

Memorandum

Assoc. Dir. _____
 Dep. AD Adm. _____
 Dep. AD Inv. _____
 Asst. Dir.:

- Adm. Servs. _____
- Crim. Inv. _____
- Ident. _____
- Intell. _____
- Laboratory _____
- Legal Coun. _____
- Plan. & Insp. _____
- Rec. Mgnt. _____
- Tech. Servs. _____
- Training _____
- Public Affs. Off. _____
- Telephone Rm. _____
- Director's Sec'y _____

TO : Mr. *F.M.* Mullen

DATE: 1/21/80

FROM : W. D. Gow

SUBJECT: ABSCAM

- 1 - Mr. Colwell
- 1 - Mr. Steel
- 1 - Mr. Mullen
- 1 - Mr. Revell
- 1 - Mr. [redacted]
- 1 - Mr. McWeeney
- 1 - Mr. Ramsey
- 1 - [redacted]
- 1 - Mr. Mintz
- Attn: Mr. Weaver
- 1 - R. E. Long
- Attn: Mr. [redacted]
- 1 - Mr. McDowell, USDOJ
- 1 - Mr. Hendricks, III
USDOJ
- 1 - Mr. Henderson, USDOJ

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PURPOSE: To recommend that the Undercover Activities Review Committee approve the Brooklyn/Queens MRA's request for \$48,500 to continue this undercover operation (UCO).

SYNOPSIS: ABSCAM is a solely Bureau funded, controlled UCO targeted against major political corrupters, swindlers, and property thieves. During the course of this operation, ABSCAM has developed prosecutable cases against the Mayor of Camden, New Jersey; Vice-Chairman of the New Jersey Casino Control Commission; a U.S. Senator; associates of the Senator; an Immigration and Naturalization Service (INS) investigator; seven U.S. Congressmen; and one State Senator. ABSCAM operatives are presently in the process of dealing through Howard Criden, a Philadelphia attorney, for introductions to local and state political officials of the Philadelphia, Pennsylvania, area who are predisposed to accept bribes for potential services to be rendered.

RECOMMENDATIONS: 1. That the Undercover Activities Review Committee approve the additional funding of \$48,500 to continue this project.

APPROVED: _____

Director _____
 Exec. AD-Inv. _____
 Exec. AD-Adm. _____
 Exec. AD-LES _____

Adm. Serv. _____
 Crim. Inv. _____
 Ident. _____
 Intell. _____
 Laboratory _____

Legal Coun. _____
 Plan. & Insp. _____
 Rec. Mgnt. _____
 Tech. Servs. _____
 Training _____
 Public Affs. Off. _____

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CONTINUED-OVER

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56 FEB 13 '80

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

FBI/DOJ

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Re: ABSCAM

2. That if this request is approved, Administrative Services Division forward \$48,500 to the Brooklyn/Queens MRA.

W.D.G.
W.D.G.

APPROVED:

Director _____
Exec. AD-Inv. _____
Exec. AD-Adm. _____
Exec. AD-LES _____

Adm. Serv. relms _____
Crim. Inv. _____
Ident. _____
Intell. _____
Laboratory _____
Legal Coun. _____
Plan. & Insp. _____
Rec. Mgnt. _____
Tech. Servs. _____
Training _____
Public Affs. Off. _____

DETAILS: ABSCAM is the code name for a UCO which began July 25, 1978 and is being conducted by the Brooklyn/Queens MRA. It has targeted and developed prosecutable Federal cases against Angelo Errichetti, Mayor of Camden, New Jersey; Kenneth McDonald, Vice-Chairman of the New Jersey Casino Control Commission; Harrison Williams, U.S. Senator, New Jersey; Senator Williams' associates, Henry A. Williams, III, Alex Feinberg, and George Katz; INS Investigator Al Alexandro; Michael Ozzie Myers, U.S. Congressman, Philadelphia, Pennsylvania; Raymond F. Lederer, U.S. Congressman, Philadelphia, Pennsylvania; Howard Criden, Philadelphia attorney; Joseph Silvestri, a representative of a number of interests attempting to obtain financing for casino gambling projects, Atlantic City, New Jersey; Frank Thompson, Jr., U.S. Congressman, New Jersey; John M. Murphy, U.S. Congressman, Staten Island, New York; George W. Jenrette, Jr., U.S. Congressman, South Carolina; Richard Kelly, U.S. Congressman, Holiday, Florida; John P. Murtha, U.S. Congressman, Johnstown, Pennsylvania; and George A. Maressa, New Jersey State Senator.

Undercover Agents (UCA) of ABSCAM through Criden are presently in the process of establishing Yassir Habib's, the Arab principal of the operation, business investments in south Philadelphia. Criden, according to Philadelphia, will, in all probability, produce his law partner who is previously described as a Philadelphia City councilman who "can get things

CONTINUED-OVER

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done" in Philadelphia. Efforts will be made to meet with the influential individuals known to Criden in the city who can handle zoning, licensing, union problems, taxes, etc.

The ABSCAM operation has been highly successful to date, and its future potential, although restrained by a time element, for additional accomplishments remains high.

To date, \$216,200 has been utilized for expenditures, and \$427,000 has been solely used for bribe money. In order to continue this operation, the following refunding authorization is requested to the end of March, 1980. It is noted that the request is strictly for the normal operating expenses and does not include any provisions for payoff money.

ABSCAM cash as of January 4, 1980:

In bank	\$6660.57
Petty Cash	1452.23
Bruce Bradley UCA/account	740.67
Current Actual Cash Available for Operating Expenses	\$8853.47

The following is a projection up to March 31, 1980, of Fixed Cost Expenditures contracted by Abdul Enterprises, Ltd.:

Atlantic City Condominium 3 months @ \$600.00	\$1800.00
Asset 3 months @ 3,000.00	\$9000.00
Car Rental, 3 months @ \$1,779.91	\$5339.73
New York Telephone (Average) 3 months @ \$50.00	\$ 150.00

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CONTINUED-OVER

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New Jersey Telephone (Average) 3 months @ \$50.00	\$ 150.00
Florida Telephone (Average) 3 months @ \$800.00	<u>\$2400.00</u>
Total Fixed Cost Expenditures	\$18,839.31

Furthermore, variable costs have been averaging \$12,820.00 per month. Such costs include travel expenses (meals, flights, rooms) which have been incurred in the New York, New Jersey and Washington, D. C., areas. In this regard, variable costs can only be estimated to be the same at best.

In order to continue this operation the following refunding authorization is requested to the end of March, 1980:

Fixed Cost Expenditures (Approximate)	\$18,900.00
Variable Cost Expenditures (Approximate)	\$38,500.00
Total Cost Expenditures (Approximate)	\$57,400.00
Less: Cash on Hand	\$ 8850.00
AMOUNT REQUESTED	\$48,500.00

It is noted that the above figures appear high; however, some of the monies mentioned will be utilized for unexpected expenses that have been incurred. If there are any monies remaining at the termination of this operation, January 31, 1980, they will be returned to FBIHQ.