

CHAPTER 8

ASIAN CRIMINAL ENTERPRISE SITUATION IN THE UNITED STATES OF AMERICA

**by
Castle K. Nishimoto**

**ASSISTANT LEGAL ATTACHÉ,
FEDERAL BUREAU OF INVESTIGATION
UNITED STATES EMBASSY, TOKYO, JAPAN**

1. Introduction

The level of crime in the United States has increased dramatically in the past 25 years. From 1960 through 1993, the number of violent crimes reported in America increased 567 percent. In the last 10 years, it increased 51 percent. In the U.S., one violent crime is committed every 16 seconds: one murder every 21 minutes; one forcible rape every 5 minutes; one robbery every 48 seconds and one aggravated assault every 28 seconds. The fears those crimes generate have increased as well. In a recent survey in the U.S., 93 percent of those polled said that addressing the crime problem should be an "absolute priority" for the federal government.

Population projections to the year 2000 suggest that individuals between the ages of 14 and 17 will constitute one of the fastest growing population groups. The U.S. Census Bureau reports that this age group will increase nearly 20 percent from 1990 to 2000. That rate of growth, coupled with that age group's apparent propensity for violence, is predicted to have a severe impact on the future rate of crime in America. In 1993 there was a one percent decrease in the number of adults arrested for violent crimes in the U.S.; but, the statistics reflected a six percent increase in the number of juveniles arrested for violent crimes.

2. American's Asian Community

The vast majority of Asians are law-abiding citizens and comprise an

integral part of our nations. They are dedicated to family values and possess a strong work ethic. Discussion of Asian organized crime is not meant to denigrate their achievements. Too often, however, these individuals have become the victims of Asian Criminal enterprises as the result of their success and accumulated financial gains.

This phenomenon is remarkably similar to the early days of La Cosa Nostra in America, when its members preyed on successful Italian-Americans and Italian-owned businesses to perpetuate their greed and criminal aspirations. With the growth of Asian businesses in the United States and with continued interaction between Asian communities, it is likely that Asian organized crime groups will seek to exploit them. Organized crime, by definition, is opportunistic. Asian criminal enterprises undoubtedly will seize upon opportunities to invade legitimate businesses. Today, those invasions are armed assaults. Tomorrow they will be economic extortions of the work force.

The Asian population in the United States rose 108% between 1981 and 1991 — from 3.5 million to 7.2 million. By the year 2000, it is estimated that America's Asian population will rise to 12 million. It is anticipated that Asian criminal enterprises will seek to expand their criminal influence over these Asian communities.

3. Asian Criminal Enterprises (ACEs)

The term "Asian Criminal Enterprise" (ACE) encompasses ethnic and national criminal groups from all regions of Asia. When the FBI first identified a crime problem with such groups in 1984, its Asian organized Crime Program focused on groups believed to have the greatest potential to evolve into organizations which might rival the criminal influence of La Cosa Nostra. These included groups having the greatest criminal impact upon Asian-American communities, such as Chinese triads, criminally-influenced tongs and their subordinate street gangs, as well as the Japanese "Boryokudan". These ACEs are highly-organized, structured, extremely profitable and often violent criminal enterprises which pose serious threats to communities across the United States. They have evolved into sophisticated criminal enterprises engaged in: drug trafficking; money laundering; extortion; alien smuggling; prostitution; loansharking; gambling; murder; armed home invasions; various types of fraud; and other crimes.

The most significant ACEs are multi-dimensional and multi-national organizations, or associations of sophisticated criminal entrepreneurs. The

adaptability and violence of ACEs are major factors in their development as significant criminal enterprises. The lack of a rigid organizational hierarchy and membership within many ACEs also facilitates their criminal activity and diversity. ACEs have adapted to take advantage of an array of criminal opportunities. They no longer confine their criminal activities to the Asian/American communities from which they operate.

The adaptability and violence of ACEs are major factors in the development of these groups into national organizations. In many cases, the lack of a rigid organizational hierarchy and membership within an ACE made it difficult to identify and investigate the enterprise. The natural evolution of these groups into more defined criminal enterprises has provided law enforcement in the United States with new challenges. As with the traditional criminal enterprises which preceded them, ACEs have learned to adapt. While ACEs continue to prey predominantly on communities comprised of those from similar ethnic backgrounds, this is no longer a limiting factor in their development. The impact of ACEs in the area of drug trafficking, extortion, and counterfeit securities and negotiable instruments is well-documented. These groups often engage in traditional white collar frauds such as credit card fraud and check fraud in order to finance their other criminal operations.

The FBI has also focused resources on Asian drug trafficking enterprises (ADTEs). They are responsible for the importation and distribution of the bulk of the Southeast Asian heroin imported into the United States, as well as the laundering of resulting proceeds. ADTEs do not rely on strict ethnic alliances as do most other ACEs. There is no single Triad, street gang, or other ACE which dominates the heroin trade in the United States. Membership in a Triad or other ACE is not a prerequisite to involvement in these illegal activities. However, individual members have been identified as significant participants in these ADTEs. These criminal affiliations are important in terms of criminal networking. Most ADTEs are opportunistic, taking advantage of the capabilities of their members to obtain a source of heroin in Southeast Asia, to facilitate financing, to provide transportation, and for distribution.

4. Investigative Efforts against Asian Criminal Enterprises

During the past decade, the FBI, along with other U.S. federal, state and international law enforcement agencies, has conducted numerous in-

vestigations against major Asian criminal enterprises. Often, these investigations have employed the most sophisticated investigative techniques available to law enforcement: undercover operatives and court-authorized electronic surveillance. Aggressive use of the United States RICO statute has helped ensure that the leadership of these Asian criminal enterprises are permanently dismantled. These investigations have involved tremendous international cooperation.

5. Legal Attaches

For over 40 years, the FBI has maintained posts in American embassies known as Legal Attache offices. These offices enable the FBI to receive a constant and prompt exchange of criminal data and other related information. Legal attaches develop and maintain close liaison with relevant and duly authorized law enforcement agencies and other agencies of the countries covered to ensure the timely exchange of investigative information, which will assist in the development and investigation of cases.

At present, FBI Legal Attaches are posted in 23 countries around the world. Last July, FBI Director Louis Freeh opened the FBI's newest Legal Attache office in Moscow, Russia. Expansion of the FBI's investigative efforts against Asian criminal enterprises will require the FBI to further expand the scope of its international liaison activities. That expansion is necessary in order to engage in meaningful law enforcement partnerships with the other governments that face this common enemy. In Asia and the Pacific rim, Director Freeh anticipates expanding the FBI's presence by increasing the complements in some of the existing offices and considering the establishment of permanent Legal Attache offices in Seoul, Taipei and Beijing.

6. Future Trends

The world has changed drastically in just the past few years. There have been dramatic changes in the political, social and economic foundations of many countries. These changes, combined with technological advancements in communication and transportation capabilities, have made it easier for people throughout the world to engage in unprecedented, widespread international contact. Unfortunately, the easing of international travel, communications and commerce has also benefitted international organized crime. That is what all of us in law enforcement must address cooperatively. The new freedom of international movement affords expanded crimi-

