

1
1 SPEECH OF JANET RENO

2
3 ATTORNEY GENERAL OF THE UNITED STATES

4
5 before

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7 THE DETROIT ECONOMIC CLUB

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11 COBO HALL

12 DETROIT, MICHIGAN

13 MONDAY, JUNE 24, 1996,
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18 COURT REPORTER: Mary Jeanne Henn (CSR-2940)
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1 Detroit, Michigan

2 Monday, June 24, 1996

3 Approximately 12:41 p.m.

4 It is an honor for me to be back
5 with you today. When I left Miami three and a half
6 years ago, I worried that I would lose my sense of
7 community, but I haven't lost a community, I have
8 just gained so many.

9 It has been a wonderful opportunity
10 for me, since June of 1993 when I first came to
11 Detroit as Attorney General, to see this city prosper,
12 to see it gain a sense of excitement, a sense of
13 innovation, a sense of boldness that represents its
14 history and now represents its reality of today. It
15 is wonderful to be back here now and see what you all

16 are doing. The Chief of Police, the Mayor, the
17 business community, you are an example for this nation
18 of what can be done when people come together, when
19 people come together in a careful, thoughtful,
20 bipartisan way to address the issues that plague us
21 all, crime in all its forms, and what I have tried to
22 do in the years that I have now been in Washington is
23 to approach it from that point of view, what is the
24 common-sense approach, how can we work together, how
25 can we do it together without bipartisan rhetoric that

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1 tears apart the initiatives that we undertake.

2 To do that, one of my first steps
3 was to make sure that we reached out to state and
4 local government. I didn't like the Feds coming to
5 town when I was in Miami, telling me what to do, I
6 didn't like them coming to town and thinking that they
7 knew more about Miami than I do. I like to come to
8 Detroit and say what are your needs and resources,
9 how can the Federal Government be a partner with you,
10 Chief McKinnon, what can we do, Mayor, to work better
11 with you, what can we do with the business community
12 to address your problems and to understand your
13 priorities. I am most interested in doing it not
14 based on who gets the credit but what is in the best
15 interests of this nation and the particular community
16 where we are focused.

17 I would like first to talk to you
18 about what we have undertaken in terms of violence
19 in this nation. I am so proud of what Saul Green has
20 done as the United States Attorney. I have had the
21 chance now to visit with his office, I think, for the
22 third time, and I am proud of the men and women in
23 federal law enforcement in this area.

24 In March of 1994 I announced an
25 anti-violence initiative in which I asked the United

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1 States Attorneys across the country to join with other
2 federal agencies and we collected ourselves together
3 in Washington to send the message that we would be
4 together to then reach out to state and local law
5 enforcement in the community and to develop a
6 partnership in which we could use our limited

7 resources in the wisest way possible to focus on
8 violent crime in our communities. I asked them
9 to exchange information with state and local
10 governments. If a case belongs in state court, let's
11 prosecute it there; if it belongs in the federal court
12 in the best interests of the case, let's prosecute it
13 there; but let's work together and use our resources
14 wisely, recognizing that local law enforcement is on
15 the front line. It needs us to back it up, and we can
16 do so if we come together.

17 We have made significant inroads
18 as U.S. Attorneys across the country have focused, as
19 Saul has done, on violent gangs, on drug organizations
20 that purvey violence across this nation, and we are
21 making real progress, but violence is basically a
22 local law enforcement problem, and we watch community
23 after community deal with significant violent crime
24 but without the police force it once had to do that.

25 The President during 1992 promised
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1 this nation that he would lead the effort to put
2 100,000 community police officers on the streets of
3 this nation. With the passage of the Crime Act in
4 1994, which Congressman Conyers was so instrumental
5 in helping secure passage of, we are seeing that
6 become a reality. Forty-four thousand officers have
7 been funded. I have had the opportunity to see those
8 officers in action on the streets of this nation. In
9 Detroit alone \$19 million has gone to hire or redeploy
10 246 officers, and the Mayor and the Chief tell me it's
11 making a difference, but we need to do more.

12 We recognize that violence is a
13 learned behavior. One of the best classrooms for
14 learning violence is in the home. For so many years
15 America dismissed the problem of domestic violence as
16 something that really didn't exist, but now sufficient
17 studies have been done to show that the child who
18 watches his father beat his mother comes to accept
19 violence as a way of life, and unless the medical
20 community and the legal community join together in
21 interrupting that cycle of violence, we will never end
22 it on the streets of this nation or in our schools.

23 To that end, the Crime Act provided

24 moneys to states to be distributed to local
25 governments for innovative initiatives aimed at

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1 domestic violence, creative police initiatives,
2 domestic violence courts, expansion of battered spouse
3 shelters. More moneys will be coming this year
4 through carefully planned grants on the part of the
5 states, and we look forward to continuing our
6 partnership with you in this effort.

7 We focused on the problem of drugs
8 and we now have today in prison more of the major
9 organizers of the Calley (phon) Cartel than ever in
10 history. We are working across America with local law
11 enforcement to identify the drug problems that plague
12 the area and join our forces in an effective manner.
13 We have been instrumental in securing drug court
14 moneys that permit courts to provide drug courts that
15 provide a care-and-stick approach to say look, you are
16 a non-violent first offender charged with possession
17 of a small amount of drugs. You can work with us
18 under supervision of the court, get treatment, work
19 with us in job training and placement and get off on
20 the right foot, or you can face a certain sanction.
21 It's working, again, because we're trying to use
22 common-sense initiatives that combine the best efforts
23 of everybody concerned to make the difference.

24 So I look at your efforts here and
25 I remember when I first came to Detroit how people

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1 talked about the violence. I have seen what you have
2 done in enforcement, prevention and intervention, and
3 you should be so proud of the results. For the first
4 time in at least 10 years violent crime is down in
5 Detroit for two consecutive years in a row and the
6 murder rate continues to decline. It represents a
7 pattern across America. Violence is down in many
8 major cities because of a bipartisan, common-sense
9 approach of people coming together.

10 I had the good fortune to meet with
11 federal and state law enforcement this morning, and
12 to hear Chief McKinnon tell me what it's like to hear
13 representatives of the Michigan State Police tell me
14 when I go to a community, three years ago I went and

15 people were afraid to walk out of their doors because
16 of drive-by shootings. Now they walk out of their
17 doors and they become involved and they are concerned
18 about graffiti, they are concerned about quality of
19 life in the community.

20 You are making a difference and
21 we want to back you up every step of the way, but we
22 have got to renew our efforts at what I consider to be
23 one of the most critical problems facing this nation
24 today, and that is the problem of youth violence.
25 Beginning in 1985 youth violence started up

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1 dramatically in this nation and continued up. That
2 despite the fact that in those first years the number
3 of young people was declining in this nation, but in
4 1992 the number of young people started to go up, and
5 the demographics of this nation indicate that number
6 will increase substantially over the next 20 years.
7 Unless we have an impact on youth violence now, our
8 problems are going to get a lot worse. We've got to
9 provide a balanced approach, letting people know that
10 there is no excuse for putting a gun up beside
11 somebody's head and hurting them, and that if they do
12 it they're going to get a firm, fair sanction that
13 fits the crime.

14 We've got to make sure that
15 communities across this nation have appropriate
16 facilities for serious youthful offenders that can
17 provide for secure detention but at the same time
18 recognize that most of them are coming back to the
19 community sooner rather than later, and better to send
20 them back with job skills, better to send them back
21 with coping skills that can enable them to get off on
22 the right foot when they get back, and that when they
23 come back to the community, if they're coming back,
24 let's give them a chance with after-care, follow-up
25 and support.

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1 That means to the business
2 community who says I don't want to hire somebody with
3 a prior record, if we don't start figuring out how to
4 hire them and bring these juveniles back into the
5 mainstream, they are only going to repeat. If you

6 came out of a detention facility and went to the
7 apartment over the open-air drug market where you got
8 in trouble in the first place, you had dropped out of
9 school and you didn't have a job skill, guess what you
10 would be doing next? If we join together, if schools
11 and the business community and the criminal justice
12 system join together to give people coming back to the
13 community a chance of success, we can make a
14 difference.

15 When I was here in June of 1993,
16 Jan Dorrity asked me to come up to talk about
17 children, and I am still talking about children. I
18 believe it more than ever, that we cannot wait until
19 children are adjudicated delinquent, we cannot wait
20 until they drop out of school, we cannot wait until
21 they are truant at eight.

22 This nation has got to join
23 together to make a major investment in children, and
24 I am proud of what Detroit is doing. I am proud to
25 see what you are doing, so many of you who are

10 participating in the block clubs, at reweaving the
1 fabric of community around communities and families
2 and children at risk; but there is so much more that
3 we must and can do, for, ladies and gentlemen,
4 prevention is working; and guess who the major
5 proponents of prevention are in this country? It's
6 the sheriff, it's the police chief, it's the officer
7 on the beat who watches what happens as we are
8 indifferent to our children and knows that by the time
9 he gets that child when he's 13 or 14 that it's too
10 late, that we've got to make the investment up front,
11 in programs afternoons and in the evenings for our
12 children, in mentoring programs.

14 You say what can I do. It is
15 so exciting to see businesses which permit their
16 employees to go participate in afternoon mentoring
17 programs or afternoon tutoring programs and to see the
18 difference these people are making as they reach out
19 and touch the life of a kid who needs just a little
20 bit of support, just a little bit of push to get
21 going. You can do so much in terms of school-to-work
22 programs.

23 I was in Boston recently sitting
24 around a table with community leaders who are
25 participating in a particular neighborhood community

11 justice initiative and heard a representative of John
1 Hancock talk about what happened when the police
2 called John Hancock and said we've got kids here who
3 don't know how to live, they don't know how to get a
4 job, they don't know how to interview, they don't know
5 how to get to work on time or how to take direction.
6 Will you help us prepare themselves for job learning
7 and job skills. John Hancock started a program with
8 others in the Boston community that provided a summer
9 program and then industry and business throughout
10 Boston committed to providing these children jobs
11 after school during the school year.

13 If we can develop school and work
14 orientation, we can graduate from our high schools of
15 this nation young people with skills that can enable
16 them to earn a living wage. If you don't care about
17 crime, you're going to need a work force, and we've
18 got to make that investment in children.

19 We've got to realize part of that
20 investment is making sure our employees' children are
21 properly cared for during the time our employees are
22 working with us and for us, and we've got to develop a
23 family-friendly workplace that can ensure appropriate
24 child care and appropriate supervision of our
25 children, for the Carnegie Foundation has alerted us

12 that adolescents are more alone and without adult
1 supervision than at any time in our history. We can
2 do so much if we come together.

4 The hospitals of this city can do
5 so much. It is exciting to see what happens when a
6 hospital of its own initiative recognizes the children
7 who witness violence come to accept it and they are
8 intervening with the police to work with children
9 who have been witness to violent acts or victims of
10 violent acts in terms of counseling, in terms of
11 support, in terms of the development of conflict
12 resolution programs.

13 The Bar Association can do so much

14 in teaching people how to resolve conflicts without
15 knives and guns and fists. Bar Associations and
16 lawyers across this country are participating in
17 community mediation programs and are leading the
18 way in showing teachers and community police officers
19 what can be done to work together peacefully to
20 resolve our issues.

21 The universities represented here
22 today can be such a vital force in sharing the
23 knowledge of their faculty and the enthusiasm of their
24 students in addressing community problems. Take the
25 school of architecture, match it with the school of

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1 social work, a criminal justice major on one side and
2 put it all together and think of the energy you could
3 bring to a neighborhood in resolving problems.

4 There is so much to be done, but I
5 can tell you, three years later Detroit is well on its
6 way, and you enable me to carry forward around this
7 nation a clear message: We can do something about
8 crime.

9 When I first saw the figures, I
10 didn't want to be too hopeful, but I have seen them
11 now over these three years. When we work together,
12 when we use our resources wisely, when we go after
13 the bad guys and put them away, when we work together
14 to prevent crime in the first place, we are making
15 a difference in this nation, and it is because of
16 communities like Detroit who care and are putting
17 all our efforts to the test.

18 We need to focus today on a
19 despicable travesty sweeping this nation and apply
20 the same effort. We cannot let these church arsons
21 continue. We must come together, and it has been so
22 encouraging to me, so heart-warming to me, to see the
23 private sector step forward and say how can we help
24 these churches rebuild. Across this nation, that
25 whole effort has been so heart-warming.

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1 Congressman Conyers took the lead
2 early on in hearings with our Assistant Attorney
3 General for the Civil Rights Division, Duval Patrick,
4 in trying to figure out what additional legislation

5 was necessary to make our work more effective, and
6 through his leadership, and again in a bipartisan
7 effort, the House has passed the bill that can be
8 so helpful by a vote of 422 to zip, an indication
9 of the commitment of this nation.

10 The President has made this a
11 priority and has made clear to all the federal
12 agencies involved that it is so important that we
13 work together through the National Arson Task Force
14 and through our U.S. Attorneys,, and we are seeing
15 results. Of the incidents that have occurred since
16 1990, 49 have been solved by arrest, 34 others have
17 been closed by conviction and we are seeing results,
18 but we must renew our efforts. There is a spirit out
19 amongst this nation that is so heart-warming to me as
20 we deal with this issue.

21 I met with the ministers of many
22 of the churches affected about two weeks ago. They
23 had questions and they had concerns, but mostly they
24 had strength and courage and spirit. They said the
25 building may have been burned down but our church

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1 didn't burn down, and we are moving ahead.

2 I went to Greeleyville, South
3 Carolina, with the President and stood with church
4 members who had rebuilt their church, and the spirit
5 there was overwhelming. I watched as the President
6 met with southern governors, Republican and Democrat,
7 in the cabinet room at the White House. It was a
8 moving experience to see Republicans and Democrats
9 come together, put aside partisan differences and
10 join united as one to address this.

11 This is what we should all be about
12 in this nation, putting aside the divisions that would
13 fray us around the edges and looking at the tremendous
14 center and the heart of this nation that works
15 together so wonderfully and make sure that people
16 understand that force is paramount amongst us all
17 and throughout the country.

18 One of the major areas that in this
19 time of violence has caused some people to forget
20 about the problem is the problem, however, of white
21 collar crime. Again, we want to work with you, with

22 the business community, with the people affected to
23 address this issue. What are your problems, what are
24 your priorities, how can the Federal Government best
25 respond to local law enforcement, what is hurting the

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1 business community, what is not.

2 We need to hear from you, and Saul
3 Green has reached out and will continue to reach out
4 to try to make sure we address the concerns of this
5 community, for white collar criminals come often not
6 as threatening individuals nor violent assailants,
7 but they come in the very good company of those we
8 implicitly trust, and every time I turn around, too
9 often the white collar crime has occurred because we
10 trusted too much. There are no gunshots, no
11 blood-stained knives, no police sirens at the scene,
12 but white collar criminals inflict great harm on this
13 nation.

14 Individual losses from thievery
15 far exceed the combined take for robbery, larceny and
16 burglary. A street criminal can steal only what he
17 can carry, but with a stroke of a pen, the dialing
18 of a telephone or the pushing of a computer key, the
19 white collar criminal can and does steal billions.
20 It disrupts the free market system, it puts honest
21 businessmen at disadvantage. Studies estimate a \$200
22 billion a year loss to consumers, businesses and the
23 government from white collar crime.

24 It is important as we focus on this
25 issue together that we emphasize what can be done to
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1 prevent. For example, in health care fraud, a burden
2 to so many of your businesses because of the increased
3 cost of health care, we have tried to work with the
4 industry in analyzing what happened when a crime has
5 been committed to see what could have been done, what
6 checks and balances could have been installed in the
7 company system that could have prevented the crime in
8 the first place, and we look forward to doing that in
9 all types of white collar crime in partnership with
10 you.

11 It is vitally important that we
12 coordinate the federal law enforcement efforts, and

13 to that end, in July of 1995 I created a White Collar
14 Crime Council which brings together not just the
15 Department of Justice's agencies but the Treasury
16 agencies, the Securities and Exchange Commission and
17 U.S. Postal Inspection Service.

18 Although we need to focus on
19 community priorities and the priorities of one
20 district, it is important to realize that some crimes
21 go beyond the district, go beyond the state border.
22 It is important then to understand that because it
23 often reaches across state lines, we need to
24 coordinate to all levels of government.

25 One initiative which demonstrates
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1 both the complexity of white collar crime as well as
2 the tremendous coordination involved is the Department
3 of Justice national effort to combat telemarketing
4 fraud which began in 1994. It is estimated to cost
5 \$40 billion annually. Visa and MasterCard alone
6 estimate its member institutions lose in excess of
7 \$300 million per year as a result of telemarketing
8 fraud involving payment by credit card. Operation
9 Disconnect, launched in 1994, involved the use of FBI
10 undercover agents who approached telemarketers around
11 the world. As a result of this effort, more than 230
12 individuals were convicted. Some are serving as much
13 as 10 years in prison; but we revised our strategy
14 recently in the form of Operation Senior Sentinel,
15 for we discovered that these boiler rooms were
16 relocating quickly when law enforcement came in.
17 By disconnecting their phone numbers and moving
18 to another state, they started up again.

19 Our efforts represent the most
20 coordinated effort undertaken nationally on any such
21 fraud. Federal agencies joined with the National
22 Association of Attorneys General, with the National
23 District Attorneys Association and with retirees from
24 the AARP to again focus on these and to undertake
25 aggressive prosecution. Twenty-three defendants were

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1 charged, for example, here in Michigan with criminal
2 conspiracy and with mail and wire fraud.

3 We can make a difference if we

4 join together in this nation, and if we listen to you
5 and find out what types of crime are of particular
6 importance to your business and to your community, we
7 will continue in that effort in every way possible.

8 One of the areas that we must
9 join together in addressing is the whole problem
10 of computer crime. Computers give us whole new
11 opportunities, vast increase in productivity, they
12 open a world to us, but they also open the world
13 to crime. When a hack can sit in a kitchen in St.
14 Petersburg, Russia, and on his computer steal dollars
15 from a bank in Chicago, it is imperative for the
16 private sector to join with the criminal justice
17 system to develop training opportunities for law
18 enforcement, law enforcement that for so long dealt
19 with guns or dealt with bank records or dealt with
20 assets and balance sheets, now has to learn about
21 computers. We are working with the private sector
22 in that effort to make sure that the federal agencies
23 involved consider the skill, have the training to
24 match wits with the most sophisticated criminals.

25 So whether it be violence, whether
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1 it be the youth of this country, with whether it be
2 a travesty such the church burnings or whether it be
3 white collar crime that affects your business, we must
4 continue to join together in a partnership focused on
5 the common-sense way to deal with the problem, making
6 sure the punishment is fair, firm and fitting the
7 crime, but recognizing the great strength of the
8 American people.

9 I have been in office a little over
10 three and a half years now. This morning I said it
11 and I say it again even more resoundingly after my
12 meeting with law enforcement: I believed so deeply
13 in this nation when I came to Washington. I saw its
14 problems, I certainly didn't hide my head in the
15 sand. I have been involved with some of the nation's
16 most difficult issues in these last three and a half
17 years, but after traveling across this nation, after
18 seeing communities like Detroit, after seeing law
19 students who care and want to be involved and
20 businessmen who are making such a contribution to

21 their communities, after seeing police officers who
22 put their lives on the line doing so much to help
23 others, I have never, ever believed so strongly in
24 this nation.

25 Thank you for giving me the example

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1 and the reason for caring.

2 (The speech was concluded at 1:07 p.m.)
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