significant criminal activity;
- o the investigating agency charged with investigating this criminal activity may have different priorities than the Strike Force;
- o the charge against a particular person may be relatively minor, but he is involved in many other more harmful activities;
- o or the Strike Force's priorities may be questionable.

Priority determination is important in an evaluation, and can only be assessed by comparing the overall harm caused by organized crime to the harm associated with the specific crimes under investigation. Thus, the overall harm serves as a baseline against which to judge organized crime enforcement activities.

Measuring the overall harm, of course, is no simple matter when dealing with organized crime. For a common crime such as robbery we can

estimate the overall harm because we have an indication of how much robbery there is (i.e., a baseline); its victims complain to the police and/or report it in victim surveys. Since this is not the case for many organized crimes, estimates of the overall harm they cause are considerably less exact.

The discussion thus far has been predicated on the ideal situation, in which we have reliable and accurate data. But in reality data are not readily available or reliable, and those in the best position to collect the data generally may not view the task as an important part of their jobs--they are under pressure to make good cases, not to collect valid data. Despite this, the evaluation approach described herein presupposes that the Strike Force (or the Criminal Division, or the Justice Department) has both data collection and analytic capability, and that the data analysts and collectors have the appropriate skills and authority to do their jobs. That is, we assume that when the analysts asks the data collectors to get some information (e.g., "How many fires of suspicious origin were there in Rome in 1981? Of these, how many occurred in commercial establishments? Of these, how many bought their insurance from Nero Claudius and Associates?"), the data collectors will comply with the request and will have the authority to obtain the information.⁸ Absent the authority, the information will not be obtainable; absent the appropriate personnel, valid information will not be collected.

With this background, we now turn to a proposed plan for evaluating Organized Crime Strike Forces. It is based on four questions:

- o How much organized crime is there in the jurisdiction; what is its nature and extent, and how much overall harm does it cause?
- o How does the Strike Force determine which of these crimes to target?
- o Once it selects its targets, how does the Strike Force achieve its goals?
- o How do these Strike Force actions affect the overall harm caused by organized crime?

As can be seen, there is a logical progression to these questions. The first question looks into the nature of the problem; the next two describe Strike Force priorities and actions to address the problem; and the last goes full circle by examining how Strike Force actions affected the problem. But the fact that the questions progress logically does not mean that they can be answered easily. A Strike Force does not see itself as in business to do a survey of organized crime in its jurisdiction; it sees itself as there to investigate and prosecute the crimes it finds--to the extent that its jurisdiction, priorities and resources permit. Therefore, it may not be fully aware of all the organized crime (or the harm it causes) in its jurisdiction.

But indications of the nature, extent and harm of organized crime should be possible to obtain, if not from Strike Force personnel then from other enforcement and investigative personnel (or even from researchers). By its very definition organized crime cannot be committed without an organization. And rare is the organization that maintains its secrecy for a long time, omerta⁹ to the contrary notwithstanding. This is especially true when the crimes in question provide illegal goods and services that must be marketed and advertised: gambling, usurious loans, prostitution, drugs, etc. (Reuter, 1983).

Some enforcement or investigative agency is likely to be knowledgeable about the activity. To answer these questions, then, it may be necessary to go beyond \$Strike Force data sources and obtain information from other enforcement agencies.

A. The Nature and Extent of Organized Crime

Many definitions have been proposed for "organized crime." For the purposes of this discussion we will consider it to be the criminal and other unlawful activities of large, continuing, multi-enterprise organizations that were established primarily for criminal purposes, and that employ corruption and violence in their activities.¹⁰ (This definition does not mean that we are neglecting their legitimate activities; in order to detect illegal activities, all activities--legal as well as illegal--must be scrutinized.) The activities of these organizations include the traditional ones of supplying goods and services that are themselves illegal (drugs, numbers, prostitution) as well as those that are legal but are supplied illegally (smuggled cigarettes, stolen merchandise).

The relationship between organized crime and criminal organizations is sometimes ambiguous. In one city all sports betting may be controlled by a syndicate while in another it may be run by individual entrepreneurs. Or scavenger (garbage and trash hauling) services in a city may be provided by a syndicated-controlled business, but run legitimately as far as one can tell. For any activity, then, there are four possibilities: the activity itself may be legal or illegal, and the activity may or may not be controlled by a criminal organization. (See Figure 1.) Obviously, any activity in Box 4 is

		BUSINESS ACTIVITY	
		Legal	Illegal
CONTROL OF ACTIVITY	By Legitimate Business	1	2
	By Criminal Enterprise	3	4

FIGURE 1: Control of Business Activity

included for consideration as an organized crime activity, and any activity in Box 1 is excluded; but activities in Boxes 2 and 3 are harder to classify.¹¹

In the interest of completeness in describing the nature and extent of organized crime in a jurisdiction, activities in Boxes 2 and 3 should be included. However, if the activities are clearly not part of "organized crime" they should be noted as such (e.g., "Chop-shop activity is relatively low-level, confined to a small group of car thieves and salvage yards with no ties to the local syndicate"; or, "The younger brother of one of the syndicate's leaders owns a sporting goods store, but it appears to be run legitimately"). Exhibit I in Appendix B can be used as a checklist for data collection purposes. It is modeled after a questionnaire used by the U.S. Senate Permanent Subcommittee on Investigations to ascertain the nature and extent of organized crime throughout the country (U.S. Senate, 1980).

1. Utility of this Information

It is essential for a provider of a service to understand the market it serves (Reuter, 1983). This is true whether the service is illegal gambling or the investigation and prosecution of illegal gambling. A Strike Force must be aware of the types of organized criminal activities in its jurisdiction, which groups are involved, and the extent of each type of activity. Without this information the Strike Force cannot plan a rational enforcement strategy. (Of course, if the situation is critical, a "market study" is unnecessary; it does not take a major evaluation to gauge the market for sandbags in a flood-ravaged city. But without an understanding of the overall

situation, a dike may be built in the easiest place instead of in the place where the need is greatest.)

This overall assessment of organized crime serves as base-line information, so that the level of organized crime activity can be monitored on a yearly basis. Problems outside the control of the Strike Force can also be spotted in this way. For example, a Strike Force may be very successful in making cases and convicting high-level organized criminals, but this success might have little effect on the nature and extent of organized crime in its jurisdiction--because the legislature legalizes some form of gambling, or raises cigarette taxes, thus encouraging cigarette smuggling, or otherwise creating an environment favorable to organized crime.

Information on the organized crime problem is needed for other reasons as well. For example, Strike Forces compete for resources among themselves, and the Organized Crime Section competes for resources within the Criminal Division and within the U.S. Department of Justice. A case has to be made and documented if one particular Strike Force (or the Organized Crime Section) requires additional resources. Providing information on the nature and extent of organized crime gives administrators the information necessary for budgetary and personnel allocations. An incomplete picture of organized crime in a jurisdiction may mean that a Strike Force ends up with insufficient or inappropriate resources, or that allocations of resources among Strike Forces are distorted.

Of course, sheer numbers should never be the sole determining factor in allocating resources. If the organized crime problem in one city is small compared to other cities, it should not necessarily be neglected until it turns into a problem of the "appropriate" magnitude. The Strike Force should maintain the ability to nip an emerging organized crime problem or criminal group in the bud.

2. Sources of Information

In many cases sources of information will be very soft; for example, informants' hearsay. But the "standard of proof" for an evaluation is not as stringent as that for preparing a Case Initiation Report,¹² let alone for making an arrest. As a general rule, if there is enough information about an activity to justify a preliminary investigation (whether or not it is actually investigated),¹³ it should be included as a possible organized crime activity. Documenting these activities (or alleged activities) will permit the Strike Force to monitor the extent of organized crime; keeping track of the sources of information as well will provide an indication of the reliability of information sources. If the information is generated as part of an ongoing intelligence effort to assess the extent of organized crime, the agency will also have an indication of which areas are becoming more active and which are diminishing.

Aside from obtaining information directly from informants, victims, and witnesses, information about the nature and extent of organized crime may be obtained from other agencies, the media, legislative hearings, research, business data, or ongoing investigations or administrative documents in the Strike Force.

a. Other agencies. Information from other agencies will present the same problems of reliability and validity as information gathered by the Strike Force itself; however, the outside sources may offer a different perspective on the nature and extent of local organized crime activity. Since Federal enforcement personnel are frequently rotated through assignments in different parts of the country, state and local

personnel may be more familiar with the territory, its actors, and its history.

b. Hearings and media. Information from legislative hearings and from the media is likely to be impressionistic and anecdotal; it can indicate what types of activities are prevalent, but it is less useful in assessing the extent of each type.

c. Research. A number of recent research projects have relevance to this inquiry into sources of organized crime information. Not only has the myth of omerta been shattered by Valachi, Teresa, Frattiano, and others who testified under immunity about the activities of their one-time colleagues, but there also seems to be no reluctance on the part of reputed Mafia members to talk openly about their own activities without immunity, both under the cloak of anonymity (Ianni, 1972) and for attribution (Talese, 1971). Furthermore, researchers have been able to get offenders to describe the nature and extent of their own criminality, both retrospectively (Chaiken and Chaiken, 1982) and for crimes just recently committed (Goldstein, 1982).¹⁴ Another technique is to use "street people" as intermediaries to obtain this information; Ianni (1974) trained Black and Hispanic parolees in field research methods for his study of the criminal enterprises of these ethnic groups in New York City. In all of these studies, the reliability of the information was checked.

In other words, it may be possible to obtain information about organized crime activity from the perpetrators themselves. The information should be at least as reliable as that now received by agencies; if confidentiality can be assured, it may be even more reliable. Thus, estimating the total harm attributable to organized

crime in a community may be quite feasible.

d. Business data. Business data can be useful as sources of leads and indicators of the extent of organized crime. Data on licenses, bankruptcies, contracts, and bids may indicate suspicious patterns of activity, which can corroborate (or be corroborated by) information from persons in those businesses. The forms that public corporations file with the U.S. Securities and Exchange Commission contain a wealth of information about firms which can be useful for investigative and evaluative purposes. Similar data about union membership, pension funds, elections, and business activities can be obtained from the U.S. Department of Labor, and can be quite useful in an investigation.

e. Other investigations. In some cases a proactive investigation might generate a new source of business data. For example, in some parts of the country chop shops are run by organized crime groups. To market the auto parts they must determine the demand, which is generated primarily by auto body shops. Either the body shops must advertise their needs by calling car salvage yards or the chop shops must advertise their products by posing as or brokering through salvage yards. In the Chicago area salvage yards communicate over an open telephone party line, which is used to locate auto parts. By listening to conversations on this line, and by correlating the unmet parts needs on one day with cars stolen on the next day, investigators may uncover the extent of chop shop activity while at the same time developing solid investigative leads. This example does not involve a conventional source of "business data," but it does point out how the same source can be used for both evaluative and investigative purposes.

f. Administrative documents. Statements about the harm due to specific organized crimes can often be found in prosecutors' case files--in memoranda justifying a particular investigation or prosecution, and in sentencing memoranda justifying the imposition of long sentences for organized crime offenders.¹⁵

3. Information Access Problems

The sources described above would provide information on specific organized crimes. But there may also be information on the overall organized crime problem in a jurisdiction, information which an agency uses primarily for administrative purposes. Budgets and manpower allocations have to be justified, and it is usually done by documenting the need; the administrator pulls together data on organized crime from people throughout the agency. Whereas an evaluator trying to obtain the same information from the same people might well be shunted aside with "I'm too busy to talk to you," this circumstance is unlikely to occur when an administrator needs the information to fight for an agency's budget or personnel. If such documents are available, they may be very useful in assessing the extent of organized crime activity in a jurisdiction.

Yet agencies dealing with organized crime rarely allow access to their information (regardless of its utility for evaluating a program or for justifying a budget), because they fear leaks through corruption, personnel changes, or legally-mandated release. There have been instances of leaks through corruption in which Federal investigative agencies, which had shared information with their counterparts at the state and local level (or even with other Federal agencies), found that

intelligence information had been leaked to investigative targets. Moreover, attorneys in prosecutors' offices often go into private defense practice after a few years of prosecutorial experience and can take with them a great deal of information about intelligence operations that would be useful to their clients. And concerns about the Freedom of Information Act have led agencies not under the law's jurisdiction to refuse to share information with those that are subject to it.

Other reasons for an agency's refusing to share information are more idiosyncratic. The surreptitious and sometimes dangerous nature of intelligence work generates a climate in which all information is tightly held, in which all "outsiders" are mistrusted; barriers of this sort are difficult to overcome. In addition, intelligence information not shared by others gives the holder of that information a certain power; the feeling of "I know something that you don't know" can be heady, and can be used to maintain a person's (or agency's) power over potential critics.

Thus, the reasons for restricting access to information are complex. But when the reason is fear of disclosure, the leaks and personnel changes which occur in the collecting agency as well as in other agencies make the fear of all other agencies appear misplaced. And most of the information described in this report is not sensitive, cannot be used to identify confidential informants, and will not adversely affect an agency's ability to carry out its duties. Thus there is no reason to stonewall an evaluation on the basis of confidentiality (although requests for evaluations will probably continue to be met by resistance).

4. Assessing the Harm

The information described in Section 2 above is useful in describing the nature and extent of organized crime in a jurisdiction. It can also be used to assess the overall harm, as well as the specific harm generated by different organized crimes. This assessment will permit a Strike Force to determine where to put its resources, by targeting those organized crimes which appear to afford the Strike Force the greatest potential for reducing harm to the jurisdiction. Although we defer a discussion of how the harm may be assessed to Section V, we stress its importance in determining a Strike Force's priorities.

B. Priorities and Target Selection

A Strike Force's priorities are based on a number of factors. Chief among these should be the nature and extent of organized crime in its jurisdiction, mediated by national priorities for organized crime enforcement. The extent to which other Federal, state and local agencies are active in an area is also important: if, for example, a state-run task force is making progress against chop shops, the Strike Force may decide to work in other areas. On the other hand, overlapping or competition between two agencies is not always dysfunctional.

Priorities are not always developed in a rational, dispassionate manner, but may be affected by media and political pressures. In some cases those pressures may be warranted, as when a particularly severe local problem is being overlooked because of the need to hew to national priorities; in other cases they may not be.

Priorities may also be based on the current caseload presented for investigation or prosecution by investigative agencies attached to the

Strike Force. Such a Strike Force can be accused of letting other agencies determine its priorities, so that its de facto priorities become whatever the investigative agencies' priorities are.

Structuring priorities formally can have ancillary benefits. If a Strike Force is inactive in a priority area, it may indicate that that particular crime is not a problem in the jurisdiction; that the participating investigative agencies are marching to the beat of a different drummer, pursuing their own priorities instead of those of the Strike Force;¹⁶ or even that Strike Force personnel are not adept at detecting or investigating that type of crime.

A Strike Force's priorities should be made known not only to its own personnel but also to its associated investigative agencies, in order to influence the "suppliers" of cases to a Strike Force. Having personnel from a number of investigative agencies is one of the advantages of the Strike Force concept, and Strike Forces should capitalize on it. Leads in priority areas can be generated by a non-Strike Force colleague's comment: "We can't handle this case, but it might be right up your alley," or, "Your statute gives you a better chance of getting a conviction." Advertising and marketing pays in enforcement, too.

Formal priorities, however, can also be a trap for an innovative and aggressive Strike Force head, since they are based on past and ongoing criminal activity rather than on emerging criminal trends. They should not inhibit a Strike Force from pursuing promising targets of opportunity or from exploring new areas of criminal activity, which may be the basis for the development of new priorities.

C. Strike Force Process Evaluation: Achieving Its Goals

Past evaluations of Strike Forces by the General Accounting Office have concentrated on their activities as prosecutorial organizations, with the primary measure of activity the number of cases or Case Initiation Reports (CIRs). The primary measures of effectiveness or outcome were based on aggregate measures, such as the fraction of cases resulting in conviction. Outcome measures will be discussed in the next section; in this section we focus on the Strike Force process.

The typical criminal case progresses along the lines shown in Figure 2. The process flows chronologically from investigation to indictment to prosecution to conviction, although a case may be dropped or turned over for civil action at any stage. This description, however, is too simplistic to apply to organized crime cases since it misses some of the more significant and interesting facets of the criminal justice process in organized crime cases. The following hypothetical situation (Figure 3) illustrates the limitations of this model.

Based on a lead from the state police, a Strike Force starts a preliminary investigation into labor racketeering in a local union. After a few months of exploration and interviews, a reliable informant is found and a Case Initiation Report (CIR no. 1) is prepared.

The information supplied by this informant leads to a court-approved wiretap of a union official's telephone which in turn provides additional information about labor racketeering, and also about a homicide, an extortion scheme, and a loan sharking racket, none of which are part of the labor racketeering activity. Three additional CIRs are prepared, numbers 2, 3, and 4.

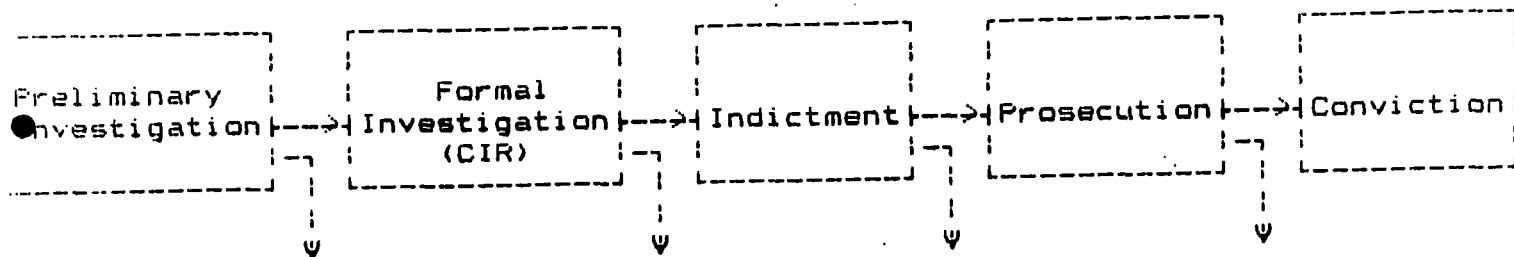


FIGURE 2: The Criminal Justice Process
for a Single Organized Crime Case

The informant is killed, which inhibits all other potential informants and witnesses from providing evidence on the labor racketeering case. As a result CIR no. 1 is closed. Furthermore, since there is insufficient evidence to go forward on the homicide case, CIR no. 2 is also closed.

An independent case, CIR no. 5, had been initiated based on a citizen complaint about police bribery. Although the bribery under investigation was unrelated to any of the other cases, further investigation showed that the same officers were accepting bribes from the individuals involved in the extortion and loan sharking rackets (which were the subjects of CIR nos. 3 and 4).

The three cases (nos. 3, 4, and 5) are thus merged into one, and indictments of two police officers and two union officials ensue. For evidentiary and other reasons, such as more reliable witnesses, the prosecutor focuses on the extortion charges. Two of the four defendants are subsequently convicted. Question: What is the conviction rate?

The answer least favorable to the Strike Force is twenty percent. After all, of the original five CIRs only one resulted in conviction. In fact, some might answer ten percent, since only half of the defendants were convicted. The most favorable answer, one hundred percent, is reached by crediting all five of the cases, since they were tied together and were therefore somewhat instrumental in bringing about the convictions. Furthermore, since the two cases that were closed were closed due to circumstances beyond the control of the Strike Force, the Strike Force should not be held accountable for "losing" them.

In fact, the question may be meaningless. The case-to-case interconnections in this hypothetical example preclude using a simple

"conviction rate" as a measure of effectiveness. And when a Strike Force's activities are even more convoluted than in the example, the inadequacy of conviction rate as a measure of effectiveness is more pronounced; for example, how does one treat a terminated case which is reactivated some years later?

One reason for the confusion about conviction rates is that the mental image of Figure 2 dominates thinking about criminal justice operations. Each case is separate, and is either successful (i.e., a conviction ensues) or not. But Figure 2 is an incorrect image for Strike Force operations. A more realistic image is shown in Figure 3, which illustrates the above example. In this figure the cases are clearly interconnected--some cases furnish leads for new cases, and at times they merge. When cases are terminated, the reasons for abandoning them are specified. An evaluation based on this mental image would afford greater insight into Strike Force activity and effectiveness.

We can borrow ideas from other fields to develop an evaluation plan for Strike Forces. In hockey, for example, a player is given points for assists as well as for goals. The logic behind this is compelling: if points are given only for goals, a player with poor position may be induced to shoot even if his teammate is in a better position to score. Thus, this "evaluation" system encourages teamwork.

An analogous case can be made for evaluating organized crime control efforts. If Strike Forces are given credit only for CIRs that result in convictions (an unfortunate implication of the GAO reports), they might be motivated to file only CIRs that are very likely to result in convictions, ignoring chancy cases. But as has been pointed out by

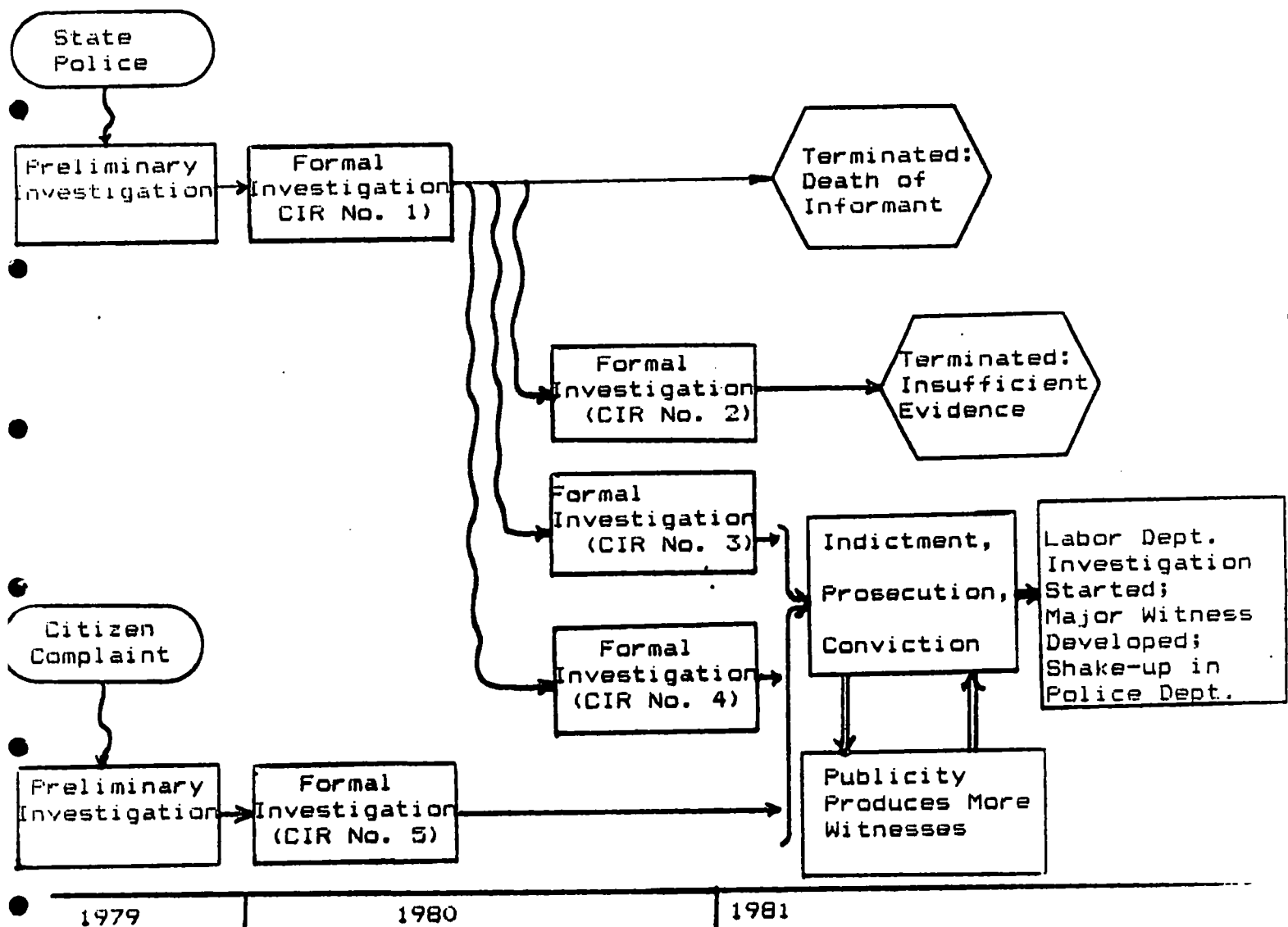


FIGURE 3. The Criminal Justice Process for Organized Crime Cases, Showing Case Linkages

Strike Force personnel, it sometimes takes a case to make a case, even if the original case bears no fruit in the form of convictions.

Therefore, another case outcome is the number of "assists" it provides--by supporting a successful conviction in another case, by helping to reduce the harm caused by the crime (e.g., through increased publicity or deterring the offenders)--whether or not the original case results in a conviction. Thus the "box score" for the above example would be as shown in Table 1.

TABLE ONE
SUMMARY OF COMPLETED CASES

<u>CIR No.</u>	<u>Type</u>	<u>Assists</u>	<u>Conv.</u>	<u># Conv./ # Tried</u>	<u>Other Results</u>
1	Labor racketeering	3	No*	-	Labor Dept.
2	Homicide	0	No**	-	Investigation
3	Extortion	0	Yes	2/4	started
4	Loansharking	0			& major
5	Bribery	0			informant developed

* Informant killed

** Insufficient evidence

As Table 1 indicates, an evaluation should include not just statistics but reasons for the dispositions. And as previously discussed, assists should be given (and described) for outcomes other than conviction by the Strike Force. The investigation may have caused the criminal activity to stop; it may have encouraged competition in an industry; it may have generated media attention and awakened public interest in the activity; it may have encouraged others to come forward with information on other cases; or it may have assisted another agency (at the Federal, state or local level) in obtaining a conviction or another desirable outcome. These byproducts of successful and unsuccessful cases should be documented as part of the evaluation. Exhibits VII and IX of Appendix B are suggested case transaction forms designed to capture these other case effects.

Figure 3 shows the interconnections among the five cases. Although this degree of interconnection will probably not exist in actual Strike Force case inventories, the degree of interconnection should be significant--in fact, intelligence systems are based on this phenomenon (Davis, 1981; Lupsha, 1982). Graph theory, a branch of mathematics, can be used to indicate the degree of connectedness among cases in a jurisdiction. For instance, in our hypothetical situation the degree of connectedness is sixty percent: Case 1 is connected to Case 2, 3, and 4; Cases 3, 4, and 5 are all interconnected; and there are a total of ten possible links (Figure 4). This can be construed as a measure of the extent of organization in the crime under investigation by the Strike Force--and if the cases have a very low degree of connectivity, one might question the necessity of a Strike Force in that jurisdiction.

This discussion also points out a methodological requirement. Most

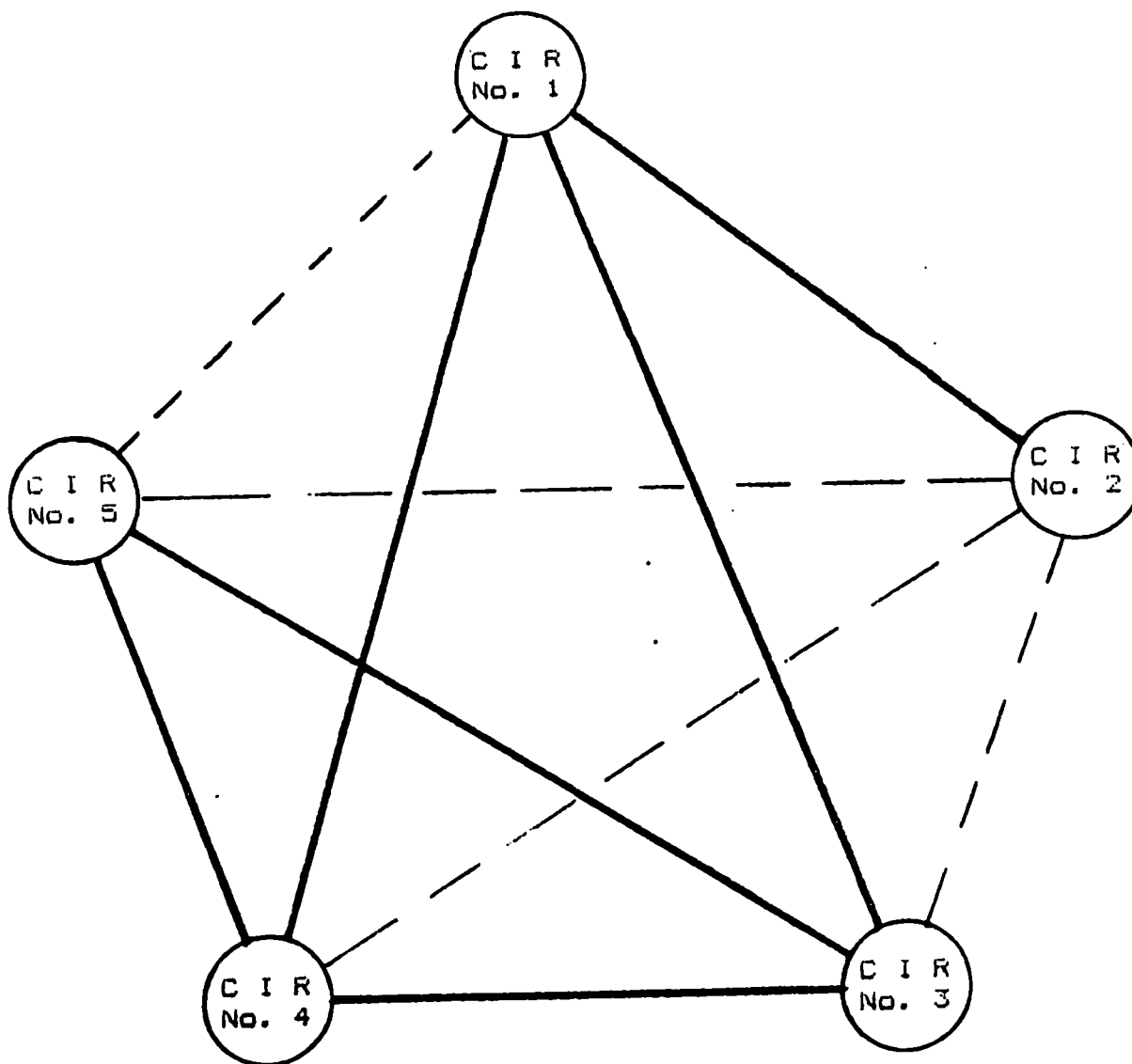


FIGURE 4. Linkages among the Organized Crime Cases
Depicted in Figure 3

evaluation studies use a random case selection procedure to guard against biased samples; GAO used this procedure in its evaluation of Strike Forces. In a study of the sort we propose, however, one cannot sample randomly. Since case-to-case linkages are so important, a sample that includes only one of a pair of linked cases would not tell the whole story. It would be equivalent to trying to study body kinematics by studying a random sample of muscles throughout the body. Studying all of the organized crime cases in a jurisdiction (or in a random sample of jurisdictions) is the appropriate approach. And considering the length of time it can take organized crime cases to develop and be investigated, the period under study, but not the study itself, should be reasonably long, perhaps five to ten years.

D. Impact of a Strike Force on Organized Crime

As discussed earlier, there are two ways to determine the impact of a Strike Force on organized crime. One way is to measure the change in overall harm caused by organized crime, and then to estimate the role of the Strike Force in this change. The other way is to look at the outcomes of Strike Force activities and determine their effect on the targeted organized crimes.

The former method has the virtue of being complete in its assessment of the harm due to all organized crime in the jurisdiction. However, the problem of attribution, of estimating the extent to which the Strike Force contributed to the change, is great since there are so many other factors involved. In some cases it may be possible to use comparative data from other jurisdictions, if considered carefully. For example, if the street price of heroin, relative to the prices in other jurisdictions increases after a major conviction, it may be that the

Strike Force has eliminated the major heroin supplier in the area. On the other hand, the Strike Force may just have eliminated the minor competitors of the primary suppliers, who are now cashing in on the windfall by raising prices.

The second method of estimating Strike Force impact on organized crime is more direct, since it traces the impacts directly from the activities of the Strike Force. However, it can overlook some of the possible indirect effects. For example, a labor racketeering conviction may have its primary impact on the union's governance, contracting policies, and pension plan. But it may also reduce loan sharking and gambling because these activities were controlled by the convicted racketeers, or because the new union officials no longer condone them.

Attribution is difficult here, too, especially if the harm continues. For example, when union officials are convicted for making sweetheart contracts, the practice does not necessarily stop. The same firms still want labor peace, and it is still cheaper to bribe union officials than to give wage increases to all union members; the conviction does not affect the "demand" for corruption.

Both methods of estimating Strike Force impact have their merits and drawbacks. An approach that uses both methods is preferred since they are largely complementary. This approach to evaluation is broader than the conventional one of counting convictions or computing average sentence length. The two GAO reports have shown that using these traditional measures as the primary measures of Strike Force effectiveness is counterproductive. First, it is tantamount to determining how well they are doing in their battles with no indication of whether the war is being won. Second, since all CIRs are given the

same weight, there is little indication whether the battles being fought are significant. Third, because no estimate of overall organized crime activity exists, it is unclear whether a Strike Force that is "successful" has achieved its success by taking on only the easy cases. An imperfect analogy can be drawn with the situation during the "beer wars" in Chicago. Capone's syndicate was happy to see the police convict its competitors, leaving it with a virtual monopoly in beer distribution. Police/prosecutorial statistics on bootlegging were impressive, but were meaningless if the overall goal had been to stop bootlegging.

E. Summary

From the preceding discussion it should be apparent that a credible and useful evaluation of Strike Forces can be accomplished. An accurate evaluation, however, depends on the assumption that we can estimate "how much" organized crime there is and how much harm each organized crime causes. Therefore, it is necessary to develop a means of measuring organized crime. In the next section we describe our approach, which is predicated on a harm-based measure of organized crime.

V. THE HARMS PRODUCED BY ORGANIZED CRIME

The term "harm" is too general to be useful for evaluative purposes. In some cases harm is direct and tangible: a person is killed, a factory destroyed. In other cases harm is less direct and more difficult to quantify: when an official is corrupted, is the integrity of the governmental process diminished? We can distinguish these cases by speaking of the different "harms" that are caused. These harms cannot simply be added: one murder plus a one million dollar loss plus one corrupt official is a meaningless sum.¹⁷ We will consider five different dimensions of harm, from the concrete to the abstract.¹⁸ They are physical harm--murder, assault, and other violent acts; economic harm--destruction or theft of property, loss of business, and increased prices due to a sweetheart contract; psychological harm--intimidation, coercion, and fear; community harm--damage to a community or neighborhood; and societal harm¹⁹--loss of confidence in government or in the economic system. Each is discussed in turn.

Not all of the organized crime-produced harms are intrinsic to illegal activity, especially in situations where the activity is permitted in certain settings and not others, as is gambling. The contradictions resulting from such ambivalence are also discussed, followed by a discussion of the general problem raised by this issue: how labeling an activity "organized crime" produces harms beyond the activity's intrinsic harm.

A. Physical Harm

Even for the seemingly most concrete of all harms, murder, the measurement of harm is not straightforward. Yes, bodies can easily be counted. But how is it determined that a given murder is a "gangland slaying"--are there any criteria, or is it essentially defined on an ad hoc basis? Rarely is there complete certainty, unless prior or subsequent information, perhaps from a wiretap, is available. We can, however, estimate the probability that the murder is organized crime-related and use it to obtain a weighted estimate of organized crime murders.

Aside from the physical harm of the death itself, an organized crime murder also contributes to economic, psychological, community, and societal harms. It is these harms that constitute the difference between an organized crime murder and, say, a death due to a traffic accident. If the murder is of a businessman who refused to pay tribute to an extortion ring, there is economic harm to his family and his business, and to the businesses of those who now are intimidated into paying the extortionists. The victim's family suffers psychological harm from the loss as well as from intimidation and fear, and other businessmen are also intimidated by his death. Community and societal harm result from people feeling that law enforcement agencies have failed them, and feeling too afraid to help these agencies investigate the crime.

In contrast, the organized crime-related murder of a mob member causes considerably less harm. It is more equivalent to the death of a soldier during wartime (which, in a certain sense, it is). But the ramifications of this death also go beyond the physical and

psychological harms associated with any death: since the authorities can rarely do anything about such murders, organized crime groups appear invincible, which further undermines public confidence in the authorities and contributes to community and societal harm.

Similar factors are present in assessing other physical harms, such as injuries due to assault or arson. An enumeration of the incidents should be augmented with descriptions of the economic, psychological, community, and societal harms they produce. Temporary physical injury could be measured in terms of the time it takes to recover, but permanent injury has no such convenient metric. However, health status indexes, such as those by Fanshel and Bush (1970) and Fryback and Keeney (1981), have been developed for other purposes. Schrager and Short (1981) also discuss the measurement of physical (and economic) harm using population surveys. These methods and scales can be modified for our purposes.

B. Economic Harm

The measurement of economic harm may appear at the outset to be simple, because dollars are a ready-made unit of measurement. In the case of many crimes that are mala in se--e.g., robbery, car theft, extortion, arson--one can conceive of putting a dollar value on the losses suffered by victims, at least for first-order effects. But practical matters of data collection intrude. Should items be valued at the wholesale cost, retail cost, replacement cost, or depreciated cost? This issue, however, can be resolved by calculating the loss as the victim's net projected dollar loss.

We may also be able to estimate the economic harm of some of the secondary effects--e.g., bankruptcy, increased insurance premiums, increased expenses for physical protection, the impact of burning down a business on employees or on a neighborhood's economy. However, when the crimes are mala prohibita--gambling, prostitution, drugs--the accounting becomes more difficult. Can we consider the voluntary purchase of these goods and services more harmful to the victims than betting at Off Track Betting parlors, than patronizing Nevada's legal brothels, than smoking or drinking or popping useless tranquilizers or vitamin pills? When it comes to the crime of corruption, this type of accounting becomes even more far-fetched. For example, when an organized crime figure purchases a "not guilty" verdict, the victims may be society at large; a victim-based measure of harm is not appropriate here.

For these reasons we suggest two distinct measures of economic harm--the economic losses to the victims of organized crime, and the economic gains to the organized crime enterprises. The two are not necessarily complementary, since economic losses sustained by the victims are not always translated into gains realized by organized crime groups. For example, property may be destroyed instead of being transferred. Or a transfer payment from a drug dealer to a corrupt public official will not produce a victim-based harm.

Economic gains to organized crime are singled out as a separate harm for another reason. In the antitrust field we recognize the increased danger to the United States economy presented by an economically powerful organized group. In the case of organized crime the danger is much greater because the economic leverage is in the hands of those who do not play by any rules but their own (Schelling, 1967).

This rationale is similar to that set forth in the Federal Racketeer Influenced and Corrupt Organizations (or RICO) statute (Blakey & Gettings, 1980), wherein the criminal enterprise is itself considered harmful. As Dintino and Martens point out (1980:68), "it is this vast concentration of power made possible through an ever-increasing demand which threatens the economic, political, and social stability of the community."

C. Psychological Harm

Intimidation and fear are fundamental characteristics of organized crime. That a prospective witness will have to contend with other members of the organization should he or she testify has kept potential informants from coming forward and, consequently, has kept many organized criminals out of prison. Witnesses who do testify pay a large price; fear forces them to move and change their identities, or to change their lives in less extreme ways.

The root cause of psychological harm is the fear of or potential for future physical or economic harm. For example, the psychological harm of an arson includes neighborhood residents' fears for their own lives or property and their fear that one arson presages others. These fears, in turn, affect the general perception of the integrity and safety of the community.

Psychological harms can be mitigated by actions of enforcement agencies. The Federal Witness Protection Program has been one such action, while others relate to specific investigations. Just knowing that the Strike Force is involved in an investigation can be reassuring to the victims. And in the wake of the publicity surrounding an

investigation, indictment, or trial, a Strike Force may find that witnesses are more willing to come forward, or that the public provides them with more leads. These are additional indications that psychological harm is diminishing, but again these indications are not easy to quantify.

Interviews of victims, witnesses, and those involved in an affected industry may be very helpful in determining the extent of psychological harm, as well as the psychological benefits of Strike Force activity. Investigators normally interview such individuals and obtain relevant information, but discard it because they are understandably more interested in making a case than in evaluating a program. Even keeping track of why witnesses come forward, by asking them, "What made you decide to come in and speak to us?," would be valuable in assessing psychological harm (Davis, 1983a). Another source of information on psychological harm might be more structured interviews of specific affected populations using survey research techniques.

D. Community Harm

Organized crime disrupts many aspects of a community. Arson can blight an area; an extortion/protection racket can harm an entire business community; and prostitution and drug dealing can cause a neighborhood to disintegrate. Infiltration of a legitimate business can also have a harmful impact: the use of muscle, kickbacks, or other illegal means to stifle competition adversely affects customers and competitors alike; reputable businesses look elsewhere for business, resulting in a worsening business climate.

Measurement of such community harm can be accomplished by surveying community residents and owners of businesses in the affected

neighborhoods or business sectors (Davis, 1983b). Other indicators of harm might be obtained by comparing real estate sales or rental data over time with data from similar but unaffected neighborhoods; by comparing gross sales receipts for businesses; and by analyzing bankruptcy data or data on contract awards. In other words, the social harms generated by organized crime often have a tangible economic impact on a community or business sector, and this impact can be estimated.

E. Societal Harm

In our interviews with Strike Force personnel throughout the country, the one overriding theme they stressed was the threat to governmental integrity posed by organized crime. When organized criminal groups make their own laws and subvert those written by elected officials, they threaten the social fabric of the nation (Edelhertz, et al., 1981). This harm is not only the most serious harm generated by organized crime, but it is also the most difficult to measure. How much more societal harm is generated if a judge is corrupted than if a water commissioner is bought?

Quantification is a stumbling block in assessing this harm. Initiating an investigation against a public official--regardless of whether it succeeds or whether a conviction ensues--may be more significant in reducing harm than any number of convictions for gambling, loan sharking, or labor racketeering.

Survey research might be quite useful in measuring societal harm (Davis, 1983b). However, it should be carefully applied. New York City residents might well have had a better impression of the integrity of their police department the year before the Knapp Commission disclosed

police corruption than they did the year after the disclosures. The department, however, was decidedly less corrupt afterwards.

Local variations as well must be kept in mind. Residents of some sections of a city may be highly affected by organized criminal activity—either because they are largely its victims, because they support it and are its base of power, because they fear it, or for all three reasons. Yet these residents may be the least likely to provide information about organized crime—leading to the erroneous conclusion that the most highly affected areas are the least affected. One of the goals of a survey would be to ascertain whether residents of an area heavily affected by organized crime have perceptions about organized crime that correlate with empirical evidence of actual organized crime activity (Kornfeld, et al., 1971).

F. Equivocal Aspects of Measuring Harm

A harm-based measure forces one to describe exactly what it is about these activities that mandates the use of the criminal sanction and the label "organized crime." For some crimes this poses no difficulty. An arson-for-profit scheme is abhorrent to all, and is replete with harms of all kinds. Gambling, however, presents a less clear picture. It is not illegal to bet with a friend from Philadelphia on the outcome of a Bears-Eagles game; after all, any "harm" caused is purely economic and entirely self-inflicted. Were we to place bets with local bookies in Chicago and Philadelphia, it might raise a few eyebrows, but not as much as in the past: although betting on professional football games through a bookie is illegal in both states, it is not illegal in all states. Furthermore, off-track betting is

legal in many places, and in both Illinois and Pennsylvania there are state-run lotteries.²⁰ If gambling is harmful, isn't it harmful regardless of where the bet is placed or the type of activity involved (whether the score of a basketball game or the price of November soybeans)?

There is, however, a difference. One cannot control midwestern farmers, the weather, and the demand for soybeans in Japan as easily as one can control the accuracy of a jump shot by a single player who is paid to shave points: "It's not whether you win or lose, it's the point spread that counts," goes the current cynical philosophy of sportsmanship. This is not to say that the prices of commodities or stocks cannot be manipulated in the same manner as the scores of sporting events--it is just a little more complicated, and various government agencies are charged with monitoring these markets and preventing illegal price manipulation.

According to some commentators, another harm often results from illegal gambling; it funds organized crime's investment in other, perhaps more harmful, criminal activities--such as drugs. This statement is questionable (see Reuter & Rubenstein, 1982). Manufacturing, importing and/or distributing heroin, cocaine, Quaaludes, etc., is very profitable in its own right, and the dollar cost of entry into these businesses is not that high. Furthermore, the profits are so great that it does not seem reasonable to suggest that gambling profits are needed to fund drug enterprises.

But there is a connection between gambling and drugs, although not necessarily the one implied by this statement. The connection is one that lies at the heart of much of the harm produced by organized crime:

the interlinking of different criminal activities to the benefit of all of them. It is not so much the money provided by illegal gambling, but rather the "connections," the ties to other criminal enterprises and to syndicates in other cities, that makes the activities mutually supportive, synergistic, and especially harmful. But this is true to a great extent, not because of the nature of gambling, but because gambling is considered an "organized crime."

G. Labeling and Harm

At this point we should distinguish between two aspects of harm. Some activities are labeled as crimes because they generate harm, other activities generate harm because they are labeled as crimes. The former activities are of course mala in se while the latter are largely mala prohibita. What types of harms do these latter activities generate?

Based on our experience with Prohibition and gambling we can enumerate those harms which are not intrinsic in the activity but rather due entirely to the activity being labeled as criminal. First among these is the societal harm of lack of respect for the law. A law strongly favored by a large segment of the population and strongly opposed by a large segment will generate tensions that can be detrimental to the fabric of society. Prohibition is the foremost example of this type of harm; some consider our present experience with marijuana laws to have similar repercussions.²¹

Second, the law generates other activities that may be far more harmful than the original activity. Corruption of law enforcement officials is always a problem in these situations. Because of the lack of serious substantive harm, some judges are inclined to be lenient to

transgressors. The police then see their jobs as exercises in futility: they must use unpopular undercover methods to make arrests, only to see the arrestees return to the street before they finish writing the arrest report. Corruption may only take the form of cynical nonenforcement, but in many cases it is manifested in the acceptance of payoffs by police, prosecutors, and judges.

A third repercussion of "labeling harm" is physical, economic, and social. A dangerous situation exists when a law is unpopular: the existence of a strong market and the lack of a legitimate organization to cater to the market inevitably leads to the entry into the market of criminal organizations. Competing with these organizations is "restricted by law"; no legitimate business competes with them. And as we have seen, monopolistic control of the market often evolves: with no Federal Trade Commission or antitrust laws to hamper them, the strong literally kill off the weak or, by informing on their competitors, use the law to remove them (Andrews, et al., 1982). The group that emerges victorious from this Darwinian exercise reaches the top by being the most vicious (physical harm) or by having the best connections to law enforcement (societal harm) or, more likely, for both reasons.

H. Summary

In this section we have described the different types of harm generated by organized crime. We have also discussed some of the benefits and difficulties that arise from using a harm-based measure of organized crime. The next section confronts these issues more directly by cataloging the harms produced by typical kinds of organized crimes.

VI. CATALOGING HARMS

In this section we will enlarge upon the general characteristics of harm described in the last section, by detailing representative organized crimes in terms of the many different harms they produce. Our descriptions will be of the crimes themselves, not of ancillary crimes. For example, murder and assault often accompany extortion; however, extortion by itself does not cause any physical harm and will not be described as causing physical harm.

Although it may appear to be a pedestrian task to list all of the types of harms that result from various organized crimes, this list is useful as a checklist to remind those involved in evaluating organized crime control efforts to consider all aspects of harm when making assessments of organized crime programs.

A. Arson-for-Profit

Arson, especially arson-for-profit, is one of the most harmful crimes. In its worst manifestation it can kill and maim scores of people, create severe economic and psychological problems for its victims, and greatly harm a community's social environment.

An ideal arson-for-profit fire is one in which only the targeted building is burned, all evidence of arson (e.g., traces of an accelerant) is destroyed with the building, and there are no casualties. As the term "arson-for-profit" implies, economic gain is the sole motive; there is no desire to harm anyone. However, the ideal is rarely achieved. Since the goal of the fire is the total destruction of a building, it must burn quickly--before the fire department can respond

and reduce the damage--and thoroughly. This ordinarily means that it burns out of control, with great potential for the destruction going far beyond the targeted building.

1. Physical Harm

An arson can be responsible for many deaths and injuries. People in the targeted building or in adjoining buildings may be killed or injured by the fire. Firefighters may also be killed or injured--in fact, because of the speed and destructiveness with which set fires frequently burn, the potential for casualties among firefighters may be greater than in ordinary fires. Thus, physical harms may include the death and permanent or temporary injury of residents, employees, neighbors, and firefighters.

Victims are ordinarily innocent of any connection with the fire and have no warning of danger; they can do nothing to protect themselves beforehand. And the victims often suffer considerably; death by fire is rarely instantaneous and even nonfatal burns leave victims in great pain.

2. Economic Harm

Victims of arson suffer considerable economic loss. Families of victims lose the income the victims would have earned. If the income is insured, the loss is borne by other insureds. Medical costs fall in part upon the victims and their families, in part upon other insureds. Home or store furnishings and other property of tenants are destroyed or damaged; in addition to the direct loss, there are the costs of the time and money spent to acquire replacements and of dislocation and having to

move to new accommodations.

If the building contains commercial enterprises, additional costs include the loss of customers and employees' loss of jobs, which may cause enterprises to go out of business.²² Insurance premiums in the area will probably rise due to the fire. The cost of the fire and police departments' response to the fire is another aspect of arson's economic harm.

Arson results in economic gain to the property owner and to the fire-setter. These gains increase the economic power of organized crime syndicates, their capabilities, and the danger they pose in other spheres of criminal activity.

3. Psychological Harm

The fear that one might be engulfed in flames while sleeping or at work does not ordinarily occur to people. To those who have been the victims or near-victims of a fire, this nightmare is not unusual. Many suffer ill effects for extended periods of time. And since the violence is not directed specifically against any individual, these fears increase: an unanticipated attack cannot be prepared for or guarded against.

4. Community Harm

Not only the direct victims, but also the community as a whole suffers from arson-for-profit. An immediate effect is the damage it causes a neighborhood. A vacant, gutted building on a block can send property values plummeting, which is an economic harm. This can turn

into a community harm as well, by driving tenants, prospective property owners, customers and others away from the neighborhood. Responsible tenants may be replaced by less responsible tenants, and good businesses by marginal ones. A snowballing effect can occur very rapidly, producing a blighted neighborhood in short order.

5. Societal Harm

An additional harm is the effect arson has on respect for and confidence in law enforcement. Arson-for-profit is often an obvious crime; some hotels in summer resort areas seem to suffer periodic fires in the off-season, leading to their phoenix-like resurrection the following summer. However, since it is difficult to prove, first that the fire resulted from arson and, second that the arson was planned by the building's owner, the offenders often go unpunished. If something as obvious and dangerous as arson can be brought off with impunity, then law enforcement authorities are seen as either helpless or corrupt.

B. Assault and Murder

Assault and murder by organized crime usually accompany other offenses. They are used for settling internal arguments since disputants do not have recourse to legal dispute resolution and penal mechanisms (Reuter, 1983). They are used to obtain "customers," as in extortion. They are used to penalize late-paying debtors in loan sharking and bookmaking. They are used to prevent competition in union elections to further labor racketeering. They are used to minimize competition in "legitimate" activities, as in bidding on construction contracts or scavenger routes.

1. Physical Harm

The same physical harms described under arson-for-profit occur in this category, although the means of achieving those harms is different. For the most part, guns and beatings produce the harms.

2. Economic Harm

The families of those who are killed or disabled suffer the economic loss of the income the victim would have earned. Medical costs also burden the victims and their families to the extent of insurance coverage.

3. Psychological Harm

Using violence to maintain their power, organized crime syndicates have succeeded in convincing many that they operate with impunity. To inform on their activities is to court death or disaster for the informant and his or her family. The public impression is that one cannot hide from organized crime. This apparent omnipotence of organized crime syndicates generates considerable fear for those who are involved in organized crime activities either voluntarily (e.g., as customers of loan sharks, bookmakers, or arsonists) or involuntarily (e.g., as witnesses to crimes or as victims of extortion or other schemes).

4. Community Harm

The nature of the victim and the reason for the violence largely determine the extent of community harm caused by assault and murder. If the victim is a customer, there may actually be a social benefit, since other potential customers may be frightened away. If the victim is a

businessman who was attacked to teach others a lesson, the neighborhood or the business community may be affected significantly.

Although some may consider it a community benefit when gang members kill each other in internecine warfare, this cynical attitude places an inordinately low value on another person's life and on the suffering it causes the person's family. This attitude also masks the ineffectiveness of enforcement activity in controlling organized crime violence, and ignores the fact that those who rise by violence are less reticent to continue using it.

5. Societal Harm

Elected governments are invested by their citizens with a monopoly on the legal use of coercive force in order to enforce laws enacted by the citizens' elected representatives. The object of this arrangement is to put clearly defined limits on the use of this force, and to protect citizens from illegal uses of coercive force. Thus the confidence of the citizenry in their government is diminished when they see organized crime syndicates using violence to maintain internal discipline and to further their criminal activities; they are not being protected. The "social contract" between man and state is weakened to the extent that organized crime is seen as an alternative government (as in Mafia-dominated Sicily). This alternative government seems impervious to legal authorities, even to the extent that members can literally get away with murder.

C. Auto Theft and Chop Shops

Organized auto theft rings supply either stolen cars or stolen

parts to customers. Since changes in the way cars are given identification tags and numbers have made it more difficult to provide a stolen car with a "clean" identity, the preferred market nowadays seems to be the parts market. What makes this illegal market viable is the price of automobile parts. It has been said that the purchase price of an automobile part by part, unassembled, would be over three times the cost of the assembled and tested car. Market anomalies like this, which benefit automobile manufacturers, insurance companies, salvage yards, and organized car theft/chop shop rings alike (and are at the expense of the consumer), cause this activity to be very profitable.

1. Physical Harm

No physical harm per se is generated by these crimes, although a number of gangland-style murders in Chicago over the past few years have been attributed to rivalries among different auto theft/chop shop operations and the local syndicate.

2. Economic Harm

Most automobiles that are stolen for parts or resale are the more expensive models, and therefore most are insured against theft. Consequently, the bulk of the direct loss from the theft is normally passed on to all policy-holders in that community who insure with the same firm. Additional costs include the expenses incurred by the criminal justice system.

3. Psychological Harm

No psychological harm is associated with auto theft/chop shop activity.

4. Community Harm

Since this activity has little effect on a neighborhood or a community, the community harm it generates is minimal.

5. Societal Harm

An auto theft/chop shop ring cannot work effectively without the cooperation and complicity of associated businesses and businessmen, including body shops, salvage yards, used car dealers, and insurance claims adjusters. This complicity fosters corruption in the private sector, creates unfair competition with legitimate businesses, and erodes people's trust in legitimate business.

D. Distribution of Illegal Drugs

In analyzing the harms attributable to the illegal drug market we are immediately confronted with the problem alluded to earlier, that of distinguishing between an activity's intrinsic harm and its "labeling harm," the harm that occurs solely because the activity is criminal. Many have pointed out that crime syndicates received their greatest boost from and were the primary beneficiaries of Prohibition, and that our current drive to curb the drug traffic is similar in many ways to our obsession with curbing the traffic in alcoholic beverages in the 1920s.

1. Physical Harm

The fact that the victim of this activity is a voluntary consumer of drugs makes one question whether drug distribution has intrinsic harm. By considering a "hard" drug such as heroin, however, we may answer this question.

Specifically, heroin is a highly addictive drug. An addict denied the drug undergoes intense physiological withdrawal symptoms. Continued use may permanently impair an individual's physical and intellectual abilities.

Some of the physical harm, however, occurs precisely because the drugs are illegal. The Food and Drug Administration is charged with ensuring the quality of legal drugs; no such protection exists for users of illegal drugs, who may suffer death or injury due to overdoses, impurities, poisoning, or mixtures of drugs that would not have occurred had the drugs been legally obtained.

Even though drug usage is the choice of the consumer, if the consumers are under age the concept of choice is meaningless. Physical harm without a reasoned choice, therefore, is a reality for a significant segment of the user population.²³

We should leave it to the judgment of others (pharmacologists, physicians, physiologists, and psychologists) which proscribed drugs would be intrinsically harmful if made legal and distributed under controlled conditions.

2. Economic Harm

With respect to economic harm, a similar situation exists in deciding whether the harm is intrinsic or due to labeling. It is undoubtedly true that profits of the drug trade are plowed back into the trade and other criminal ventures, thus expanding the economic power of criminal syndicates. Another type of economic harm, often associated with drug distribution, is the commission of crimes to obtain money to buy drugs, which is primarily a labeling harm. It stems from what Packer has called the "crime tariff," artificially high prices of illegal substances, because the drugs are illegal. In addition, the use of the illegal drugs causes users to consider themselves on the wrong side of the law with no compunction about breaking it again. On the other hand, Chaiken and Chaiken (1982) have found indications that offenders do not commit crimes because of drug dependency; rather, their drug use is just another facet of their way of life.

3. Psychological Harm

It is difficult to disentangle the physical from the psychological effects of drugs upon their users. Therefore, the same arguments (and weaknesses in the arguments) for physical harm apply here as well.

4. Community Harm

Drug dealers are attracted to weakly organized neighborhoods, where there is an apparent lack of community concern. Their presence exacerbates neighborhood weaknesses and increases the tendency of the area to become disorganized and blighted.

5. Societal Harm

Public corruption, primarily of the police (but also of prosecutors and judges), is strongly associated with large-scale drug dealing in a community. Revelations of the Knapp Commission in New York City and, more recently, the trial of Chicago police officers have reinforced the public's perception that no significant drug dealing occurs without police complicity and corruption.

E. Extortion/Protection

Extortion or protection is obtaining money or other economic benefits from an individual or business through threats. The threat may be physical, such as a threat to harm a person or his or her family, or to bomb or set fire to a person's business. The threat may also be economic, such as a threat to set up illegal picket lines to harass employees and customers.

1. Physical Harm

Although physical harm often accompanies extortion, it is not always necessary. Most often the threat alone (i.e., psychological harm) is enough to succeed in extortion.

2. Economic Harm

The economic harm to the victims is the increased cost of doing business for those who pay protection. Should the threat be carried out, other economic losses will result.

However, a broader economic harm may also result. Juvenile gangs and prison gangs reestablished outside prison walls use extortion as a

means of building an economic power base, which is then used to finance other organized crime activities.²⁴ Extortion can thus be seen as a common activity both for groups not ordinarily labeled "organized crime" and the more traditional organized crime groups.

3. Psychological Harm

The threat is crucial to the success of an extortion scheme. Whether the threat implies physical or economic harm it engenders fear in victims—fear for their persons, their families, and their businesses. And should the threatened actions materialize, owners of other as yet unaffected businesses would then fear that the same fate might befall them.

4. Community Harm

Victims of extortion are often afraid to go to the police believing that the police can do little to prevent the threat from being carried out (which is sometimes the case). Insofar as this occurs, it fosters a feeling that the police are powerless and that extortionists can operate with impunity. Schemes of this sort usually take root most strongly in areas where the police are not very popular in the first place and where cooperation with the police is not a foregone conclusion. In such neighborhoods the erosion of confidence in the police is even greater.

5. Societal Harm

Since the role of the government is to protect individuals from crime, insofar as an individual feels it necessary to pay others for

protection, the public's confidence in government is undermined.

G. Illegal Gambling

1. Physical Harm

No physical harm is associated with illegal gambling.

2. Economic Harm

Illegal gambling profits benefit criminal syndicates, which increases their economic power. But this should not be taken to imply that syndicates control all illegal gambling in a jurisdiction. See Reuter and Rubenstein (1982) for empirical evidence to the contrary, and Reuter (1983) for an explanation of the organizational structure of illegal gambling.

3. Psychological Harm

No psychological harm is associated with illegal gambling.

4. Community Harm

Some forms of illegal gambling, such as numbers and bolita, may have a detrimental impact on a community; however, this adverse impact may result more from the strain that gambling puts on an already poor community than from any harm inherent in gambling itself.

5. Societal Harm

Because gambling involves repeated meetings between retailers and customers as well as overt advertising for new customers, its activity

patterns can be discerned by citizens and investigators alike.

When the activity continues unabated, it engenders a disrespect for the law and for enforcement agencies.

H. Public Corruption

A concomitant of many organized crimes is the corruption of public officials. It is essential for the commission of some crimes, useful for most others. In some cases officials are targeted and corrupted by members of the criminal enterprise, in others officials come into office intending to use their office for private gain.

1. Physical Harm

No physical harm is associated with this crime.

2. Economic Harm

Economic harms result from corruption producing an inequitable distribution of benefits, an improper decision (such as decisions on contracts or in trials), or the sale of sensitive information, such as whose phone is tapped or who is under investigation. The exact nature of the harms depends upon the authority of the corrupt official and how the official abuses this authority.

3. Psychological Harm

Psychological harm is not normally associated with corruption, although those affected by it (e.g., the victim of an offender who buys a not guilty verdict) may experience such harm in specific cases.

TABLE 2
CATALOG OF HARMS FOR SELECTED OFFENSES

Offense	Physical Harm		Economic Harm			Psychological Harm	Community Harm	Societal Harm
	Perm.	Temp.	Direct	Indirect	\$ to OC			
Arson for profit	**	**	**	**	-	**	**	*
Assault/ murder	**	**	*	*	-	**	*	*
Car theft/ chop shop	-	-	*	*	*	-	*	-
Drugs	*?	*?	-	-	***	*?	**	**
Extortion/ protection	-	-	*	*	*	**	**	*
Illegal gambling	-	-	-	-	*	-	-	-
Public corruption	-	-	-	*	*	-	*	***

- No harm of this type is generated
- *? Some harm of this type may be generated
- * Some harm of this type is generated
- ** Significant harm of this type is generated
- *** Very significant harm of this type is generated

VII. IMPLEMENTING THE EVALUATION DESIGN

The previous sections described the background and some of the characteristics of the proposed evaluation design. As should be apparent from the discussion, implementation of the evaluation is not a straightforward matter of application. Although for some aspects of the evaluation this might be the case, for others, the development and testing of new forms will be necessary; for still others, more clarification of evaluative concepts is needed before implementation can be considered.

There are a number of reasons for proceeding in phases. Organized crime control is a new area for applying evaluation research, prior efforts to the contrary notwithstanding. It entails work in a sensitive area, one in which data collection may prove to be a major, perhaps insoluble problem. Furthermore, some of the concepts in our evaluation design, which have proved useful in other contexts, have never been applied to program evaluation. Problems as yet unknown may be associated with their implementation.

For these reasons we recommend that implementation of the evaluation proceed in three phases, using a single Strike Force or other organized crime control unit as a test site. In Phase 1 the evaluation should concern itself with producing rough measures of effectiveness. Phase 2 should focus on the development, testing and refinement of measurement instruments, and on cataloging the varieties of harm produced by organized crime. In Phase 3 work should center on the development of a multiattribute utility function. These phases will overlap chronologically since they all use the same information.

A. Phase 1

Table 1 and Figure 3 in Section IV are representative of the measures of effectiveness to be employed. Basically, material relating to each case (or "investigative matter," to use FBI terminology) should be reviewed from the inception of an investigation to the final disposition of the case. Obviously, not all of the extant material will be available to the evaluators; legal and privacy restrictions will limit its availability. But the available information, coupled with interviews of Strike Force personnel, should permit us to identify:

- o case genesis--under what circumstances was the investigation initiated, what agency or individual provided the information, and why?
- o case milestones--when were specific actions taken (CIR prepared, wiretap authorized, grand jury presentation, indictments handed down, etc.) and why?
- o case outcomes--what was the outcome of the case itself, and what other results are attributable to the case, such as leads or evidence in other matters, or increased public awareness?
- o additional information, such as the reasons behind the specific actions that were taken, or ways in which the Strike Force has tried to obtain additional results from the case.

B. Phase 2

Exhibits I and II are suggested forms (or "measurement instruments") for obtaining information about, respectively, the nature and extent of organized crime in a jurisdiction and the transactions and other characteristics of a particular Strike Force case. The first form will provide information on the overall harm caused by organized crime in jurisdiction. The second form will provide data on the effect of Strike Force actions as well as information on case linkages and "assists" not presently recorded. It should facilitate the compilation of information for Table 1 and Figures 3 and 4.

These forms have not been tested for completeness, comprehension or ease of administration. They will be revised as needed in consultation with personnel from Strike Forces and from the Organized Crime Section of the Justice Department, and will then be administered in a selected Strike Force. They are intended to supplant the historical data-gathering of Phase 1 by providing the same information on current cases, gathered while it is still fresh in the minds of Strike Force personnel.

C. Phase 3

This is the most "researchy" phase of the three, but potentially one of the most fruitful. As has been pointed out earlier, one cannot add disparate harms (one homicide plus a \$1 million theft) to obtain the overall harm. However, techniques have been developed to use the subjective assessments of knowledgeable people to estimate harms which differ in magnitude and type. Some of the questions that have been tackled through this technique are profound and disturbing, to say the least. For example, in considering a nuclear accident, is it more desirable to have a situation in which there is a fifty percent chance that two people will be killed or in which there is one chance in a million that all one million people in a city will be killed? Is a plant producing 200 tons of radioactive waste annually preferable to one spewing out 2000 tons of lead and one million tons each of soot and sulfur dioxide annually into the atmosphere?

The ability to combine disparate harms does not mean that the questions addressed have "answers." However, the reliance on consensus enables questions of this sort to be put into an overall framework called a multiattribute utility function. The various attributes we are concerned with are the different harms associated with organized crime. In the nuclear power plant example, the attributes to be fit into the utility function include the consideration of deaths, aesthetics, water usage, pollution, geology, and ecology. A utility function designed to address organized crime would incorporate the various harms discussed in this paper.

Utility functions are a means of handling changes of scale in variables that in fact are changes in kind. These changes in kind are subjective, but not arbitrary.²⁵ For example, dollars have different utilities depending on the circumstances: since increasing one's wealth from \$100 to \$200 has far greater "utility" than increasing one's wealth from \$1,000,000 to \$1,000,100, a millionaire would not be as inclined to go out of his or her way to make \$100 as would an impoverished person.

A utility function is developed by eliciting from experts their subjective utilities when confronted with a variety of situations. When this process is completed for several different attributes, the resulting multiattribute utility function permits variables that are not normally commensurate to be commensurable through their utilities.

One may argue that this reasoning is fallacious since no formula can be devised to equate dollars with lives. However, decisions with regard

to both variables are made every day, and it is assumed that they are made rationally and logically--e.g., to invade or to attempt to retake the Falkland (or Malvinas) Islands. To take a less bellicose example, some Canadian provinces have mandatory seat belt laws that have been shown to save thousands of lives annually. In this country lawmakers have apparently decided that the costs of passing a similar law include possibly being voted out of office, further burdens on an economically depressed industry, the encroachment of the government on an individual's freedom of choice, and the cost of enforcement. The legislators may feel that these costs outweigh the cost of the deaths. Even though this "decision" is passive in that the alternative to passing a law is doing nothing, it is still a conscious decision involving physical, economic, psychological, and community harms. The multiattribute utility function linking these harms may be complex, but it exists. Examples of its usefulness are found in airport siting (Keeney and Raiffa, 1976), nuclear power plant siting (Kirkwood, 1981; Keeney and Robillard, 1977), assessing alternative energy policies (Keeney, 1977), and developing an index of trauma severity (Fryback and Keeney, 1981). We feel confident that it will also prove useful in the development of an index of organized crime harm.

Before this phase can be started, descriptions of the types and extent of harms caused by organized crime must be developed. This task may be accomplished during the case review and information gathering tasks in Phases 1 and 2. Subsequently, material based on these descriptions can be prepared and a meeting of experts (Strike Force chiefs and others) convened to consider the development of a scale of harms.

Such a scale would be of limited direct application; we do not foresee reaching the point where we can say, "Organized crime has been reduced by 6.2 percent this past year." However, it will be useful in a number of other ways. Those charged with enforcing the relevant laws will be able to allocate their resources more effectively. They will be able to gauge changes in an area's organized crime activity more easily, perhaps not with numerical precision but at least with sufficient accuracy to let them know whether things are getting better or worse. They will be able to document and thus justify these estimates. And they will have some useful indicators of the effect of enforcement on those criminal activities they target.

VIII. CONCLUSION

This report has described factors necessary for the development of an evaluation of the Organized Crime Strike Force Program. It has discussed the rationale for assessing the overall harm attributable to organized crime, the way priorities are determined by Strike Forces, and the way Strike Force actions can be assessed in terms of how they contribute to reducing harm. It has proposed various forms for collecting information to be used in the evaluation, and a plan for implementing the evaluation measures.

The proposed implementation strategy recognizes the limitations of this evaluation plan. While it has benefited greatly from the comments of officials of Strike Forces and other enforcement agencies, only a limited amount of case file analysis has been performed. To ground the evaluation more firmly in reality more organized crime cases must be analyzed. The phased approach to implementing the evaluation plan is designed to accomplish this, while at the same time providing preliminary evaluation data for Strike Force use.

APPENDIX A
EXHIBITS FOR DATA COLLECTION

The appendix contains nine exhibits in the form of questionnaires for data collection. Their purpose is to collect information which can be used to assess the extent of harm caused by organized crime in a jurisdiction, whether the harm is physical, economic, psychological, community or societal; to assess the extent to which this harm is caused by specific organized groups; and the extent to which law enforcement efforts reduce this harm. Information developed by debriefing witnesses and informants in organized crime cases can be used as a source material and supplements to the questionnaires.

There are some dangers to the promulgation of questionnaires. They have a way of becoming "cast in concrete" and used regardless of their applicability, especially when coming from an official source. When specific questions are inappropriate, those filling out questionnaires will not only ignore them but will also wonder about the competence of the person administering it. These inappropriate questions should be replaced by more appropriate ones that provide the correct information. Readers are urged to scrutinize the questions carefully and adapt the questionnaires to their own situation to make them more useful. The questionnaire must be administered by someone knowledgeable about organized crime, preferably a skilled intelligence analyst.

Another shortcoming of these questionnaires is that they only cover five different organized crimes--arson, illegal bookmaking, numbers, loansharking, and illegal drug distribution; they do not cover all manifestations of organized criminal activity. An alternative approach

is to use one questionnaire for all organized crimes; however, this approach forces one to use questions that are so vague as to render them useless. It is not possible in a document of this nature to develop questionnaires for all crimes; but using the five as examples, the reader should be able to adapt the concepts behind the questionnaires for specific questionnaires about other organized crimes.

The following exhibits are included in this appendix:

- o Exhibit I: Information Concerning Organized Crime Groups
- o Exhibit II: Arson
- o Exhibit III: Illegal Bookmaking
- o Exhibit IV: Loansharking
- o Exhibit V: Loansharking
- o Exhibit VI: Illegal Drug Distribution
- o Exhibit VII: Case Transactions
- o Exhibit VIII: Victimization Information
- o Exhibit IX: Case Outcomes

Exhibit I

INFORMATION CONCERNING
ORGANIZED CRIME GROUPS

Please provide the following information for each organized crime group in your jurisdiction.

Identity of Group

1. Does this group have a "formal" name by which it is known—e.g., Hell's Angels, la Nuestra Familia?

Yes _____ Name _____

No _____ Then by what name do you identify it? _____

2. Does this group operate in other jurisdictions as well as yours?

Yes _____ Locations _____

No _____ Which is its primary location? _____

Dk* _____

The following questions refer to the group's activity in your jurisdiction.

3. Is there a formal "membership" status; that is, does a person know whether he is "in" or "out" of the organized crime group?

Yes _____ Approximate number of members _____
associates _____
others (?) _____

No _____ Approximately number in group _____

Dk* _____

- 3a. Are there formal titles (e.g., secretary, treasurer, lieutenant colonel)? If so what are they?

Title	Approximate number
_____	_____
_____	_____
_____	_____
_____	_____

* Don't know

4. Are certain professionals (e.g., lawyers, accountants, bondsmen) associated with this group in its business activities?

Yes _____	Profession _____	Nature of professional relationship _____
No _____	_____	_____
	_____	_____
Dk* _____		

Group Cohesiveness

5. Do members have certain traits in common (e.g., blood ties, ethnicity, prison sentence, race, religion)?

Yes _____	Traits _____
No _____	Then what holds them together? _____

- 5a. [Same question for "most associates"]

6. Are ceremonies or rituals involved in the organization, e.g., when inducting a new member?

Yes _____	Nature _____
No _____	

7. Aside from 6., are there any other activities or requirements that promote group cohesiveness?

Yes _____	Nature _____
No _____	

Group Evolution and Activity

8. Approximately when did this group come into existence? 19____
9. When did it first come to the attention of enforcement officials as a distinct organized crime group? 19____
10. In which activities was it originally involved?

Activity _____	Year activity ceased (or "ongoing") _____
_____	_____
_____	_____

11. In which activities is it currently involved, and to what extent?

Activity	Regular (how frequently?)	Sporadic	Approximate annual net revenue
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Group Leadership

12. About how many members appear to be involved in decisionmaking?

13. Have there been any changes in leadership during the evaluation period?

No _____

Yes _____

Describe the cause of changes (e.g., death, prison, dissension); include whether the changes were peaceful or violent. _____

Exhibit II

ARSON

Extent of Organized Crime Involvement in Arson

1. In your jurisdiction in the past year, in how many arsons is organized crime involvement suspected or known? _____

Out of how many total arsons?* _____

Out of how many fires of suspicious origin?* _____

2. Of the arsons attributed to organized crime involvement, in what types of premises did they occur (e.g., stores, apartment buildings, private residences, etc.)?

Types of premises	Number
_____	_____
_____	_____
_____	_____

3. Of the arsons attributed to organized crime involvement, on what basis is organized crime involvement suspected or known?

<u>Basis</u>	<u>Number</u>
Informants	_____
Property	_____
Known offenders	_____
Other	_____

* This information should be obtainable from the appropriate fire departments and arson investigation units.

Complete this part of the form for each arson in which organized crime involvement is suspected or known:

4. What is the likelihood that this was an arson (0-100%)? _____
5. What is the likelihood that an organized crime group was involved in this arson (0-100%)? _____

Basis for this judgment _____

6. What was the apparent motivation for this arson (e.g., profit, revenge to promote an extortion operation). _____

7. Were there any permanent injuries? No _____

Yes _____ Description of each, and to whom (e.g.,
firefighters, residents)

8. Were there any temporary injuries? No _____

Yes _____ Type, and to whom Days to recover

Physical Harm

9. Direct economic loss

Type of loss	Targeted Property	Amount covered by Insurance	Neighboring Property	Amount covered by Insurance
To buildings	_____	_____	_____	_____
To goods	_____	_____	_____	_____
To personal property	_____	_____	_____	_____
Other	_____	_____	_____	_____

10. Extent of indirect economic loss (e.g., jobs lost, increased insurance costs, businesses closed temporarily or permanently, people displaced).

Type	Number affected	Estimated loss
_____	_____	_____
_____	_____	_____
_____	_____	_____

11. Estimated economic gain to organized crime group:

Direct (explain) _____
Indirect (explain) _____

Psychological Harm

12. Were there any specific instances of psychological harm attributable to this arson (e.g., to victims, neighbors or their families)?

No _____

Yes _____ Describe _____

Community Harm

13. Were there any indirect effects of the arson on the community (e.g., increased social disorganization (or organization), more mobility among tenants, more property turnover, lower property values).

No _____

Yes _____ Describe _____

Societal Harm

14. Were there any indirect effects of this arson (or arson in general) on respect for the law and confidence in law enforcement?

No _____

Yes _____ Describe _____

Exhibit III

ILLEGAL BOOKMAKING

Extent of Organized Crime Involvement in Illegal Bookmaking

1. In your jurisdiction, how many separate illegal bookmaking enterprises are there?
2. Of these, how many are suspected or known to be associated with organized crime groups? _____

What is the nature of the association?

<u>Nature of link to OC group</u>	<u>Number</u>
Principal(s) in OC group	_____
Direct control	_____
Banker	_____
Layoff	_____
Tribute payment	_____
Other	_____
(explain)	

3. Of the organized crime-associated illegal bookmaking enterprises, on what basis is organized crime association suspected or known?

<u>Basis</u>	<u>Number</u>	(each enterprise may be associated with more than one source of informants)
Informants	_____	
Raids	_____	
Surveillance	_____	
Other	_____	
(explain)		

Societal Harm

4. Has any fixing of sports events been suspected in connection with illegal bookmaking in this jurisdiction?
No _____ Yes _____ Explain _____

5. Has any official corruption been suspected in connection with illegal bookmaking in this jurisdiction? e.g., shakedowns by police of bookies?
No _____ Yes _____ Explain _____

Complete this part of the form for each illegal bookmaking enterprise, whether or not organized crime association is suspected or known.

6. What is the likelihood that an organized crime group is associated with this illegal bookmaking enterprise (0 to 100%)? _____
Basis for this judgment (describe all sources information and their reliability). _____

Physical Harm

7. Has any physical harm been associated with this enterprise in past year?

No _____ Go to question 10
Yes _____

8. What precipitated the incident(s)--e.g., nonpayment of debts by customers, territorial dispute or other dispute between competitors, attempts to force syndication on independents?

9. For each individual harmed, what was the nature of that person's association, what was the extent of physical harm, i.e., whether (a) killed, (b) permanently injured (describe), or (c) injury was temporary (describe and give days needed for recovery).

Economic Harm

10. Estimate annual gross revenue of this enterprise.
Give low, high, and most likely annual gross revenue.
Low _____ High _____ Most likely _____

11. Basis for this estimate--e.g., money (or betting slips) found in a raid x 52 weeks; no. of customers x average bet/week; no. of employees x salaries; informant.

12. Estimate the annual net revenue of this enterprise.
Give low, high, and most likely annual net revenue.
Low _____ High _____ Most likely _____

13. Basis for this estimate--e.g., gross less payouts and layoff fees and salaries. _____

14. How much revenue is estimated to accrue to organized crime groups (either directly or indirectly, e.g., tribute or layoff payments)? _____

15. Are there any other direct or indirect economic harms associated with this illegal bookmaking enterprise?

No _____ Yes _____ Describe _____

Psychological Harm

16. Is there any psychological harm associated with this illegal bookmaking enterprise (e.g., intimidating delinquent bettors)?

No _____ Yes _____ Describe _____

Community Harm

17. Is there any community harm associated with this illegal bookmaking enterprise?

No _____ Yes _____ Describe _____

Exhibit IV

NUMBERS

Extent of Organized Crime Involvement in Numbers Operations

1. In your jurisdiction, how many separate numbers operations are there? _____
2. Of these, how many are suspected or known to be associated with organized crime groups? _____

What is the nature of the association?

<u>Nature of link to O.C.</u>	<u>Number</u>
Identity of principal(s)	_____
Direct control	_____
Banker	_____
Layoff ("edging off")	_____
Tribute payment	_____
Other	_____
(explain)	

3. Of the organized crime-associated numbers operations, on what basis is organized crime association suspected or known? (Each operation may be associated with more than one source of information.)

<u>Basis</u>	<u>Number</u>
Informants	_____
Raids	_____
Surveillance	_____
Other	_____
(explain)	

Societal Harm

4. Has any official corruption been suspected in connection with numbers in this jurisdiction (e.g., payoff to local police)?

No _____ Yes _____ Explain _____

Complete this part of the form for each numbers operation, whether or not organized crime association is suspected or known.

6. What is the likelihood that an organized crime group is associated with this numbers operation (1 to 100%)? _____
Basis for this judgment (describe all sources of information and their reliability). _____

Physical harm

7. Has any physical harm been associated with this numbers operation in the past?

No _____ Go to question 10

Yes _____

8. What precipitated the incident(s)—e.g., nonpayment of debts by customers, territorial dispute or other dispute between competitors, attempts to force syndication on independents?

9. For each individual harmed, what was the nature of that person's associates, what was the extent of physical harm, i.e., whether (a) killed, (b) permanently injured (describe), or (c) injury was temporary (describe and give days needed for recovery).

Economic Harm

10. Estimate annual gross revenue of this operation.

Give low, high, and most likely annual gross revenue.

Low _____ High _____ Most likely _____

11. Basis for this estimate—e.g., money (or betting slips) found in a raid x 52 weeks; no. of customers x average bet/week; no. of employees x salaries; informant.

12. Estimate the annual net revenue of this operation.

Give low, high, and most likely annual net revenue.

Low _____ High _____ Most likely _____

13. Basis for this estimate—e.g., gross less payouts and layoff fees and salaries.

14. How much revenue is estimated to accrue to organized crime groups (either directly or indirectly, e.g., tribute or layoff payments)?

15. Are there any other direct or indirect economic harms associated with this numbers operation?

No _____ Yes _____ Describe _____

Psychological Harm

16. Is there any psychological harm associated with this numbers operation?

No _____ Yes _____ Describe _____

Community Harm

17. Is this operation run openly?

Yes _____ Is corruption suspected?
(explain) _____

18. Is there any other community harm associated with this numbers operation?

Exhibit V

LOAN SHARKING

Extent of Organized Crime Involvement in Loan sharking Operations

1. In your jurisdiction, how many separate loan sharking operations are there? _____
2. Of these, how many are suspected or known to be associated with organized crime groups? _____

What is the nature of the association?

<u>Nature</u>	<u>Number</u>
Run by member	_____
Run by associate	_____
Member's money, run by outsider	_____
Use of organized crime services	_____
"Muscles" enforcement	_____
Protection from law	_____
Territorial monopoly	_____
Other	_____
Other	_____

- 2a. Describe the type of customer serviced by this operation (e.g., gamblers, garment, jewelers, construction workers).
3. Of the organized crime-associated loan sharking operations, on what basis is organized crime association suspected or known (each operation may be associated with more than one source of information)?

<u>Basis</u>	<u>Number</u>
Customers	_____
Informants	_____
Raids	_____
Surveillance	_____
Other	_____
(explain)	_____

Societal Harm

4. Have business takeovers by organized crime groups been suspected or consummated as a consequence of loan sharking operations in this jurisdiction (e.g., by businessmen defaulting on debts)?

No _____ Yes _____ Explain _____

5. Has corruption of public officials occurred or been suspected as a result of loan shark operations in this jurisdiction? (e.g., "payment in kind" when a loan payment schedule could not be met.)

No _____ Yes _____ Explain _____

6. Has public confidence in law enforcement been affected by loan sharking operations in this jurisdiction?

No _____ Yes _____ Explain _____

Complete this part of the form for each loan sharking operation, whether or not organized crime association is suspected or known.

7. What is the likelihood that an organized crime group is associated with this loan sharking operation (0 to 100%)? _____

Physical Harm

8. Has any physical harm been associated with this operation in the past year?

No _____ Go to question 10
Yes _____

9. What precipitated the incident(s)—e.g., nonpayment of debts customers, territorial dispute or other dispute between competitors, attempts to force syndication on independents?

10. For each individual harmed, (same as above) what was the extent of physical harm i.e., whether (a) killed, (b) permanently injured (describe), or injury was temporary (describe and give days needed for recovery)?

Economic Harm

11. Have delinquent loan shark customers been subjected to economic harm?

No _____ Yes _____ Explain _____

12. Estimate annual gross revenue of this operation.
Give low, high, and most likely gross revenue.
Low _____ High _____ Most likely _____
13. Basis for this estimate--e.g., loanshark's records, informant or customer information, estimate of total weekly payments x 52 weeks.

14. Estimate the annual net revenue of this operation.
Give low, high and most likely net revenue.
Low _____ High _____ Most likely _____

15. Basis for this estimate--e.g., gross less defaults, salaries, and interest fees.

16. How much revenue is estimated to accrue to organized crime groups?

17. Are there any other direct or indirect economic harms associated with this loan sharking operation (e.g., loan shark milks a delinquent customer's business)?

No _____ Yes _____ Describe _____

Psychological Harm

18. In the past year, how many customers of this loan sharking operation have been threatened with death or bodily injury? _____

19. In the past year, how many others members of customers' families, (competitors) have been threatened with death or bodily injury? _____

20. Is there any other psychological harm associated with this loan sharking operation?

No _____ Yes _____ Describe _____

Community Harm

21. Has the harm inflicted on delinquent loan shark customers adversely affected the community?

Yes _____ Explain _____

No _____

22. Is there any other community harm associated with this loan sharking operation?

No _____ Yes _____ Describe _____

Exhibit VI

ILLEGAL DRUG DISTRIBUTION

Extent of Organized Crime Involvement in Illegal Drug Distribution

1. In your jurisdiction, how many separate illegal drug distribution rings are there (include informal as well as formal groups)?

2. Of these, how many are suspected or known to be associated with organized crime groups?

What is the nature of the association?

<u>Nature</u>	<u>Number</u>
Run by member	_____
Run by associate	_____
Member's money, run by outsider	_____
Muscles"	_____
Protection from law	_____
Territorial monopoly	_____
Other	_____
(explain)	_____

3. Of the organized crime-associated illegal drug distribution rings, on what basis is organized crime association suspected or known (same as before)?

<u>Basis</u>	<u>Number</u>
Customers	_____
Informants	_____
Raids	_____
Surveillance	_____
Other	_____
(explain)	_____

Societal Harm

4. Has corruption of public officials occurred or been suspected as a result of illegal drug distribution rings in this jurisdiction?

No _____ Yes _____ Explain _____

5. Has public confidence in law enforcement been affected by illegal drug distribution rings in this jurisdiction?

No _____ Yes _____ Explain _____

Complete this part of the form for each illegal drug distribution ring, whether or not organized crime association is suspected or known.

6. What is the likelihood that an organized crime group is associated with this illegal drug distribution ring (0 to 100%)

Basis for this judgment (same as before) _____

7. In which aspects of the illegal drug market is this illegal drug distribution ring active?

<u>Activity</u>	<u>Check all that apply</u>
Smuggling	_____
Importation	_____
Manufacture	_____
Intercity transportation	_____
Wholesaling	_____
Retailing	_____
Other (_____)	_____

Physical Harm

8. Has any physical harm been associated with this ring in the past year?

No _____ Go to question 11
Yes _____

9. What precipitated the incident(s)--e.g., killing of informants, territorial dispute or other dispute between competitors, attempts to force syndication on independents?

10. For each individual harmed, what was the nature of the involvement of this person in the activity and the extent of physical harm, i.e., whether (a) killed, (b) permanently injured (describe), or (c) injury was temporary (describe and give days needed for recovery)?

Economic Harm

11. Estimate annual gross revenue of this ring.

<u>Type of drug</u>	<u>Annual sales</u>	<u>Net revenue</u>	<u>Gross revenue</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

12. Basis for this estimate--e.g., drug sale records, informant or customer information, estimate of total weekly sales x 52 weeks.

13. Estimate the annual net revenue of this ring.

<u>Type of drug</u>	<u>Unit cost</u>	<u>Net revenue</u>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>

14. Basis for this estimate--e.g., gross less cost of drugs (including seizures), less salaries and commissions, legal fees, payoffs, etc.

15. How much revenue is estimated to accrue to organized crime groups?

16. Are there any other direct or indirect economic harms associated with this illegal drug distribution ring.

No _____ Yes _____ Describe _____

Psychological Harm

17. In the past year, how many families have been psychologically harmed by a family member's involvement in drugs?

No _____ Yes _____ Describe _____

18. In the past year, how many customers of this illegal drug distribution ring have been threatened with death or bodily injury?

19. In the past year, how many others (members of customers' families, competitors) have been threatened with death or bodily injury?

20. Is there any other psychological harm associated with this illegal drug distribution ring?

No _____ Yes _____ Describe _____

Community Harm

21. Approximately how many drug users are there in your jurisdiction?*

<u>Drug</u>	<u>No. of Users</u>	<u>Basis for Estimate</u>
_____	_____	_____

22. Approximately how many drug addicts are there in your jurisdiction?*

<u>Drug</u>	<u>Number of Users</u>	<u>Basis for Estimate</u>
_____	_____	_____

23. Do you have any evidence of connection between other crimes and drug usage?*

<u>Drug</u>	<u>Number of Users</u>	<u>Basis for Estimate</u>
_____	_____	_____

24. Are areas of the jurisdiction perceived as dangerous by virtue of drug traffic?*

Yes _____ Describe _____
No _____

25. Is there any other community harm associated with this illegal drug distribution ring?*

Yes _____ Describe _____

* DEA or state narcotics units may have this information.

CASE TRANSACTIONS

Case No. _____ Date case opened _____

Informant _____

Citizen complaint _____

Other (specify) _____

Below describe additional information/evidence obtained concerning this case, as well as case transactions (e.g., "11/25/80: wiretap approved"; "11/27/80: wiretap installed")

[illegible]

EXHIBIT VII

VICTIMIZATION INFORMATION

For each victim, collect the following information:

Name

Relationship to organized crime activity (e.g., customer,
competitor, supplier, employee, none)

Harm to victim

Physical

Economic

Psychological

EXHIBIT IX
CASE OUTCOMES

Case results

If conviction(s) resulted, list defendants and sentences.

If civil action (including civil RICO) pursued, describe results.

If no convictions resulted, give reason for case termination.

Byproduct of case:

Media awareness (attach news clippings; describe coverage by other media).

Describe other signs of public awareness (e.g., letters, telephone call, increased number of complaints, etc.).

Describe any leads to other cases that this case generated.

Describe any effect this case had on criminal activity.

Describe any effect this case had on the criminal organization.

APPENDIX B

DEFINING ORGANIZED CRIME

After over sixty years of contending with organized crime, we still do not have an adequate definition of the phenomenon. Although attempts have been made to define it (e.g., see Maltz, 1976; National Advisory Commission, 1976; and Blakey, et al., 1978 for compilations of definitions), its definition still remains an elusive goal.

A. The Need for a Definition

The primary reason for defining organized crime is to determine how resources should be allocated and how effectively they have been expended in attacking it. For example, the General Accounting Office (GAO, 1977), while passing judgment on the Justice Department's Organized Crime Strike Forces, was critical of the fact that the Justice Department had not defined "organized crime." In fact, millions of dollars have been spent over the past fifteen years to combat organized crime. Congressional hearings and Presidential commissions have addressed themselves to this topic, as have research programs such as the one funding this study. Yet, as the GAO points out, organized crime is still with us--unabated as far as we can tell--and we cannot even define it, let alone measure it.

Another reason for defining it is for legal purposes. If a specific penalty, for example, obtains for a person convicted of an offense when the offense is considered an organized crime, there should be some means of distinguishing organized crime-related offenses from others. Somehow a prosecutor appearing before the judge at sentencing and intoning, "This person is a member of organized crime," in order to justify an extended

sentence, does not appear to be just: there should be standards and criteria that can be incorporated into a statute.

A third reason for defining organized crime is territorial. There are fourteen Federal Organized Crime Strike Forces in the United States. All of them are linked with U.S. Attorney's offices; all of them work in concert with criminal justice agencies at the state and local level. Are there any criteria for deciding whether a given case should be investigated and prosecuted by Federal, state, or local agencies, if all agencies can rightfully claim jurisdiction? Further, are there any criteria for deciding whether the appropriate Federal prosecutorial agency is the U.S. Attorney's Office or the Organized Crime Strike Force?

Obviously, no single definition is going to meet all of these needs, solving resource allocation and evaluation problems, legal problems and jurisdictional problems in one fell swoop. But it is useful to keep these needs in mind when attempting to define organized crime.

To give some idea of the difficulty of defining "organized crime," we can consider some of the definitions that have been employed in statutes. The only definition of organized crime in Federal statutes is found in Public Law 90-351, the Omnibus Crime Control and Safe Streets Act of 1968: "Organized crime means the unlawful activities of members of a highly organized, disciplined association engaged in supplying illegal goods and services, including but not limited to gambling, prostitution, loansharking, narcotics, labor racketeering, and other unlawful activities of members of such associations."

The vagueness and circular reasoning in this definition are striking. First, it defines organized crime not so much in terms of

unlawful activities as in terms of who is committing those unlawful activities. Thus it is an ad hominem definition, which may be inescapable. Second, it lists a number of unlawful activities, but these are not necessarily the ones which define "organized crime." According to this definition, to determine whether a given activity is an organized crime one should:

- o find an "association engaged in supplying illegal goods and services, including but not limited to gambling, prostitution, loansharking, narcotics, labor racketeering and other such unlawful activities"; then
- o determine whether it is "a highly organized, disciplined association"; then
- o if the individual in question is a member of this association, and if he/she has committed an unlawful activity, that activity (it need not be one of the listed activities) is ipso facto an organized crime.

This definition is not used for legal, jurisdictional, or resource allocation purposes; few are. For example, in 1975 the law creating New York State's Organized Crime Task Force was declared unconstitutional by the New York State Supreme Court because it did not define "organized crime."²⁶ And it is interesting to note that the Federal Organized Crime Control Act of 1970 (PL 91-352), which was passed two years after the Safe Streets Act, did not use the aforementioned--or any other--definition of "organized crime."

Since that time some states have developed definitions for their own purposes. Of particular interest is the definition used by Ohio:

"'[O]rganized criminal activity' means any combination or conspiracy to engage in criminal activity as a significant source of income or livelihood, or to violate or aid, abet, facilitate, conceal, or dispose of the proceeds of the violation of, criminal laws relating to

prostitution, gambling, counterfeiting, obscenity, extortion, loansharking, drug abuse or illegal drug distribution, or corruption of law enforcement officers or other public officers, officials, or employees" (National Advisory Commission, 1976: 215). This definition no longer focuses solely on the substantive violation of the law; rather, it includes any activity that is related to the violation. However, it is very specific in the substantive offenses that are included; for example, arson, hijacking, murder, and labor racketeering are not included in the list.

My own earlier attempt to define organized crime (Maltz, 1976) strikes me, upon rereading it, as somewhat off the mark. The focus in that paper was on the fact that there are many "organized crimes" and that we corrupt the English language if we state that only certain types of organized crime are truly Organized Crime. The taxonomy of organized crimes developed in that paper is useful but limited. Most of the organized crimes listed require organization in the commission of the crime--stolen car rings, gambling, price-fixing, etc.--whereas many organized crimes are organized not so much in their commission as in subsequent actions: distribution of the stolen goods through retail outlets, a network of associates and colleagues to help in special circumstances, and even financial and psychological support systems. Organized criminal activity of this nature cannot be included in a taxonomy which focuses only on organized illegal acts, because it ignores those (organized) actions and processes which facilitate the commission of future crimes or improve the felon's situation after committing the crimes. To understand organized crime in all its manifestations--and especially in those manifestations of importance to the present

study--the associated activities that take place well before or well after the crime must also be understood and included.

It is not worthwhile to attempt to define "organized crime" generally: after all, one such definition is "crime that is organized," which gets us nowhere.²⁷ Instead, our approach will be to focus on the nature of those criminal enterprises which most observers agree are "part of organized crime." To distinguish between the "generic" organized crime and the "brand name" organized crime, the latter will be italicized [underlined].

B. Characteristics of Organized Crime

To approach the task of defining organized crime we can first analyze the characteristics of earlier definitions. Among the characteristics they suggest are the following: corruption, violence, sophistication, continuity, structure, discipline, multiple enterprises, and involvement in legitimate enterprises. In addition to these elements, another one to be considered is the "bonding" ritual, such as those reported to have been used in "making" members of the Mafia, La Cosa Nostra, La Nuestra Familia, and the Hell's Angels. These nine potential elements of a definition should be examined in the context of all types of organized crime, not just of Mafia-like groups but of newer and emerging groups as well. Some appear to be central to the concept of organized crime, while others are either peripheral or refer to only one manifestation of it. They are discussed below.

1. Corruption

Organized crime almost always involves corruption, although organized crime may not. For example, the Black Hand societies at the turn of the century--and the Blackstone Rangers more recently--were inter alia organized extortion rings, but corruption was not the means by which security was achieved. The other parties in the transactions, the victims of extortion, were told in no uncertain terms what would happen to them, their families, and their businesses if they assisted the police. The fact that the extorted businessmen were for the most part members of ethnic groups that at that time did not place much trust in the police also helped maintain the security of the scheme. The businessmen would have wanted the police to learn of the scheme and help them, but were afraid to cooperate with the police.

As these groups evolved and matured they developed enterprises that dealt in illegal goods and services, in which the other parties to the transactions, the purchasers of illegal goods and services, wanted to keep their involvement secret. In contrast with the previous example, these parties do not want the police to know, but if caught are often turned into informers who cooperate with the police. In the first case the parties are usually reputable businessmen who have much to lose if the extorters carry out their threats, while in the second case the parties are often addicts and petty criminals with little more to lose at the hands of those against whom they inform than from the police. Because of this greater exposure to arrest and conviction, organized crime groups dealing in these areas find it more expedient to make payoffs to police, prosecutors, and judges than to attempt to keep all

their customers in line. Customers have little to lose by informing, but a corrupt official has a great deal to lose if his involvement becomes known.

It is usually implicitly assumed that the term "corruption" refers only to public officials who violate their oaths of office. However, corruption of non-governmental employees is also used to protect schemes from exposure. Bank officials may use their discretionary authority to approve loans for which stolen securities are used as collateral. They may break the law by camouflaging or not recording transactions they are legally required to report, in order to protect organized crime schemes. Airport personnel may alter records of flights, or may assist in the shipment of contraband. Buyers for department stores and discount houses may alter records of purchases to permit stolen merchandise to be commingled with legally purchased merchandise, or may buy merchandise at a premium price from an organized crime-connected business. In all of these cases the individuals are acting corruptly, in that they are being paid to violate the trust placed in them by their employers. Insofar as the corrupt individuals are concerned, there is no difference between public and private corruption: in both cases they are using their positions of authority within their organizations to make money at the expense of their employers. However, public corruption is truly of a different nature than private corruption.

When an individual working for a private business takes payoffs in violation of the trust placed in him by his employer, the effects are felt primarily in that particular business, although competitors may also be affected. When an individual working for a public agency takes

payoffs, it harms the integrity of government and affects every individual. Some years ago, the Director of the Financial Crimes Bureau of the Illinois Attorney General's Office, during a college lecture on organized crime, was asked about immunity: why was the industrialist who bribed a half-dozen legislators granted immunity in return for his testimony against them when he was the one who initiated the bribes in the first place? Should he have been the one to be prosecuted? The director first gave a practical reason. When the industrialist's lawyer got wind of the investigation, he brought his client in to make a deal. There would have been no case against anyone had the industrialist not come forward.

But there were other strong reasons why this offer was acceptable to the prosecutors. Since the goal of private businesses is to make a profit, that some businessmen upon occasion resort to illegal practices should not be unexpected. The goal of government is "to establish justice," to make sure that illegal practices do not go unpunished. If the integrity of government is threatened, then such illegal practices will become the norm.

Furthermore, money is frequently offered to public officials in return for votes, decisions, contracts, etc. If officials are put on notice that bribers may be granted immunity from prosecution if they turn the officials in, and that serious enforcement efforts are under way, even the most corrupt officials will hesitate before accepting a bribe. Prosecuting the officials thus was expected to have a greater deterrent effect than prosecuting the industrialist.

Because of its greater harm to society, only public corruption will here be considered as an element of organized crime. Whether it is a

necessary element is still an open question.

2. Violence

While some types of crimes require violence or the threat of violence for their commission, others do not. But even when an organized crime group engages only in "victimless" crimes, even when it has a monopoly in its enterprises, and even when its employees, customers and associates are docile and stable, violence may be required to keep both competition and rebellion down.

One might think that an organized crime group can maintain itself without violence if the group's political or economic power is established; once it matures it may not need to resort to physical power. Yet physical violence is almost always necessary. Disputes continually arise within and between organizations. If they cannot be settled peacefully by the disputants, then coercion must be used. In our society the legal system is used to settle disputes and is backed by the legal and overt use of nonviolent coercive force--judicial orders, injunctions, judgments, sentences, etc. But these are unavailable to organized crime groups; instead they use criminal and violent force--shooting, beatings, threats of violence, etc. This suggests that the potential for violence is always present in an organized crime group (Dintino and Martens, 1981).

3. Sophistication

Many descriptions and definitions of organized crime imply that it is a "sophisticated" operation. Here the term means that illegal enterprises are not run blatantly and that the actors are familiar with the rules of criminal procedure and how to use them to their advantage. Thus, telephone conversations between participants are likely to be in

code; illegal goods are rarely handled by the principals; dummy corporations are established, ostensibly by nominees; paper trails are lengthy and ambiguous. That many organized crime organizations engage in some criminal activity of this sort is very likely; however, sophistication is not always present. An organized crime group engaged in "traditional" activities--gambling, prostitution, loan sharking, narcotics--may be very unsophisticated in operation. Although most of the organized crime groups that come to the attention of Strike Forces engage in a number of sophisticated activities, this is not invariably the case.²⁸

4. Continuity

There are many non-continuous organized crime enterprises that result from opportunities in a number of situations. For example, a businessman's gambling debts may force him to turn his business over to his organized crime debtors, who then pull a bankruptcy scam: they use credit to order merchandise, sell it below cost, keep the money, and then declare bankruptcy after all other assets have been sold. This is a one-shot, non-continuous operation.

Can one envision an organized crime group that relies entirely on non-continuous separable operations like this, that works together only at those times? Such a group might join forces to plan and execute a major crime, and then disband until another opportunity arises.

If such a group exists it may be an organized crime group, but it is not an organized crime group. Even if it engages in different types of crimes--first a hijacking, then a bankruptcy scam, then securities theft--they are still separate crimes that for the most part can be investigated and prosecuted separately. This suggests to me that one of

the cohesive elements of an organized crime group may be a continuing enterprise, such as drug distribution, extortion, or gambling.

5. Structure

An organized crime group is of course organized. But how organized would one ordinarily expect it to be? For example, Cressey's (1969) definition of organized crime²⁹ implies that the organization has a very formal structure. He specifies that it has "an established division of labor" and "position[s]" for, inter alia, a corrupter, a corruptee, and an enforcer. It seems highly unlikely that such roles are truly as formal as Cressey implies; although some organized crime groups may be this formal, with organization charts and the like, it is doubtful that this is common practice.³⁰ There may be individuals who corrupt, who are corrupted, and who enforce within a particular criminal enterprise, but their roles may change for other enterprises. Studies of particular criminal organizations (Ianni, 1972; Anderson, 1979) bear out the contention that relationships are often task-dependent and changeable.

Although it is questionable whether basing a definition of organized crime on a group's internal structure is useful, the structure nonetheless exists. It often has a well-defined hierarchy which is maintained by force or other means (see the section on "Bonding" below). Yet predicating a definition on structure would create problems, since one would need to determine the nature of the structure (which may be quite fluid) in order to prove that a particular manifestation of organized crime was organized crime.

6. Discipline

The reputation that organized crime groups have for discipline within their ranks has been eroded considerably over the past two decades. Joseph Valachi's testimony (Maas, 1968), Vincent Teresa's disclosure (Teresa, 1973), Jimmy Fratianno's story (Demaris, 1981), Gay Talese's book on Bill Bonanno (Talese, 1971), and the Gallo-Profaci "war" in the 1970s, among other confessions and events, have demonstrated that discipline within organized crime groups has been less than rigid.

One should not expect otherwise. When all individuals in a group are armed and have no compunction about using their weapons, which is one of the criteria for acceptance by the group, then the ability to govern them must depend to a great extent on the consent of the governed. Discipline of a group's members can be maintained only if it is in their own self-interest. Although there must be some discipline (just as there must be some structure) in order for a particular collection of individuals to become an organization, it may not play an important part in defining organized crime.

7. Multiple Enterprises

There are many reasons why a criminal organization would diversify its activity beyond a single criminal enterprise. A business that is dependent on only one good or service faces greater risks than one which has a number of product lines. A pesticide of fungus could destroy a year's poppy, coca, or marijuana crop. Improved drug detectors or other enforcement action might close down the only supply route, making diversity in supply routes, as well as in enterprises, a necessity. If the profits are high, others will compete for a share of the market. Or a substitute product may steal most of the market for a product. By

diversifying, a business hedges its bets; not all of its eggs are in one basket.

But there are advantages to concentrating on a single product. When all of the businessman's effort is expended in making sure that the product meets the needs of his clients, he becomes a specialist. He is intimately familiar with enforcement mechanisms used to investigate his operation. He needs to monitor the efforts of only one or two enforcement units (e.g., gambling would be enforced by state and local vice units) instead of a dozen or more if a number of diverse activities are engaged in. And he keeps a lower profile by restricting himself to only one enterprise.

Since a criminal organization engaged in only one enterprise has a lower profile, we might conclude that an organized crime group must normally be involved in many enterprises; any lesser operation would only be an organized crime group. But this conclusion is debatable, especially when the scale of an organization and the means used to maintain the enterprise are far-reaching. Consider the hypothetical case of a single organization engaged solely in controlling the distribution of an illegal drug, such as heroin, throughout the country or a major region. The scale of this organization clearly brands it as organized crime (and a Strike Force responsibility).

Of course, to control all distribution of an illegal commodity in a region requires a great deal of organizational ability--and a great deal of corruption. Expansion into other areas seems an inevitable result of such large scale corruption. Having developed a profitable "connection," most groups would exploit it to the fullest. For example, in the city of "Wincanton"--Reading, Pennsylvania--Gardiner (1970) shows how the "Stern"

syndicate, whose main business was gambling, branched out into fixing city contracts, zoning and licensing, and prostitution.

Another situation in which diversity is not necessary to make a crime an organized crime is when a major legitimate organization is being run criminally. The most obvious example is the International Brotherhood of Teamsters. The prosecutorial effort waged against Jimmy Hoffa in the 1960s by the Justice Department's "get-Hoffa squad" was tantamount to a Strike Force operation (Brill, 1978). Even when only union-related crimes are involved (e.g., sweetheart contracts, theft of pension funds, threatening rivals in union elections), such activities might well constitute organized crime merely because of the scale of the enterprise. A union as strong as the Teamsters exerts a powerful influence on day-to-day commerce; when officials of even only one local are involved in union-related crimes, they can have a profound effect on the industry in the region because of their almost total control of trucking; "there is no industry today that can carry on its business if the Teamsters lay down their reins."³¹

"Multiple enterprises," therefore, may be inadequate as a unique descriptor of organized crime, as important as the number or diversity of enterprises is to the power and influence wielded by the group. By analogy, suppose one person owned a hospital, a nearby pharmacy, a "free" clinic, and a medical testing laboratory, and suppose a second person owned four hospitals in four different cities, four pharmacies in other cities, four clinics in yet other cities, and four labs in still other cities. The second person would be wealthier overall, but the first person's influence and control over the market for medical services in his area would be considerably greater. A large number of separate and

distinct enterprises does not have the clout of a small number of enterprises that are tied to each other.

8. Legitimate Business

Many have decried the "Penetration of Legitimate Business by Organized Crime" (Bers, 1970) because of the deleterious effect that an organized crime group can have on its competitors and customers. It often does not play by the rules,³² preferring to use force and violence instead of standard business practices to maximize profits.

Both business and non-business pressures move organized crime groups to become involved in legitimate enterprises. For one, the group may have started out primarily in legitimate business,³³ gravitating to criminal activity because of the greater potential for profits. On the other hand, the organized crime group may enter legitimate business when it is offered a part or all of a business as payment, for example, for gambling or loan shark debts.

In addition, legitimate businesses can be used to "launder" money by declaring more profits than the business actually earned. In that way an individual making most of his money illegally can attribute part of it to the business, and spend it openly without running afoul of the IRS.

Legitimate businesses also serve as "fronts" in another way. Stolen merchandise can be "laundered" by commingling it with legally purchased merchandise; if the goods have no identifiers (e.g., a truckload of meat or razors or cigarettes) there is no way of tracing the goods to a theft. This has the added advantage of cutting business costs, giving the business an unfair advantage over its competitors.

The desire to gain respectability sometimes motivates an organized crime group's entry into legitimate business. Organized crime has been

called the "queer ladder of social mobility" (Bell, 1961), a shortcut to financial success for groups without access to legitimate means of power. Although social status in this country is based primarily on wealth, wealth from criminal activity does not bring the respectability that legally earned money does. Other family members, who often feel the social stigma more keenly than the member of the organized crime group, pressure him to assume a cloak of respectability.

Thus there are many reasons for an organized crime group to diversify into legitimate business. In fact, there are so many that one is inclined to believe that an organized crime group will always have legitimate enterprises. But our collective experience does not necessarily bear this out. The Hell's Angels and Blackstone Rangers and La Nuestra Familia may have been organized crime groups before they became involved in legitimate business, or would be considered organized crime groups regardless of such involvement. Furthermore, by suggesting that involvement in legitimate business is a necessary characteristic, one runs the risk of overlooking emerging organized crime groups.

9. "Bonding"

Many organized crime groups have rituals that appear to combine mysticism, fraternity initiation rites, and the process of being made a partner in a law firm. The financial benefits of partnership are of course the driving force for wanting to become a "made man," but what role does the ritual itself play? Is it a necessary concomitant of an organized crime group?

First, let us consider the reasons that may underlie the rituals. They may lend an air of legitimacy and romance to the group's criminal activity, by attempting to transform vicious people and acts into a

revolt against society. The rituals reinforce the feeling of separateness: "It's us against them" or "We'll show them what happens when they exclude us."

The bonding ritual also probably gives those on the lower rungs of the organization a goal, which keeps them in line while they work their way up to membership. In addition, although lip service may be paid to the idea of brotherhood among the "made" members--an "all for one, one for all" feeling--the ritual may make it easier to accept that those at the top rule the roost. In other words, the bonding ritual may make people feel that they "belong." This attraction evidently aided one of the sting operations in Washington, D.C. The thieves who frequented the police-run fencing operation were arrested while they eagerly awaited the appearance of "the Don" from New York.

That the bonding ritual exists in Mafia families has been amply documented. Nevertheless, it is not necessarily an attribute of all organized crime groups. Even if it had been proved that all such groups in the United States do have some form of ritual associated with them, it is possible to conceive of a group that does not need them.

C. Discussion

In reviewing the attributes that have been considered potential indicators of organized crime, corruption, violence, sophistication, continuity, structure, discipline, multiple enterprises, legitimate business, and bonding, we have argued that corruption, violence, continuity, and involvement in multiple enterprises may be characteristic of essentially all organized crime groups; that all have, of necessity, some structure although no particular structure characterizes all possible organized crime groups; that most if not all are engaged in

legitimate businesses as well as in criminal enterprises, but that this characteristic may not be essential; and that although sophistication, discipline, and bonding may be characteristic of some organized crime groups, they are neither necessary nor typical.

More time has been spent on determining the characteristics of organized crime groups than on determining the characteristics of organized crime. This reflects the ambivalence discussed elsewhere (Maltz, 1976): is organized crime an act or a group? That paper concentrated on the acts, thus leaving out the thread which ties the acts together, the group. This present discussion suggests that organized crime cannot be defined based on acts alone, that it must also refer to the people who work together as a group to commit them.

There appears to be a thread linking the attributes that have been rejected as determinants of organized crime--discipline, sophistication, and bonding. They are all characteristics of the archetypical Mafia family. This image of organized crime is so powerful that it often blinds us to other potential forms. Organized crime groups can start out as legitimate businessmen, as a collection of burglars, as a guerrilla or resistance unit, or even as a group of military or police personnel. For example, can we consider France's IAS (Secret Army Organization), which robbed banks as well as assassinated its enemies, an organized crime group? Perhaps. Even though its mission was to "save" France from the disgrace of granting independence to Algeria, its activities went far beyond political action. And the SDECE, France's equivalent of the CIA, was deeply implicated in heroin trafficking throughout the world (McCoy, 1973), especially in the French Connection.

Definitions that are too broad (e.g., organized crime is crime that is organized) are not helpful because there is not enough discrimination; definitions that are too narrow (e.g., organized crime = Mafia) are not helpful because they are merely ad hominem. What is needed is an approach somewhere in the middle, which may be aided by this and other studies.

FOOTNOTES

1. A modern version of this well-known tale is recounted in Zimring and Hawkins' study of deterrence (1976), in which they make the same point: it is difficult to attribute the absence of crime to a deterrent.

2. The first Strike Force was created in Buffalo over fifteen years ago, when it became clear that a coordinated Federal effort was needed to combat organized crime. Based on its success the Strike Force Program was expanded to other jurisdictions. There are presently fourteen Strike Forces in major cities throughout the country, with suboffices located in another twelve cities.

3. This was true in many of LEAA's program areas, not just in organized crime, and in many agencies, not just in LEAA. Evaluation was given lip service so that funding would be forthcoming, but it generally was tacked on at the end of a project rather than being designed as an integral part of project operations.

4. The titles of these reports give an indication of GAO's conclusions concerning the Strike Force program. The first report (GAO, 1977) was entitled, War on Organized Crime Faltering--Federal Strike Forces Not Getting the Job Done; the second report (GAO, 1981) was entitled, Stronger Federal Effort Needed in Fight Against Organized Crime.

5. Even this discussion of programs that are easy to evaluate is idealized. For example, animal handlers in drug testing laboratories, especially those on the night shift, are not necessarily well-paid or well-trained. They may perform their duties with less than due diligence, even to the point of switching animals' cages. Or other problems as well (e.g., contamination) may occur. Thus, when we later discuss programs that are hard to evaluate it should be realized that the difficulties are even greater.

6. Although measurement of a natural phenomenon also affects its activity, this only occurs at the quantum level.

7. The fact that we have an ill-defined framework for studying a field that is itself ill-defined does not mean that evaluation is not possible, but merely that it is difficult. In fact, as Chaiken (1982) has noted in a similar context, requiring specificity before proceeding "would seem to elevate the pursuit of neatness and false precision over truth."

8. This is a tenuous assumption in the Federal Strike Forces, where no one person has the authority to direct personnel in the many collaborating agencies. However, the assumption may be valid in state organized crime control efforts, where authority for directing enforcement activities is usually more centralized. Furthermore, intelligence efforts in some state agencies are directed toward obtaining just this sort of information. Although it is used for intelligence purposes, it can also be used for an evaluation.

9. This is the Mafia's reputed "code of silence."
10. No definitions of organized crime are completely satisfactory. Appendix B describes some of the attributes of organized crime that are helpful in defining it. The fact that our definition is not precise is not a barrier to evaluation; as Freud noted, "We have often heard it maintained that sciences should be built up on sharply defined basic concepts. In fact no science, not even the most exact, begins with such definitions. The true beginning of science actually consists rather in describing phenomena and then in proceeding to group, classify and correlate them" (quoted in Kaplan, 1964).
11. The activities included in Box 2 may be considered organized or white-collar crimes, which often are indistinguishable (Edelhertz, et al., 1977; Maltz, 1975b).
12. This is a report sent by a Strike Force to the Justice Department's Organized Crime Section, describing its preliminary investigation and requesting permission to open a case formally.
13. Priorities and personnel limitations may preclude a followup.
14. This study was conducted by the New York State Division of Substance Abuse Services. Addicts were asked, under strict (legislated) confidentiality, to describe the offenses (shoplifting, mugging, stickups, burglaries, drug deals, etc.) they had committed since their last interview. The purpose of this research was to gain an understanding of the relationship between drug use and crime; the addicts reported directly to the researchers.
15. One difficulty that cannot be avoided is that the source of some of the information may have been grand jury testimony or wiretaps.
16. The GAO reports (GAO, 1977, 1981) emphasized this major weakness in Strike Force operations.
17. For different approaches to combining harms to measure crime, see Sellin and Wolfgang (1964), Maltz (1975a) and Reiss (1982).
18. Some may wish to consider additional forms of harm, or to combine harms in other ways.
19. "Societal harm" refers to the community harm that transcends neighborhood or community concerns and affects the entire citizenry.
20. It is instructive to consider the embarrassing position of the Pennsylvania State Lottery, which was fixed on one recent day.
21. Many commentators have written about this type of labeling harm; e.g., see Geis (1972).
22. Some of these losses may have occurred anyway. Successful businesses do not plan fires to recover on insurance. However, neighboring businesses may also suffer serious economic losses.

23. Some would maintain that the psychotropic effects of illegal drugs prevent most users from making reasoned choices.

24. Political terrorist organizations also use extortion (and kidnapping) in this way. Some do it entirely for ideological reasons, while others soon forget their cause and "mature" into organized crime groups (Albini, 1971). The Mafia may have started in this way in Sicily.

25. The process of defining these scales should be logically consistent and systematic. At the same time, it is inherently subjective; it must encompass professional judgment, knowledge, and experience (Keeney, 1981).

26. This was later reversed by the New York Court of Appeals because the term was used only to determine whether the Organized Crime Task Force had jurisdiction in the case, not whether the acts specified constituted "organized crimes." The court recognized the inherent vagueness in the term, stating, "The phrase 'organized crime activities' is itself not susceptible to precise judicial definition."

27. Commenting on the definition of organized crime used by Arizona, Edelhertz, et al. (1981:2) note, "Its defect is that it encompasses a very broad range of the criminal universe. Its virtue is that it permits flexibility of approach with respect to new and developing forms of criminal group activity and encourages attention to emerging groups."

28. For example, the telephone conversations between various Teamsters officials concerning the alleged bribery of Senator Cannon are far from cryptic.

29. From the context of Cressey's book I assume that he is defining organized crime, not organized crime.

30. In fact, even in legitimate formal organizations the organization chart may not represent the organization's actual structure.

31. This was stated by a union leader in 1902 (Brill, 1978: 13); it is still true today.

32. This is not to say that legitimate businesspeople always play by the rules; Sutherland (1949) pointed this out over thirty years ago, and it is still true (Clinard, et al., 1979). However, there is a limit to the extent that they bend or break the rules. Organized crime groups often do not even give lip service to the laws governing business behavior. Customers or competitors are routinely threatened, for example. Involvement in organized crime is not the best training ground for a businessperson.

33. We normally think of organized crime groups as starting out as criminal gangs and then "maturing" into organized crime syndicates. This is not always the case; see Albini (1971) for some counterexamples.

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