

REMARKS OF THE ATTORNEY GENERAL

National Consumers League

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I am so pleased to be here tonight to honor Robert M. Morgenthau with the Trumpeter Award. The award's namesake instrument -- used throughout history to call attention to something -- honors someone who has spoken out loudly for a fairer marketplace and a just society, justly honors Bob Morgenthau. Unfortunately -- - due to illness -- Bob Morgenthau can't be here tonight to receive the award in person. However, let's hope that he is buoyed by the award and gets well soon.

Bob Morgenthau has served the people of this nation and served them well. In 1961, he was

appointed by President John F. Kennedy to serve as United States Attorney for the Southern District of New York. He was a part of the Justice Department team headed by Attorney General Robert F. Kennedy which first turned the Justice Department's attention to a coordinated approach to combat organized crime, tax fraud and white collar offenses.

Bob Morgenthau began to do what modern prosecutors do at a Federal, state, county or local level -- he didn't wait for cases to be brought to him -- he became proactive, he sought out the cases himself.

After serving for more than eight years as United States Attorney, he served as a Deputy Mayor in the administration of Mayor John V. Lindsay before

stepping into the post of Manhattan District Attorney on January 2, 1975. He has been reelected in 1977, 1981 and 1985. Having served as the State's Attorney for Dade County, Florida for over 15 years, I have a special respect and camaraderie for and with my colleagues who serve across the nation. Bob Morgenthau is certainly the dean of the profession.

As District Attorney for New York County, he presides over a city which is not only the financial nerve-center for the nation but which suffers from a host of crime problems. By establishing special units to answer complaints of sex crimes, consumer fraud, landlord harassment of tenants and drug-related homicides, he has attacked the crime problem in New

York by addressing the problems of the community without regard to the traditional role of the prosecutor.

White collar crime -- consumer fraud in particular -- represents a particular and invidious scourge on our society. No one crime draws the attention of a murder, of a drug deal or of a terrorist act. However, the victims of these crimes -- often society's least fortunate -- can ill-afford the losses and truly suffer when their hard-earned and saved money is lost.

The solutions lie in aggressive prosecution and education programs as well as attention for the victims. It's all too easy to say that a consumer fraud doesn't leave a trail of blood, a bullet hole or permanent physical injury. The wounds below the surface are -- in

the long run -- equally damaging to the fabric of our society and to crime victims as a whole.

It is Bob Morgenthau's fundamental view that the markets should be honest. As he has said over the years, "we must focus on crime in the suites as well as crime on the streets." From the time when he first started as a Federal prosecutor, he bucked the notion which existed -- at the time -- that white collar fraud cases, consumer fraud in particular, weren't truly criminal matters and could be handled as civil actions. He was ahead of his time. Today, all of us accept the need to vigorously prosecute these crimes.

He has taken a consumer-oriented industry approach toward the prosecution of white collar consumer fraud cases. When landlords and real estate managing agents in New York colluded to evict certain types of tenants to drive rental rates up, he stepped in and charged over 100 of them. The crime victims were all the citizens of New York who live in rental housing and face higher rents for reasons they would not even have known.

When attorneys and insurance adjusters colluded to increase claims for damages in personal injuries, he stepped in. His office has charged 47 individuals and has announced that there are over 100 investigations which continue. The crime victims were all of those who pay insurance premiums in the New York area.

Their premiums would rise and they would never even know why. Finally, his office has charged a number of individuals who have engaged in what some might consider low-level securities fraud in the so-called "penny stock market". These brokers have stolen from their friends and relatives and have damaged a part of the market which depends on small investors.

By taking a proactive and focused approach - often in areas where consumers don't even know that they have been victimized, he has done best what we must all do - ration the scarce prosecutive and investigative resources available for the largest impact.

It is entirely fitting that we honor Bob Morgenthau for his commitment to a more just system in the face of the myriad of other problems which he faces every day. He has served all of us well and it's an honor for me to be here to help you honor him.