



EDMUND G. BROWN JR.
Attorney General

ORGANIZED CRIME IN CALIFORNIA

2007-2008

*Annual Report
to the Legislature*

CALIFORNIA DEPARTMENT OF JUSTICE
DIVISION OF LAW ENFORCEMENT
BUREAU OF INVESTIGATION AND INTELLIGENCE

GEORGE B. ANDERSON

Director

Division of Law Enforcement

RICHARD J. LOPES

Deputy Director

Division of Law Enforcement

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CRAIG BUEHLER

Chief

Bureau of Investigation and Intelligence

RANDY BRYANT

Assistant Chief

Bureau of Investigation and Intelligence

CHRISTINA ROGERS

Assistant Chief

Bureau of Investigation and Intelligence



EDMUND G. BROWN JR., Attorney General
CALIFORNIA OFFICE OF THE ATTORNEY GENERAL

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Executive Summary

The *2007-2008 Organized Crime in California Annual Report to the California Legislature*, a response to the mandate of California Government Code section 15028, summarizes the major criminal activities and crimes attributed to members of gangs, organized crime groups, criminal extremists, and international terrorist organizations.

During these two calendar years, assistance to law enforcement agencies around the state, as well as the analysis and evaluation of trends, has shown that:

Criminal street gangs remain heavily invested in the drug trade and engaged in a wide range of crimes from auto theft and vandalism to assault and murder. In order to avoid law enforcement attention, some gang members have moved away from the practice of overt gang-affiliated dress while others forgo gang-related tattoos to make it more difficult for law enforcement authorities to identify them as gang members.

Prison gangs maintain control over some of California's criminal street gangs, despite incarceration, exercising control and directing the activities of some gangs on the street. From within the institutions, prison gang members direct a variety of illegal activities, including assault, weapons and narcotics trafficking, extortion, intimidation, and murder.

Outlaw motorcycle gangs continue to be involved in drug trafficking, assault, extortion, homicide, money laundering, prostitution, stolen vehicles, and illegal weapons trade. Rivalry among the various outlaw motorcycle gangs continues with sporadic violent and sometimes deadly encounters.

Eurasian organized crime (EOC) groups are engaging in extortion, prostitution, human trafficking, kidnapping, money laundering, drug trafficking, auto theft, fraud, credit card and identity theft, and automated teller machine and point-of-sale credit card skimming.

Mexican drug trafficking organizations (DTOs) command a large portion of the illegal drug trade in California. To counteract falling drug revenues, they are also involved in human smuggling and arms trafficking in California, as well as home invasion robberies and kidnappings for ransom on both sides of the border.

Environmental and animal rights criminal extremist groups, such as the Earth Liberation Front (ELF) and the Animal Liberation Front (ALF), aim to resolve specific issues by using criminal "direct action" (criminal activity that destroys property or causes economic loss to a targeted company) against academic researchers and companies perceived to abuse or exploit animals or the environment.

International terrorist organizations continue to have ties in California and are known to criminally work the California locale to generate capital for their causes.

The California Department of Justice (DOJ) remains steadfastly at the forefront in the fight against these major crime groups and proudly submits this annual report to the Legislature.

Gangs

During 2007-2008, criminal gangs committed a myriad of crimes such as assault, auto theft, carjacking, drive-by shooting, extortion, narcotics manufacture and trafficking, forgery, fraud, home invasion, robbery, identity theft, murder, money laundering, weapons trafficking, witness intimidation, and attacks on law enforcement officials.

The *2007-2008 Organized Crime in California Annual Report to the California Legislature* focuses on the following three areas of gang activity occurring in California: criminal street gangs, prison gangs, and outlaw motorcycle gangs.

The table below provides statistics on California’s gang membership, derived from California’s gang database, Cal/Gang®. Although these statistics may not be a true representation of the number of gang members, because not all law enforcement agencies in California contribute information to the Cal/Gang® database, it is the best source of information currently available and is bound by the requirements and protections outlined in title 28 of the Code of Federal Regulations (CFR), part 23.

Cal/Gang® Membership Data (as of December 2008)						
COUNTY	White	Black	Hisp	Asian	Pac Isl	TOTAL
LA	3,586	29,349	53,833	1,919	624	91,619
San Bernardino	2,845	5,735	15,848	214	60	25,069
Riverside	2,266	3,247	11,956	116	36	17,912
Orange	1,131	331	11,875	878	80	14,656
Sonoma	2,862	1,724	10,213	620	57	16,267
San Diego	262	1,956	4,838	594	304	8,274
Kern	941	1,807	4,731	38	4	7,555
Fresno	2,113	1,486	17,892	1,488	39	23,512
San Jose	705	613	5,248	173	130	7,026
Alameda	449	212	10,832	418	93	12,376
Santa Barbara	408	145	4,908	16	13	5,748
TOTAL	17,568	46,605	152,174	6,474	1,440	230,014

Criminal Street Gangs

Criminal street gangs in California continue to pose a threat to the population of the state. Section 186.22(f) of the California Penal Code (PC) defines a criminal street gang:

As used in this chapter, "criminal street gang" means any ongoing organization, association, or group of three or more persons, whether formal or informal, having as one of its primary activities the commission of one or more of the criminal acts enumerated in

paragraphs (1) to (25), inclusive, or (31) to (33), inclusive, of subdivision (e), having a common name or common identifying sign or symbol, and whose members individually or collectively engage in or have engaged in a pattern of criminal gang activity.

Criminal acts listed in the PC are as follows:

Subdivision (e) paragraphs (1) to (25)

1. Assault with a deadly weapon
2. Robbery
3. Unlawful homicide or manslaughter
4. Sale, possession for sale, transportation, manufacture, offer for sale, or offer to manufacture controlled substances
5. Shooting at an inhabited dwelling or occupied motor vehicle
6. Discharging or permitting the discharge of a firearm from a motor vehicle
7. Arson
8. Intimidation of witnesses and victims
9. Grand theft
10. Grand theft of any firearm, vehicle, trailer, or vessel
11. Burglary
12. Rape
13. Looting
14. Money laundering
15. Kidnapping
16. Mayhem
17. Aggravated mayhem
18. Torture
19. Felony extortion
20. Felony vandalism
21. Carjacking
22. Sale, delivery, or transfer of a firearm
23. Possession of a pistol, revolver, or other firearm capable of being concealed
24. Threats to commit crimes resulting in death or great bodily injury
25. Theft and unlawful taking or driving of a vehicle

Subdivision (e) paragraphs (31) to (33)

31. Prohibited possession of a firearm in violation of PC section 12021
32. Carrying a concealed firearm in violation of PC section 12025
33. Carrying a loaded firearm in violation of PC section 12031

Criminal street gangs vary widely in their nature. Some engage in drug trafficking while others rule by turf or neighborhood barriers. Some commit home invasions or bank robberies while others have crews that manufacture and traffic illegal substances.

As the criminal street gangs terrorize citizens and communities throughout the state, prison gangs attempt to rule internal and external illegal activities from within California correctional

institutions. At times, the lines are blurred when attempting to distinguish gang activity attributed to prison gang members from that of street gang members. Despite being incarcerated, some prison gang members manage to control numerous criminal enterprises on the streets, while others have ties to outlaw motorcycle gang members and Mexican drug trafficking organizations.

In addition to community and school programs, California authorities rely on several techniques to combat street gang problems. One such technique is sentencing enhancements. Gang enhancement charges can result in gang member incarcerations for longer periods of time and are intended to deter gang-related activity. PC section 186.22 (participation in a criminal street gang) and PC section 186.26 (soliciting or recruiting another to actively participate through the use of coercion or violence) authorize enhanced sentences for gang members. These enhancements can add ten years to a gang member's sentence.

As described in PC sections 186.20 through 186.33, a gang injunction is a civil action that identifies a gang's behavior as a nuisance and prohibits the continuance of specific behaviors. A gang injunction is another technique available to law enforcement authorities that has proven effective throughout the state. Violators of an injunction can face up to six months in jail and a \$1,000 fine.

In addition to preventing the creation of new gangs, gang injunctions serve to combat gang activity in two major ways. The injunction forbids gang members from engaging in a multitude of activities including associating with other gang members, trespassing, drinking in public, and possessing drug paraphernalia. It also provides a way for those gang members wanting to get out of gang life with the opportunity to denounce their gang membership and leave.

Hispanic Street Gangs

In California, Hispanic street gangs are divided mostly between two fierce enemies, the Sureños and the Norteños. Together, these rival groups comprise the largest number of street gangsters in California.

Sureños, or "southerners," is a south state criminal street gang aligned with the Mexican Mafia (referred to as EME) prison gang in the California prison system. Sureños are identified with the color blue, which they display on most articles of clothing to show their allegiance to the Sureños and EME gangs. They also identify with the number 13 and the 13th letter of the alphabet, "M," in support of EME. Symbols for Sureños include variations on their name, such as "SUR" or Sureño Trece. They align with other southern Hispanic criminal street gangs such as Mara Salvatrucha 13 (MS-13) and the Los Angeles area's 18th Street, Florencia 13, and The Avenues.

MS-13 is a southern California criminal street gang that has its roots in El Salvador. Many of the original members had military training as a result of the civil war that occurred in El Salvador during the 1980s. These individuals fled to the United States, mainly to Los Angeles, in response to the war and formed their own gang for protection against other Hispanic gangs in the area. MS-13 membership has grown rapidly and has gained a reputation for violence. They can be found in many states across the country, but they also have a strong presence in El Salvador,

Ecuador, Honduras, Mexico, and Guatemala. Their membership in these countries makes them one of the most infamous transnational gangs in existence today. MS-13 members can be identified by tattoos that include “MS,” “13,” and the depiction of “devil horns.” They align with other Sureños gangs, but they are known to be enemies of the 18th Street gang.

The 18th Street criminal street gang is another Sureños gang that began in Los Angeles during the late 1950s. Currently, it is one of the largest Hispanic criminal street gangs and has a strong presence in states across the country. A street gang known as M-18, which has its roots in Central America, has been identified with 18th Street, but there is nothing to indicate that these groups operate under the same organization. The 18th Street aligns with most other Sureños gangs and EME. Their rivals are MS-13 and the Bloods. EME is known to use 18th Street gang members to enforce its leadership on other Sureños gangs throughout the state. The 18th Street gang members can be identified by tattoos that include “18” and “666.”

Norteños, or “northerners,” is the predominant Hispanic criminal street gang in northern California. Norteños members align with the Nuestra Familia prison gang within California’s correctional institutions. Norteños members can be identified with the color red to distinguish themselves from Sureños members. They can also be identified with the number “14” and the 14th letter of the alphabet, “N.” Symbols for Norteños have been known to include the United Farm Worker’s symbol of the Huelga bird, sombreros, and machetes. Norteños members have a tendency to wear clothes of sports teams that display the color red or the letter “N.” Norteños members generally align with other Norteños gangs such as Hayward’s South Side Hayward, Stockton’s East Side Stockton, and West Sacramento’s Broderick Boys.

The Fresno Bulldogs is one of the largest criminal street gangs that is independent of Norteños and Sureños, both in and out of the prison system. Both EME and the Nuestra Familia have attempted to bring the Bulldogs within their control without success. Currently, there are thousands of Fresno Bulldogs members with most of them residing in the Fresno and Central Valley area. Members of the Fresno Bulldogs use the bulldog, dog paw prints, and the color red as symbols. The members are known to bark like a dog as a means of intimidation.

Asian Street Gangs

The growth of Asian street gangs in California began in the 1970s when California saw an influx of immigrants from Vietnam, followed by immigrants from Cambodia and Laos. To protect themselves against other gangs, members of these cultures developed their own gangs and became commonly referred to by law enforcement authorities as Southeast Asian gangs. These gangs engaged in crimes including auto theft, burglary, and residential robbery. In the 1990s, as Asian street gangs grew, they became more organized and more violent. They also began committing more crimes such as home invasion robberies and drive-by shootings.

Asian street gangs today, as do other gangs, benefit from modern technology. The Internet and text messaging allows criminals to remain in close communication without face-to-face meetings. This communication allows these gangs to engage in more enterprising criminal activities such as narcotics distribution and weapons trafficking. In addition, Asian street gang members are increasingly mobile. They have been known to travel throughout the state and across state lines to commit crimes or flee from prosecution. Asian street gangs have been seen

as one of the more transitory gangs compared to other ethnic gangs based on their extended family and friends. Some of the more active and widely reported Asian street gangs include the Tiny Rascals Gang (TRG), Menace of Destruction, Asian Boyz (ABZ), Asian Crips, and Loc Town Crips (LTC).

The TRG is a Cambodian street gang that started in Long Beach during the mid-1980s. It is considered to be the largest Asian street gang in the United States. Once believed to comprise only Cambodian gang members with a goal of protecting Cambodians from Hispanic and African-American gangs, the TRG now includes members of non-Asian ethnicities. The TRG is involved in the street-level distribution of powdered cocaine, marijuana, ecstasy, and methamphetamine. They are also involved in other types of criminal activity including assaults, drive-by shootings, extortion, home invasions, robbery, and theft. While firmly entrenched in Long Beach and Fresno, TRG members and associates are also located in Modesto, Stockton, Sacramento, San Diego, San Bernardino, and Orange County.

The Menace of Destruction is a criminal street gang that came into being in the late 1980s in Fresno where Hmong youths banded together for companionship and protection from criminal street gangs. By 1990, they began associating with TRG members from Long Beach. This association influenced the Hmong youths to form their own criminal street gang, which initially was referred to as either the Men of Destruction or the Masters of Destruction. Today, the gang is commonly referred to as the Menace of Destruction.

The ABZ criminal street gang was formed in southern California in the early 1970s. Its membership is composed primarily of Vietnamese or Cambodian-American males. ABZ members are involved in producing, transporting, and distributing methamphetamine, as well as distributing MDMA, or ecstasy, and marijuana. In addition, ABZ is involved in other criminal activities such as assault, burglary, drive-by shootings, and homicide.

Law enforcement continues to face specific challenges with respect to Asian street gangs. Many victims and witnesses of crimes by Asian street gang members are from the same culture or community and are uncooperative with law enforcement authorities. Law enforcement officials believe this is due to a cultural barrier because many in the Asian community do not trust law enforcement.

African-American Street Gangs

African-American street gangs in California have been in existence for more than 85 years. However, unlike today, the earliest African-American street gangs of the 1920s were unorganized, non-territorial, and rarely violent. These early gangs were mainly composed of family and neighborhood friends.

During the 1960s, California's two most violent African-American street gangs arose: the Crips and the Bloods. The Crips formed in southeast Los Angeles and quickly became well known for ruthless violence. The Bloods formed in Compton around the Piru Street area in an effort, as many gangs did at that time, to protect themselves from the Crips.

By the 1980s, Crips and Bloods membership reached approximately 15,000 in the Los Angeles area. The gangs, or sets within the gangs, ranged in size from very few members to several

hundred, with ages from 14 to 24 years. At that time, these gangs had not developed organized leadership. However, African-American street gangs became increasingly territorial and more violent and were extremely motivated to protect their neighborhood from rival gang members. They began using colors, monikers, hand signs, and graffiti as basic trademarks that were unique to the gang. For example, the color blue became the color of the Crips while the color red was adopted by the Bloods. Monikers were often a reflection of the gang member's criminal abilities. Graffiti identified the gangs and hand signs conveyed symbols that usually represented the gang's name. Criminal activity that became common among gang members during this period included assault, burglary, drive-by shootings, drug sales, and robbery.

During the 1990s, law enforcement recognized some gangs were becoming more organized. Law enforcement also observed some of the older gang members, known as original gangsters (OGs), recruiting and training new and younger gang members. Consequently, law enforcement officials are now encountering individuals who are second- and third-generation gang members.

According to law enforcement officials in a number of California counties, African-American street gangs today are expanding their scope of criminal activities to include armed robbery, various types of assault, burglary, gun trafficking, carjacking, home invasions, identity theft, murder, prostitution (including the use of underage girls), and rape. African-American street gangs' use of weaponry includes a variety of different handguns, assault rifles such as the AK-47, and knives. In some cases, African-American street gang members are reported to wear bullet-proof vests during the commission of crimes.

In areas of central California, African-American street gangs are involved in "hyphy movement" activities. "Hyphy" is a style of Bay Area hip-hop involving high energy and dance music. It includes "stunting," the performance of dangerous car tricks like turning donuts, figure eights, and "ghost riding the whip" where the driver steps out of a slow-moving vehicle to dance or walk next to the car. These activities are extremely dangerous and, in some cases, have led to death.

African-American street gangs are realizing the benefits of collaborative work for financial gain. Reportedly, individuals from rival gangs have joined together under a "hybrid gang" to conduct criminal activities. Nevertheless, according to authorities, the vast majority of active African-American street gangs throughout California fall under the Blood or Crip umbrella, as well as other groups such as Stockton's North Side Gangster Crips and the San Francisco Bay Area's Down Below and Nut Case gangs.

The manner in which African-American street gangs display colors to represent their gang continues to evolve. Some members display their gang colors through clothing which may include wearing certain sports attire meant to represent their gang. In addition, while it is common for gang members to have tattoos representing their gang membership, some get tattoos that are more individually motivated. Some African-American street gang members in California are reportedly moving away from gang-related tattoos in an attempt to thwart gang membership recognition by law enforcement. These individuals recognize that contemporary criminal collaboration requires a level of trust unattainable with gang-related tattoos. However, many gang members continue to represent their gang through the use of tattoos.

White Street Gangs

White street gangs, sometimes referred to as skinhead groups, are also based in California. Members of racist skinhead groups are frequently associated with larger white supremacist groups that conform to white supremacist ideologies. Examples of white street gangs in California include Public Enemy Number One (PEN1), Hammerskins, Golden State Skins, Sacto Skins, Sacramaniacs, C.O.O.R.S. (Comrades of Our Race's Struggle) Family Skins, Insane White Boys, SMASH/SMASH Team 88 (Superior Minded Aryan Skinheads), and Deadline Family Skins (Deadline Skins).

White supremacist groups subscribe to the fundamental ideology that being a white descendent or of Aryan ancestry makes them superior to other individuals, especially African-Americans, persons of Jewish decent, Latinos, and homosexuals. Many idolize Adolf Hitler and his anti-Semitic ideology. Individuals and groups that adhere to white supremacy beliefs pose multiple threats in that they will not only conduct criminal activity for the advancement of their gang, but these individuals and groups will engage in hate crimes motivated by white pride ideology.

Some of the more active white supremacist groups in California include the United Society of Aryan Skinheads (USAS), the National Socialist Movement (NSM), the Confederation of Racialist Working Class Skinheads (CRW), and an offshoot of the World Church of the Creator called the Creativity Skinhead Movement (CSM).

According to the Southern Poverty Law Center's (SPLC) Hate Crime Group listing for 2008, California leads the nation with the most hate groups. According to the SPLC, there are 84 hate groups in California, 59 of which are neo-nazi, white nationalist, Ku Klux Klan, or racist skinheads. However, it is difficult to accurately depict exactly how many white supremacist and white gangs exist because they often change names, merge, or claim, "lone wolf" status. A "lone wolf" can be described as an individual who believes in an ideology but does not claim membership in a larger group. This kind of disassociation allows individuals to commit crimes in the name of a higher philosophy without incriminating others.

PEN1 was formed in Long Beach during the early 1980s by a group of young white males drawn together by white supremacist philosophy and common interest in punk rock music. The group took its name from one of the popular hardcore punk rock bands, Rudimentary Peni. Around 1988, PEN1 members evolved into a criminally active skinhead-type gang. They committed auto thefts, burglaries, and robberies to help finance their drug habits. Since the late 1980s, PEN1 has expanded its scope of criminal activities to include fraud and narcotics distribution. Many PEN1 members are found throughout southern California including Los Angeles County, Orange County, Riverside County, San Bernardino County, and San Diego County.

Notable street gang occurrences during this reporting period include the following:

- In January 2007, in Stockton, an Asian street gang member fatally shot a 27-year-old man for "mad mugging" him. "Mad mugging" (or "mean mugging") is a street term used to describe an intimidating look. The 22-year-old was found guilty of first-degree murder, possession of a loaded firearm, and being an active member of a criminal street gang. In January 2008, he was sentenced to 62 years to life in state prison.

- In December 2007, a member of the Deadline Skins attacked an African-American man in a Santa Clarita restaurant. Witnesses claim the gang member flashed his white supremacist tattoos and shouted racial slurs at the victim before the attack. The gang member was later charged with battery and committing a felony hate crime.
- In December 2007, a Sacramento County Sheriff's Department Gang Unit detective was fatally shot after attempting to contact suspicious subjects in a known gang area. When the detective and his partner approached the residence of known gang members, the suspect fled and subsequently shot the pursuing detectives. The suspect, a TRG Asian gang member, was later captured and taken into custody.
- In March 2008, two members of the 18th Street criminal street gang shot and killed a 17-year-old star running back for Los Angeles High School. According to law enforcement authorities, the gang members pulled up to the student in their vehicle and asked which gang he belonged to before they shot and killed him. The victim was not reported to be affiliated with any gang. Pedro Espinoza, an 18th Street gang member and illegal immigrant, was arrested and charged with the murder.

Law enforcement achievements against criminal street gangs for this reporting period include the following:

- In April 2007, more than 500 federal and local California law enforcement authorities arrested 22 members and associates of the Neighborhood Crips street gang. Law enforcement officials served 41 federal and state search warrants in San Bernardino and Los Angeles counties and arrested the suspects on various charges involving firearms, narcotics, and counterfeiting. Authorities seized 17 firearms, \$47,880 in currency, approximately \$1,000 in counterfeit currency, 15 packs of ecstasy, and assorted drug paraphernalia.
- In June 2007, 46 members of the LTC, a Stockton-based Cambodian street gang, were arrested for various gang, weapons, and drug violations. The arrests included the key leaders of the gang. The LTC, one of the most sophisticated and vicious Asian street gangs, was responsible for widespread violence such as drive-by shootings. In addition, the gang was trafficking methamphetamine, ecstasy, and marijuana throughout California as well as out of state.
- In August 2007, the trial of a gang-related, drive-by shooting in Fresno concluded with the conviction of nine Asian street gang members. Members of the ABZ, a violent street gang, shot and killed a pregnant woman and her unborn child during a drive-by shooting. The incident stemmed from a fight between members of the ABZ and TRG gangs at a local nightclub. The convictions and penalties varied from 15 years in prison for voluntary manslaughter to life in prison for first-degree murder.
- In May 2008, the Stockton Police Department, with assistance from the California Department of Justice, arrested members of the Norteños criminal street gangs that had

ties to the prison gang Nuestra Familia. Charges included methamphetamine trafficking and weapons violations. A conviction is pending.

- In December 2008, a member of the Bay Area's Nut Case gang was sentenced to life in prison. The defendant was one of eight gang members arrested early in 2003 after a six-week crime spree in Oakland that included five murders and several robberies.

Prison Gangs

The California Code of Regulations (CCR), title 15, division 3, article 1, section 3000, defines prison gangs as:

Any gang which originated and has its roots within the department [California Department of Corrections and Rehabilitation] or any other prison system.

There are seven prison gangs recognized by the California Department of Corrections and Rehabilitation (CDCR): Mexican Mafia, Nuestra Familia, Northern Structure, and Texas Syndicate, Aryan Brotherhood, Nazi Low Riders, and Black Guerrilla Family. These gangs initially formed for racially-based protection purposes.

Five of the seven recognized prison gangs are responsible for the majority of the criminal activities throughout California's 33 prisons. These are the Mexican Mafia (referred to as EME), Nuestra Familia (NF), Aryan Brotherhood (AB), Nazi Low Riders (NLR), and Black Guerrilla Family (BGF).

In addition to prison gangs, the CDCR also recognizes other criminal groups and members of these groups that operate in prisons but are not considered prison gangs. They are known as disruptive groups, defined by the CCR, title 15, division 3, article 1, section 3000, as:

Any gang, other than a prison gang [operating in the correctional setting].

Whether a disruptive group starts in prison does not matter; they do not meet the regulatory criteria of a prison gang. Examples of these disruptive groups include the Northern Ryders, Bloods, Crips, 415 Kumi Nation, and Ansar El Muhammad (AEM).

The Mexican Mafia, or EME, is a Hispanic prison gang that originated in the late 1950s in the Deuel Vocational Institution in Tracy. EME is the largest and one of the most violent prison gangs in California. Members and associates engage in a variety of criminal activities including extortion, money laundering, murder, assault, and witness intimidation. EME members and associates also engage in the sale and manufacture of heroin and methamphetamine.

The Sureño criminal street gang is aligned with EME and provides drug trafficking and money transport services outside of the prisons on behalf of the EME. EME works with many drug trafficking organizations, including the Arellano Felix Organization, and profits are distributed in many ways. Girlfriends, wives, and other member associates launder the money with deposits

into inmate trust accounts. Also, relatives and member associates invest profits into weapons, narcotics, and legitimate businesses in order to generate additional money for EME.

As members are released from prison, they often parole to local communities where they continue to conduct criminal activities on behalf of the prison gang. These members also recruit new members, extending EME's control over communities. Many southern California Hispanic street gangs are controlled by EME.

The Nuestra Familia (NF) was formed in Salinas Valley State Prison during the mid-1960s, but the CDCR did not recognize NF as a prison gang until 1979. NF members, composed mainly of Hispanic gang members from northern California, banded together for protection against EME. Hispanic inmates are strongly encouraged to align with either the NF or the EME as they enter the prison system. The NF's principal source of income comes from the distribution of illegal narcotics. However, NF members engage in a multitude of crimes including extortion, assault, robbery, and murder.

The NF is extremely well-organized with a formal, centralized leadership structure and operates under a constitution. The NF organization consists of a governing body with a high command, an inner council/general council controlling everything inside CDCR facilities, and a street regiment controlling everything on the streets. Under each of the inner council/general council and street regiments are general and subordinate associates.

The Aryan Brotherhood (AB) is one of the largest white prison gangs within the CDCR and is both well-organized and recognized for its violent propensities. The AB formed in San Quentin State Prison in 1967. Originally, the gang formed to provide protection for white inmates against African-American and Hispanic gangs. Some AB members adhere to a white supremacist ideology, and some have embraced Nazi symbols, such as the swastika, lightning bolts, and a three-leaf clover with the numbers "666" or the letters "AB".

Although the AB's membership is relatively low, they control the entire white inmate population inside California institutions. Like other prison gangs, the AB controls associates and other white street gangs beyond prison walls. They promote a climate of fear through threats and acts of violence. The AB's criminal activities include murder, assault, threats, witness intimidation, and narcotics manufacturing and trafficking.

The Nazi Low Riders (NLR) is another white prison gang that originated during the 1970s inside a California Youth Authority facility. NLR members associate with other white gangs such as the Peckerwoods, PEN1, and the AB. During the early part of NLR's existence, most members aspired to someday join AB's membership. However, NLR has since established its own identity. NLR members also operate outside the prison institutions and engage in criminal activities including extortion, sale and manufacture of illegal narcotics, assault, and murder.

The Black Guerrilla Family (BGF) is an African-American prison gang started in San Quentin State Prison in 1966. The BGF formed in an effort to consolidate all African-American inmates into one structured force. Unlike other prison gangs, the BGF is considered to be more political than other prison gangs throughout California institutions. The BGF was established with some of the political and revolutionary influences of the Black Panther Party. Foundational BGF goals

include eradicating racism, maintaining dignity during imprisonment, and overthrowing the U.S. government.

The BGF is highly organized and has a military-type ranking structure with commanders, generals, captains, lieutenants, sergeants, and soldiers. Reorganization and heavy recruiting has bolstered BGF numbers. The BGF is known to recruit from and align with African-American street gangs and disruptive groups such as Crips, Bloods, and 415 Kumi Nation. Like most prison gangs, the BGF is motivated by money and power. Members engage in narcotics trafficking, bookmaking, robbery, extortion, and murder.

Notable prison gang occurrences during this reporting period include the following:

- In July 2008, an Aryan Brotherhood (AB) member pleaded guilty in a Riverside federal court to voluntary manslaughter, possession of a dangerous weapon in a federal facility, and possession of alcohol in prison. At the time of the crimes, the inmate was at the maximum security U.S. Penitentiary in Marion, Illinois. He admitted his role in carrying out a “hit” ordered by a high-ranking California AB member.
- In August 2008, a Los Angeles County Sheriff’s deputy was gunned down outside his home in Cypress Park. The deputy was assigned to the “high power unit” in the jail, and was responsible for guarding notorious gang members, including members of the Mexican Mafia (EME). Detectives believe the homicide is possibly related to neighborhood gang violence, a personal grudge, or a Mexican Mafia “hit.”

Law enforcement achievements against prison gangs for this reporting period include the following:

- In April 2007, 13 EME members were arrested in Coachella Valley after an operation named “Operation Clean House.” One arrestee was a parolee, a “shot caller” who was one of the highest ranking EME members in Coachella Valley. He was charged with conspiracy to distribute narcotics, primarily heroin and methamphetamine, as well as weapons charges. Law enforcement officials confiscated more than 50 guns, methamphetamine, a pipe bomb, \$15,000 in cash, and several vehicles.
- In June 2007, two Nazi Low Riders associates pled guilty to federal racketeering charges. The associates were the last of a dozen people charged in a 2002 indictment charging members and associates with extortion, conspiring to distribute narcotics in prison, witness tampering, robbery, attempted murder, and murder.
- In July 2007, a federal grand jury returned an indictment in Sacramento against 26 Nuestra Familia members and associates. They were charged with conspiracy to possess and distribute methamphetamine, cocaine, marijuana, and ecstasy.

Outlaw Motorcycle Gangs

The California Department of Justice’s 2001 publication *Outlaw Motorcycle Gangs* defines outlaw motorcycle gangs (OMGs) as:

organizations whose members utilize their motorcycle gang affiliation as a conduit for criminal enterprises. The nature of their criminal activity is generally conspiratorial and includes crimes such as extortion, business infiltration, trafficking in drugs, illegal weapons, and stolen property.

OMGs, once perceived as groups of troublemakers and social rebels, evolved through the years into sophisticated criminal organizations. Because of their participation in various criminal enterprises, their penchant for violence, and their connection to organized crime, drug cartels, prison gangs, and street gangs, they are credible participants within the criminal landscape. Many OMGs present themselves as enthusiasts who share a common interest in riding motorcycles. However, OMGs are known to use fortified clubhouses, arsenals, automatic weapons, counterintelligence efforts, and organized criminal methods.

OMG members are identified typically by their official uniform, referred to as their “colors” or “patch” placed on a denim or black leather vest. Colors or patches refer to the gang’s official emblem worn on the backs of their vests. Included in the colors is the gang’s name printed on a half circle on the top of the vest called the “top rocker.” The gang’s emblem is in the center with the letters “MC” (motorcycle club). The location of the gang is printed on a half circle on the bottom of the vest called the “bottom rocker.” Colors are considered sacred and can only be worn by members. Revenge can likely result should a non-member wear a gang’s colors.

Individuals going through OMG initiation are referred to as “prospects” and may only wear the bottom rocker indicating the city in which the gang operates and the letters “MC.” Some OMG who are fully patched members wear a diamond-shaped patch that shows “1%” on the front of their vest. This patch is derived from a 1947 comment made by then-president of the American Motorcycle Association (AMA) stating, “99% of the motorcycling public are law-abiding; there are 1% who are not.” Currently, members wear the “1%” symbol to show their outlaw status.

OMGs are highly structured organizations that maintain a strong, centralized leadership with strict rules that dictate membership, conduct, and criminal activities. OMGs appear to be close-knit groups with very selective membership. Membership requires an introduction to other members and an initiation period of several months which concludes with a final vote of acceptance by the members. Full members are the only ones who can attend the official meetings of the OMG. A strict code of silence is enforced among members of the gang. The business of the gang is not discussed with non-members.

There are several OMGs in California. Some of the most prominent are the Hells Angels, Mongols, and Vagos motorcycle clubs. In addition to these OMGs, there are several smaller groups that function as support clubs that provide services to the larger OMGs, such as security at OMG events. Members of these smaller clubs are often recruited for possible membership into the larger clubs. It is common to see support club members wearing patches indicating they are supporters of the Hells Angels.

The Hells Angels Motorcycle Club (HAMC) was formed in 1948 in Fontana and is the largest OMG worldwide. Chapters can be found as far north as Canada and Russia, and as far south as South America, Australia, and South Africa. According to the National Gang Intelligence Center

(NGIC), the United States has approximately 900 to 950 members who belong to more than 69 chapters in 22 states. The HAMC can be found in many cities in California, with their website claiming they have chapters in Daly City, Fresno County, Los Angeles County, Merced County, Monterey, Oakland, Orange County, Riverside, Sacramento, San Bernardino (also known as Berdoo), San Francisco, San Fernando Valley, San Jose, Santa Cruz, and Sonoma County.

The HAMC has engaged in numerous criminal activities. According to the U.S. Drug Enforcement Administration (DEA), the HAMC began large-scale drug distribution during mid-1967, and they soon became the leading manufacturer and distributor of LSD. In recent times, members have been involved in the transportation and distribution of cocaine, ecstasy, hashish, heroin, LSD, and PCP. Other HAMC criminal activities include assault, extortion, homicide, money laundering, motorcycle theft, prostitution, and weapons trade. In order to create a favorable public image, the HAMC sponsors events such as annual toy runs, which generate charitable donations to homeless shelters and children's homes.

The Mongols Motorcycle Club was formed in Montebello in the early 1970s. According to their own website, the Mongols have three international chapters located in Canada, Italy, and Mexico. The NGIC reports there are approximately 70 chapters with 800 to 850 members nationally, with most of the members residing in California. The Mongols website lists 54 chapters throughout the state with a large volume in southern California and the greater Bay Area.

The Mongols are considered an extremely violent OMG, and federal agents working for the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) labeled the Mongols as the most violent and dangerous OMG in the nation. Like the HAMC, the Mongols transport and distribute drugs such as cocaine, marijuana, and methamphetamine. Their membership includes current and former street gang members who will not hesitate to use violence for settling grievances.

The Vagos Motorcycle Club began in the San Bernardino area in the 1960s. Current members reside in California, Hawaii, Nevada, Oregon, and Mexico. According to the NGIC, there are approximately 300 Vagos members among 24 chapters.

Vagos members are similar to HAMC and Mongols members in that they transport and distribute methamphetamine. Like Mongols, Vagos also distribute marijuana. In addition to drug trafficking, Vagos engage in assault, extortion, insurance fraud, money laundering, murder, vehicle theft, weapons violations, and witness intimidation.

The HAMC and the Mongols are embroiled in a bitter and occasionally violent rivalry. This rivalry stems from years of conflict that began in the 1980s when the Mongols seized control of southern California from the HAMC. During the 2002 Annual Laughlin River Run in Laughlin, Nevada, two Hells Angels and one Mongol died as a result of a violent fight that broke out at Harrah's Hotel and Casino. The rivalry between the two gangs escalated in 2008 with several violent conflicts that were attributed to retaliation. The September 2008 shooting and murder of the president of the San Francisco HAMC chapter is but one example. Later that month, three pipe bombs were detonated in the driveway of a Mongols member's home.

OMG criminal activities during this reporting period include the following:

- In February 2007, in San Jose, members of the Mongols assaulted several patrons outside a downtown nightclub. The incident started when the victim made a comment to a member of the Mongols about a bicycle the Mongols member kicked over outside the club. The victim was immediately attacked and stabbed in the arm. Other patrons attempted to assist the victim and were subsequently punched, kicked, and spat on.
- In November 2008, a HAMC member was shot outside a bar in Eureka by three members and one prospect of the Mongols motorcycle gang.

Law enforcement achievements against OMGs for this reporting period include the following:

- In September 2008, a member of the HAMC knocked a man off his motorcycle after running him off the road. The HAMC member demanded that the victim allow the other HAMC members to exit a freeway first. Afterward, the victim was surrounded by 12 HAMC members at a gas station before police arrived. Three HAMC members were arrested, and four guns were recovered during the search.
- In October 2008, a three-year undercover investigation of the Mongols by the ATF concluded with the indictment and arrest of 61 members. The 86-count federal racketeering indictment charged the Mongols who were involved with assault, firearms violations, hate crimes against African-Americans, and narcotics trafficking. Among those arrested were a former Mongols national president and several chapter presidents. The court ordered the forfeiture of the trademarked “Mongols” name worn on members’ vests and motorcycles. This is the first forfeiture of OMG intellectual property.

Analysis and Trends

Information from a variety of sources led California Department of Justice intelligence analysts to the following analysis, trends, and conclusions with respect to gangs in California:

- With increasing Hispanic street gang populations, Hispanic criminal street gangs will continue to be a dominant force in California’s criminal street gangs.
- Asian street gang members are increasingly mobile. They are expected to continue to travel throughout the state and across state lines to commit crimes or flee from prosecution.
- Street gang members in California are foregoing the gang-related tattoos and wearing gang-related colors in an attempt to thwart recognition by law enforcement.
- Prison gang members will continue to use street gang members for conducting criminal activities outside correctional institutions.

- There is no apparent easing of the acrimonious relations between the HAMC and the Mongols. Violent recriminations may repeat without notice.
- Criminal street gangs, prison gangs, and OMGs are becoming more involved with drug trafficking organizations (DTOs), heightening the drug trafficking threat.
- With California having the largest number of hate groups, the white supremacist population and white street gangs may continue to proliferate. Violent attacks against non-whites may continue.
- Technology resources such as MySpace, Facebook, and YouTube continue to aid gang members in their communication, recruiting process, and gang-related activities.

Organized Crime Groups

The California Department of Justice's focus on organized crime is defined in California's Government Code section 15026 as follows:

It is the intent of the Legislature that the department focus its investigative and prosecutive endeavors with regard to organized crime in controlling crime which is of a conspiratorial and organized nature and which seeks to supply illegal goods and services such as narcotics, prostitution, loan sharking, gambling, and other forms of vice to the public or seeks to conduct continuing activities, a substantial portion of which are illegal, through planning and coordination of individual efforts. The department shall also investigate and prosecute organized criminal violations involving intrusion into legitimate business activities by the use of illegitimate methods, including, but not limited to, monopolization, terrorism, extortion, and tax evasion.

During 2007-2008, organized crime groups committed numerous crimes such as arms trafficking, auto theft, cargo theft, credit card/identity theft, drug trafficking, extortion, financial fraud, home invasion robberies, human smuggling and trafficking, insurance fraud, kidnapping for ransom, medical fraud, money laundering, murder, organized retail theft, and prostitution.

The 2007-2008 *Organized Crime in California Annual Report to the California Legislature* focuses on the following four areas of organized crime activity occurring in California: Eurasian organized crime, Mexican drug trafficking organizations, marijuana drug trafficking organizations, and cargo theft.

Organized crime groups operate a variety of criminal enterprises in California that inflict significant financial losses on the state and its citizens. These groups are well-versed in all types of fraud and are remarkably adept at various schemes that are designed to generate enormous profits.

The quest for financial gain has strengthened the criminal relationships among organized crime groups and criminal street gangs. Mexican drug trafficking organizations can be linked to certain criminal street gangs and organized crime groups. Cargo theft is performed by criminal street gangs and Eurasian organized crime groups. Cooperation among these groups has increased the complexities of law enforcement investigations while creating a greater threat to law enforcement officers and the public.

Eurasian Organized Crime

Eurasian organized crime (EOC) encompasses organized crime groups originating from any of the 15 republics that made up the former Soviet Union. A more common term used by many law enforcement authorities and the media is "Russian organized crime" (ROC), although the term is not entirely accurate. While some of the criminal groups originate from Russia, others are from

regions in Central Asia (Uzbekistan, Kazakhstan), the Caucasus (Georgia, Azerbaijan, Chechnya, and Dagestan), and the Ukraine.

Soviet émigrés began arriving in the United States during the 1970s and 1980s in order to escape religious and political persecution. After the fall of the Soviet Union in 1991, Russia eased travel restrictions across its borders, resulting in another wave of émigrés arriving in the United States. While the majority of these immigrants were law abiding, a criminal element also emerged.

EOC groups in California are predominantly Armenian, Russian, and Ukrainian. Concentrated areas of EOC activity exist in Fresno, Glendale, the greater Los Angeles area, Sacramento, San Francisco, and San Diego. EOC members are highly successful in adapting to a variety of criminal schemes. Numerous EOC groups continue to operate in California, engaging in arms trafficking, auto theft, cargo theft, extortion, murder, prostitution, money laundering, drugs, insurance fraud, recycling fraud, smuggling, immigration fraud, and human trafficking. The main criminal activities of EOC groups in the state are medical fraud, financial fraud, and auto theft.

Medi-Cal and Medicare public health insurance fraud is one of the most common frauds EOC groups perpetrate. Members establish medical supplier and clinical shell companies. These so-called “providers” advertise free products and medical services. Once they have gained patients’ medical information, they bill Medi-Cal or Medicare for phantom products and services. EOC groups form extensive networks to collaborate on the bilking of large amounts of money from public health insurance programs.

EOC groups stage auto accidents that yield high profits at relatively low risk. Staged accident rings typically consist of cooperative doctors and clinics, lawyers, chiropractors, and office administrators. The EOC ring thoroughly rehearses its drivers and witnesses prior to a staged accident so they provide detailed and consistent stories. The accident is staged, a police report is obtained, and the ring files fake claims for legal and medical services. The ring reaps thousands of dollars in insurance settlements for each phony incident.

EOC groups are proficient with financial fraud, stealing vast amounts of money from unsuspecting victims. Law enforcement officials are quick to identify EOC fraud trends and warn the public about the scams. However, EOC members are quick to adapt new scams to remain one step ahead and continue their criminal activity.

Two of the most common EOC financial frauds are credit card/identity thefts and automated teller machine (ATM) or point-of-sale (POS) credit card skimming. According to law enforcement sources, it is very difficult to stop this type of activity once account information has been compromised. Suspects are able to create and use new cards with existing account information before the victim notices the unauthorized credit account activity.

Auto theft is another lucrative EOC activity. Oftentimes, vehicles are stolen and shipped overseas where EOC members can receive up to three times the value of the car. In California, EOC members will sell vehicles under market value through print or Internet advertising. Unsuspecting buyers discover their newly purchased vehicles are stolen when attempting

registration with the Department of Motor Vehicles. EOC groups also steal vehicles, disassemble them, and store the stripped parts. When a vehicle is recovered by law enforcement authorities and is designated a salvaged vehicle, the EOC group purchases the stripped vehicle at the auto auction and reassembles it with the stored parts. The vehicle is then sold for a large profit.

Some EOC groups engage in extortion and kidnapping. Extortion and kidnapping rings are typically aimed at people within their own ethnic communities because they are generally afraid to report criminal acts to law enforcement. Such an extortion case was concluded in 2007 after two EOC members were convicted and sentenced to death in Los Angeles, following a kidnapping for ransom scheme. The convicted EOC members kidnapped affluent Russian immigrants and extorted their families for large sums of money. They then killed the five victims and dumped their bodies in a northern California reservoir.

Some EOC groups traffic heroin, cocaine, marijuana, and ecstasy. It is suspected that some EOC members may have strategic alliances with DTOs for the exchange of weapons for drugs.

EOC rings are active in human smuggling and trafficking. Their international network of contacts and expertise in counterfeiting documents enables them to import women from Eastern Europe and Russia with falsified visa applications. If they are unable to obtain documentation, the women are smuggled into the United States through Mexico. Once in California, EOC members force them to work in prostitution, strip clubs, and massage parlors. EOC groups frequently confiscate their victims' travel documents while forcing them to pay off travel debts.

EOC schemes often involve the use of shell companies to move money through several non-existent businesses to make tracking by law enforcement authorities very difficult. Shell companies help facilitate successful money laundering and immigration fraud, as well as other types of fraud.

EOC groups will use the Armenian Power (AP) street gang to perform certain crimes. The AP gang began in Hollywood in the 1980s. Today it exists in a section of Hollywood known as "Little Armenia," as well as in North Hollywood, Van Nuys, Burbank, Glendale, and Fresno. AP differs from most street gangs because its members support organized crime. The gang is primarily interested in making money rather than competing for territory like most street gangs. AP members engage in credit card/identity theft, extortion, insurance fraud, Medicare fraud, and money laundering. Some AP members may advance to become full-fledged EOC members.

Law enforcement achievements against EOC groups for this reporting period include the following:

- In February 2007, two suspected EOC members were sentenced to death for killing five affluent Russian immigrants and dumping their bodies in a northern California reservoir after kidnapping them to extort their families for ransom.
- In June and September 2007, two EOC members pled guilty to defrauding businesses in the United States through the use of stolen identity and credit card information to make

online purchases of items such as computers, jewelry, clothing, gift cards, and traveler’s checks.

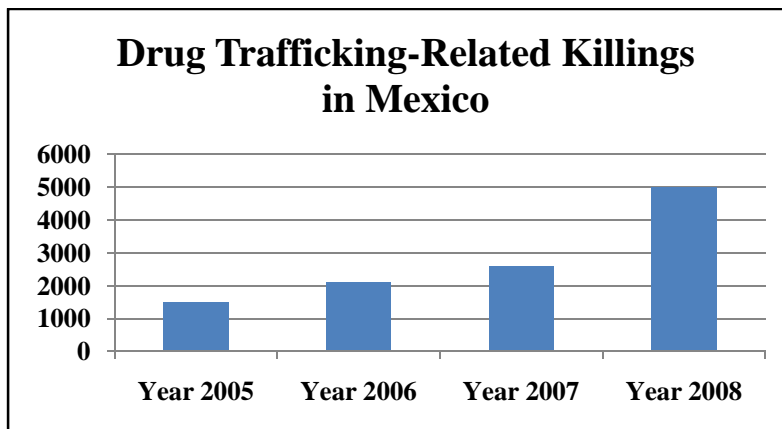
- In December 2007, a California physician was arrested for filing false claims with Medi-Cal and Medicare over the course of three years in the amount of \$5.2 million. The physician worked for a series of clinics operated by EOC members.
- In January 2008, two suspected EOC members were indicted for unauthorized withdrawals from ATMs in San Francisco by using access devices encoded with stolen financial account information.
- In September 2008, nine suspected EOC members were arrested in Fresno County for investigation of obtaining vehicle loans by using stolen identities and falsified documentation.

Mexican Drug Trafficking Organizations

Mexican DTOs supply and distribute a large portion of the illegal drugs found in California. They are poly-drug distributors, focusing on marijuana, cocaine, methamphetamine, and heroin. Mexican DTOs dominate the wholesale illegal drug trade within the United States using the southwest border region of California as a focal point. Four major cartels are at the center of the Mexican drug trade: the Guzman-Loera Organization (aka Sinaloa Cartel), the Carillo-Fuentes Organization (aka Juarez Cartel), the Cardenas-Guillen Organization (aka Gulf Cartel), and the Arellano-Felix Organization (aka Tijuana Cartel).

Some of the most violent criminal activity in California is taking place in towns near the Mexican border. Arrests and killings of many high-ranking Tijuana Cartel members have severely weakened that organization. According to federal officials, the current escalation of violence and instability in Mexico is caused most notably by the ongoing struggle among various cartels for control of disputed trafficking corridors.

Drug-related killings in Mexico in 2008 nearly doubled the country’s record set in 2007. The following graph depicts the dramatic increase of drug trafficking-related killings:



As much as half of these reported casualties occurred in the border states of Chihuahua, Baja California, Sonora, Tamaulipas, and Coahuila. Narco-messages (messages left with the bodies of victims killed by the cartels) are becoming more publicized. The increased brutality and the presence of narco-messages are meant to deter law enforcement interference with cartel operations and to intimidate rival cartels. Early in 2008, cartels began displaying large banners in public places that were used as publicized hit lists or to lay the blame of criminal acts on rival organizations.

Mexican DTOs are increasing their involvement in human smuggling, arms trafficking, home invasion robberies, and ransom kidnappings to supplement declining drug trade income.

According to the United States Attorney General's Report to Congress on the Growth of Violent Street Gangs in Suburban Areas (2008), Mexican DTOs are strengthening their criminal relationships in this country with Hispanic criminal street gangs, prison gangs, and OMGs. Mexican DTOs use these gangs to smuggle, distribute, and collect proceeds in suburban America. Mexican DTOs are also improving the organizational effectiveness of the local street gangs, which intensifies the street gangs' threat to local communities.

Mexican DTOs recruit paramilitary groups for force. One such paramilitary group is Los Zetas, which consists primarily of former Mexican Army Special Forces soldiers who were recruited by the Gulf Cartel.

Increased security at the border ports of entry causes drug traffickers to seek alternative smuggling methods. The discovery of tunnels connecting Mexico and the United States is increasing. Some tunnels are found to be sophisticated, with lighting and ventilation, while others are found to be incomplete or collapsed.

Notable Mexican drug trafficking occurrences during this reporting period include the following:

- Kidnappings in the San Diego area reportedly increased more than 50 percent from 2007 to 2008.
- Record numbers of tunnels were discovered connecting Mexico and the United States in 2007 and 2008. Since 2003, several tunnels with lighting and ventilation were found connecting Mexico to California. DTOs are using more tunnels in response to increased border security.
- In September 2008, in Sinaloa, 24 bodies were found in La Marquesa, a popular forested park often visited by tourists. The men were thought to have been working on a tunnel leading into the United States from Mexicali, Baja California.
- In September 2008, in Morelia, Michoacán, twin grenade attacks were carried out against a crowd gathered for Mexican Independence Day. Eight people were killed and more than a hundred were injured.

- In September 2008, in Tijuana, Baja California, 12 bodies, some unclothed and most showing torture, were found across the street from an elementary school.

Law enforcement achievements against Mexican drug trafficking organizations during this reporting period include the following:

- In February 2007, a 20-month investigation into a suspected DTO ring culminated with the seizure of \$45.2 million in cash, \$6.1 million in property and assets, 27,229 pounds of marijuana, 9,512 pounds of cocaine, 705 pounds of methamphetamine, 227 pounds of ice (pure methamphetamine), 11 pounds of heroin, 94 vehicles, and 100 weapons. Los Angeles and San Diego were the hubs for distribution of the drugs across the United States. To date, there have been more than 400 arrests nationwide.
- In October 2007, 24 individuals from various states throughout the United States were arrested involved for trafficking Mexican black tar heroin. Officials seized more than three kilograms of Mexican black tar heroin (street value of \$600,000), two pounds of marijuana, one ounce of ice methamphetamine, one ounce of powder cocaine, one ounce of crack cocaine, \$11,800 in cash, three vehicles, and 21 firearms.

Marijuana Drug Trafficking Organizations

Marijuana is the most commonly used illicit drug in the United States. Because of high demand, marijuana DTOs are creating large-scale marijuana gardens capable of producing several thousand plants. California is the largest producer of marijuana in the United States and law enforcement agencies believe that Mexican and Asian DTOs and white criminal groups are responsible for the majority of marijuana cultivation in California.

Outdoor Marijuana Gardens

The California Department of Justice Campaign Against Marijuana Planting (CAMP) reports that 2,905,232 marijuana plants were seized by the CAMP program during 2008, representing an estimated value of \$11.6 billion wholesale. In the 542 raids conducted by CAMP during 2008, 143 subjects were arrested and 142 weapons were seized.

The U.S. DEA's Domestic Cannabis Eradication Suppression Program (DCESP) reports that its program seized 5,322,053 marijuana plants in California during 2008.

Mexican DTOs dominate the outdoor cultivation of marijuana in California. Mexican DTOs frequently use illegal immigrants to prepare and tend the grow sites, and they predominately cultivate marijuana on public lands to minimize overhead costs. With \$3,000 for seeds, chemicals, and supplies, and approximately \$35,000 in worker costs, a 500-plant outdoor grow site can generate nearly \$2 million in profit.

Mexican DTOs protect outdoor grow sites with booby traps and armed guards. According to law enforcement, armed guards are beginning to camp away from the grow site, situating themselves for a clear view of any intruders. This placement also eases escape should law enforcement approach the area.

Outdoor marijuana gardens are very harsh on the environment. The persons tending the outdoor gardens leave large amounts of trash and human waste behind. Generally, make-shift irrigation lines are diverted from natural streams and rivers. Pesticides and fertilizers contaminate the soil and infiltrate the surrounding water supply. In some cases, the growers poach deer for food.

Indoor Marijuana Gardens

Indoor marijuana gardens allow the grower to produce up to six harvests a year while traditional outdoor marijuana gardens produce one or two harvests a year. Indoor marijuana gardens provide a controlled environment to facilitate growth of marijuana with high levels of THC (delta-9-tetrahydrocannabinol, the main psychoactive ingredient in marijuana). Marijuana with high THC levels yields higher profits. According to the Los Angeles County Regional Criminal Information Clearinghouse (LA CLEAR), the wholesale price for high-potency marijuana ranges from \$2,500 to \$6,000 a pound, while mid-grade marijuana wholesales for \$750 a pound.

The U.S. DEA's Domestic Cannabis Eradication/Suppression Program eradicated 434,728 indoor marijuana plants nationally in 2007, with 160,138, or 37 percent, of the eradicated indoor plants from California.

Producers of indoor marijuana gardens typically establish their operations in residential neighborhoods. They often do so in new, less-established neighborhoods to avoid detection by long-established residents. Indoor marijuana gardens often use hydroponic technology, sophisticated lighting controlled by timers, and irrigation systems. The growers modify electrical circuits and outlets throughout the house, bypassing meters to avoid detection by electric companies. This dangerous practice poses hazardous conditions that can result in electrical shock or fire. In addition, some growers' makeshift exhaust systems do not properly vent the generated carbon dioxide and carbon monoxide, and cultivation-induced indoor humidity frequently causes toxic mold, creating a highly hazardous environment.

Law enforcement achievements against marijuana growing during this reporting period include the following:

- In April 2008, participating law enforcement agencies dismantled four sophisticated indoor marijuana growing operations in San Diego County following a year-long investigation. The search warrants resulted in the seizure of 6,848 marijuana plants and 13 arrests.
- In June 2008, Shasta County Sheriff's Office Marijuana Eradication Team (MET), along with U.S. DEA, conducted marijuana eradication operations in northern and eastern Shasta County, eradicating approximately 12,000 marijuana plants.
- In July and August 2008, Operation LOCCUST (Location Organized Cannabis Cultivators Using Saturation Tactics), a multiagency operation in Tulare County, eradicated 482,158 marijuana plants. The operation resulted in 51 arrests, 35 seized weapons, 396.9 pounds of processed marijuana, and \$11,900 in cash.

- In July 2008, a year-long investigation resulted in the arrest of four individuals and the seizure of 5,600 marijuana plants, along with nearly \$15,000 in cash from five homes in San Bernardino, Riverside, and Los Angeles counties.
- In August 2008, the U.S. Forest Service and San Bernardino County narcotics officers seized an estimated \$35 million in marijuana plants and arrested seven people east of Big Bear Lake.
- In September 2008, the Elk Grove Police Department and assisting law enforcement agencies served several search and arrest warrants in Elk Grove and Sacramento, resulting in 12 arrests and the recovery of more than 2,000 marijuana plants.
- In October 2008, the highly successful California Department of Justice CAMP marijuana eradication season concluded with the seizure of 2,905,232, representing an estimated value of \$11.6 billion wholesale. In the 542 CAMP raids conducted during 2008, 143 subjects were arrested and 142 weapons were seized.
- In December 2008, ten search warrants and five arrest warrants were served by a multiagency task force in El Dorado and Nevada counties. The operation resulted in the seizure of 2,100 marijuana plants, 100 pounds of processed marijuana, and nearly \$625,000 in cash.

Cargo Theft

Cargo theft is a major crime in California, as well as throughout the United States, representing a national loss of more than \$15 billion a year. Cargo theft involves the theft of large quantities of merchandise from trucking, railway, and sea port cargo. The stolen merchandise includes cosmetics, clothing, electronics, copper wiring, computers or computer parts, and power tools. Once the cargo is stolen, the items are typically resold for profit.

Cargo theft is a low-risk crime that reaps high profits and often involves organized crime groups and street gangs. Law enforcement officials report that OMGs, Hispanic street gangs, and EOC groups have engaged in cargo theft activities. EOC groups use bogus police checkpoints, disable drivers with knock-out gas at truck stops, or violently take over trucks stopped in traffic congestion. Hispanic street gangs, on the other hand, will identify a truck carrying millions of dollars worth of inventory and follow it to a truck stop where they will seize it and drive away.

Cargo theft results in increased product cost to the public. The impact of cargo thefts includes manufacturing replacement costs, cargo reproduction, reshipping of merchandise, jobsite downtime, stolen commercial big-rig trucks, and increased insurance premiums.

The most common cargo theft locations in California include the San Francisco Bay Area, the Los Angeles/Inland Empire area, and San Diego. Each of these regions is a major distribution center with major ports, airports, and rail systems. They each handle millions of cargo containers and commodities annually. In addition, within each of these regions exists thousands

of commercial businesses that ship and receive billions of dollars of merchandise routinely by way of major freeway networks.

The California Highway Patrol Cargo Theft Interdiction Program (CTIP) has identified the following categories of cargo theft: terminal robberies, hijackings, driver giveaways, employee involvement, counterfeit paperwork, grab and runs, and warehousing stolen cargoes.

According to industry officials, reports of cargo theft in California are increasing, with a total of 122 thefts in 2007 and 141 thefts in 2008. However, the problem is difficult to accurately define because of the nature of the stolen commodity, the manner of commodity handling throughout transportation and distribution, and inconsistent reporting procedures.

The following cargo theft incidents occurred during this reporting period includes the following:

- In June 2007, an armed subject hijacked a FedEx home delivery truck in the Wilshire area of Los Angeles. The subject brandished a gun and told the delivery driver he would not get hurt if he just walked away. The truck was found with its remaining packages within one hour of the theft.
- In May 2008, six tractor trailers were stolen from Long Beach carrying 40,000-pound steel coils valued at \$150,000. Three of the big rigs turned up empty the following day in separate cities.

Law enforcement achievements against cargo theft during this reporting period includes the following:

- In October 2007, CTIP arrested a freight company employee for stealing \$500,000 worth of cargo goods from his employer in Sacramento.
- In March 2008, CTIP arrested three men for stealing at least 18 loads of cargo worth almost \$3 million following a two-year investigation in the San Francisco Bay Area. CTIP recovered stolen refrigerators, barbecues, construction materials, copy paper, CD cleaners, and wine.

Analysis and Trends

Information from a variety of sources led California Department of Justice intelligence analysts to the following analysis, trends, and conclusions with respect to organized crime groups in California:

- EOC groups continue to challenge law enforcement with their proficient ability to engage in multiple criminal activities simultaneously.
- Networking is a crucial component of EOC tactics. They often communicate and work with other groups in order to make money. EOC groups in northern California will

network with groups in southern California and vice versa. EOC groups in California will also network with EOC groups in other states.

- While medical, financial, and auto theft frauds are the foundation of EOC activity, these groups are extremely ingenious and will devise new criminal activities. EOC groups will continue to grow and evolve with new ventures as a way of creating new profits.
- Law enforcement agencies with concentrated areas of EOC activity are challenged with the large volume of subjects involved in each case. Investigations quickly turn into complex cases involving multiple jurisdictions, resources, and personnel that many agencies simply are not equipped to sustain.
- The demand for higher THC levels in marijuana by users and the potential for increased profits for DTOs may increase the production of hashish and hash oil, a by-product of marijuana that has high concentration levels of THC. The LA CLEAR reports that hashish or hash oil can sell for \$8,000 a pound.
- Overall, California law enforcement agencies report that indoor marijuana garden production is expected to rise because of controlled environments enabling the cultivators to produce marijuana that contains higher THC levels, more harvesting opportunities, and a better chance to avoid detection by law enforcement.
- Although white DTOs currently dominate indoor marijuana garden production throughout California, law enforcement reports indicate that Asian DTOs operating indoor marijuana gardens are becoming increasingly common in the state, most notably in the Sacramento and San Joaquin counties. Asian DTOs are known to establish multiple indoor growing sites in an attempt to cover losses from law enforcement eradication efforts.
- Law enforcement authorities predict more outdoor marijuana cultivators will shift to earlier planting and harvesting cycles using cannabis strains with short maturation cycles.
- Competition among the Mexican cartels will continue, increasing criminal activity along the California-Mexico border.
- DTOs will continue to diversify their criminal activity to supplement narcotics smuggling and trafficking profits.

Terrorist Organizations and Groups

The Federal Bureau of Investigation (FBI) defines terrorism as "the unlawful use of force or violence against persons or property to intimidate or coerce a government, the civilian population, or any segment thereof, in furtherance of political or social objectives." The FBI further classifies terrorism as either domestic or international, depending on the origin, base, and objectives of the terrorist organization.

Domestic terrorism involves groups or individuals who are based and operate entirely within the United States and Puerto Rico without foreign direction and whose violent acts are directed at elements of the United States government or population. Domestic terrorism investigations are conducted in accordance with the Attorney General Guidelines on General Crimes, Racketeering Enterprises, and Domestic Security/Terrorism Investigations. These guidelines establish consistent policy with respect to protecting individual rights and ensuring that investigations are confined to matters of legitimate law enforcement interests.

Terrorism is a crime under existing federal statutes. There are several United States Code (U.S.C.) sections that define the criminality of terrorism, for example, 18 U.S.C. 2332b(g)(5), Acts of Terrorism Transcending National Boundaries; 18 U.S.C. 2331(1), Definition of "International Terrorism"; and 18 U.S.C. 921(a)(22), Firearms. In addition, there are provisions in the Antiterrorism and Effective Death Penalty Act of 1996 that make fundraising for a terrorist organization a criminal offense, as well as criminal participation in international terrorist activities on United States soil.

Domestic criminal extremists and international terrorists continue to pose a serious threat to California. Environmental and animal rights criminal extremists attack businesses and individuals they believe are exploiting the environment and animals. And, within California's prisons, inmate radicalization is creating a new and serious threat—homegrown terrorists awaiting eventual release into the general public.

Domestic Criminal Extremism

Domestic terrorism takes many shapes in California. During 2008, the number of reported crimes committed by members and associates of criminal extremist groups, such as white supremacists, anti-government adherents, and anarchists has diminished. However, law enforcement authorities have seen a dramatic increase in the intensity and number of violent acts committed by animal rights criminal extremist groups.

Environmental and animal rights criminal extremist groups, such as the Earth Liberation Front (ELF) and the Animal Liberation Front (ALF), comprise one of the most notorious domestic terrorism threats in the United States today. Environmental and animal rights criminal extremist groups have committed hundreds of arsons, bombings, and acts of vandalism and harassment, causing more than \$100 million in damage. These extremist groups have been criminally active in California since the late 1980s.

ELF, ALF, Earth First!, Stop Huntingdon Animal Cruelty, and Revolutionary Cells of the Animal Liberation Brigade are currently the most active groups in California. They aim to resolve perceived wrongdoing by using “direct action” (criminal activity that destroys property or causes economic loss) against individuals or companies believed to be abusing or exploiting animals or the environment. Traditional targets have included research laboratories, restaurants, fur farmers, forestry services, automobile dealerships, and housing developments. Extremists have used a myriad of tactics such as arson, fire bombings, theft, animal releases, vandalism, and office takeovers.

These groups are difficult to locate and control because they have “cells” that vary from one individual to many persons working closely together. For security purposes, the extremists in one cell do not know the extremists in another. These groups have no official membership and operate under a “leaderless resistance” model that requires its members to act independently and in extreme secrecy so their activities are difficult to detect. The extremists are driven only by their personal conscience or cell decisions to carry out illegal actions. These cells are non-hierarchical in their structure.

Some animal rights and environmental extremists are believed to have orchestrated multicell activities. For instance, between October 1996 and October 2001, a group called the “Family” operated in Oregon, Washington, California, Wyoming, Colorado, and elsewhere. Committing crimes to bring public attention to issues such as animal cruelty, the Family conspired to destroy (primarily by means of fire) buildings, vehicles, and other property owned by companies and the United States government. The Family is a cell, or group of cells, consisting of a network of individuals responsible for direct action across multiple states. They claimed responsibility for damages, estimated around \$45 million, using the names ELF and ALF.

Anti-government criminal extremists can be broken down into two major groups, militant and anarchist. The militant group is composed of individuals who subscribe to the ideologies of militias, sovereign patriots, constitutionalists, and “common law” adherents. Some of these individuals are willing to commit crimes in support of their ideals. Many of these anti-government criminal extremists do not adhere to local, state, or federal laws and have become intent on forming common law-based court systems. These adherents have challenged the government’s authority to impose taxes, govern, and maintain order. Some devout anti-government extremists stockpile illegal assault rifles and explosives, conduct paramilitary training, and have threatened and assaulted government employees. They have also filed bogus legal actions against law enforcement authorities, members of the courts, municipal officials, and other citizens.

Anarchists have a history of committing criminal acts in California. These individuals are adamantly anti-government and typically engage in violent protests related to the ideals of anti-capitalism, anti-racism, and anti-corporate globalization. They profess a revolutionary, socialist doctrine, and they view themselves as the protectors of the people against the perceived dehumanization caused by capitalism, and imperialism. Anarchists aim to initiate social and economic change in the United States, which they believe can only be achieved through revolution.

White supremacist groups adhere to principles of racial supremacy and embrace a variety of criminal extremist ideals aimed at maintaining an “Aryan” race. White supremacist groups include Aryan Nation, Ku Klux Klan, National Alliance, White Aryan Resistance, and the Creativity Movement.

Some white supremacist groups are also identifiable as hate groups. According to the Southern Poverty Law Center’s (SPLC) Hate Crime Group listing for 2008, California leads the nation with the most hate groups. According to the SPLC, there are approximately 84 hate groups in California, 59 of which are neo-nazi, white nationalist, Ku Klux Klan, or racist skinheads. However, it is difficult to accurately depict exactly how many white supremacist and white gangs exist because they often change names, merge, or claim “lone wolf” status. The definition of a “lone wolf” can be described as an individual who believes in an ideology but does not claim membership in a larger group. This kind of disassociation allows individuals to commit crimes in the name of a higher philosophy without incriminating others.

Domestic criminal extremist group activities during this reporting period include the following:

- In February 2008, an improvised incendiary device (IID) was left at the home of a University of California, Los Angeles (UCLA) researcher causing minor charring of the front door. An animal rights extremist group posted a communiqué on the North American Animal Liberation Press Office (NAALPO) website claiming responsibility.
- In February 2008, in an apparent lone wolf act, an eighth grader in Oxnard, California, killed a homosexual classmate. He was charged with homicide, discharge of a firearm, and hate crime. In addition to making anti-gay comments toward the victim and threatening to kill him the day before the event, white supremacist literature, swastikas, and neo-Nazi symbols were discovered in the defendant’s home.
- In February 2008, six masked animal rights extremists attempted to forcibly enter a University of California, Santa Cruz researcher’s home during a protest held in front of the home. The researcher’s husband was injured during the attack.
- In May 2008, the Staples stores in Camarillo and Oxnard were the vandalized with the door locks filled with glue, red paint poured on the front walkways, and “drop HLS” (referring to Huntingdon Life Sciences—a corporation which utilizes laboratory test animals), etched onto the windows and spray painted on walls. ALF posted a communiqué on the NAALPO website claiming responsibility.
- In June 2008, a McDonalds restaurant in Orange County was vandalized with the words “Prepare for destruction,” “Veto the ETA” (referring to the Animal Enterprise Terrorism Act), “Go Vegan,” “Murder,” “Death,” “McMurderers,” and “ALF” painted on the walls. Law enforcement authorities suspect an individual claiming association with ALF was responsible.
- In August 2008, an IID damaged the front door and surrounding area of a University of California, Santa Cruz researcher’s home. Two adults and two children who were home

at the time were forced to escape the fire through a second story window. A second IID destroyed a vehicle at another university researcher's home.

Law enforcement achievements against criminal extremist groups during this reporting period include the following:

- In April 2008, the UCLA filed a lawsuit against animal rights extremists groups known as the UCLA Primate Freedom Project, ALF, and the Animal Liberation Brigade. The court granted a permanent injunction protecting researchers from the harassment of extremists opposed to the use of animals in research. The injunction prohibits the defendants from coming within 50 feet of the residences of UCLA personnel involved in animal research during any demonstration. At night, this restriction increases to 150 feet.
- In May and June 2008, the San Mateo County and Marin County district attorneys' offices issued an arrest warrant for a suspected animal rights extremist who allegedly terrorized five University of California, San Francisco researchers—three in Marin County, one in San Mateo, and one in Belmont. The extremist, who was charged with stalking and making criminal threats and annoying phone calls, turned himself in.

Inmate Radicalization

In August 2005, four members of a prison-based radical group known as Jamiyyat Ul-Islam Is-Saheeh (JIS) were indicted on federal charges of conspiracy to levy war against the United States government through terrorism, conspiracy to kill members of the U.S. armed services, conspiracy to kill foreign officials, interference with commerce by robbery, conspiracy to possess and discharge firearms, using and carrying a firearm in furtherance of crimes of violence, and aiding and abetting. The individual accused of leading the conspiracy is believed to have founded the JIS group in 1997 at the California Correctional Institution in Tehachapi. He based the group's doctrine on his radical interpretation of Islam and actively recruited fellow inmates into its ranks by espousing violent rhetoric, secretly distributing materials, and encouraging attacks on enemies of Islam or "infidels" (non-believers) to include United States government representatives and facilities as well as Jewish and non-Jewish supporters of Israel. Two of the indicted JIS members were also former members of the Crips street gang, illustrating the crossover membership of some radical prison groups and street and prison gangs.

In December 2007, the leader of JIS and one of the men who committed the robberies pled guilty to the federal terrorism charges that they plotted attacks on military bases, synagogues, and Israeli government facilities in the Los Angeles area. Both pled guilty to one count of conspiracy to levy war against the United States through terrorism. The founder and leader faces up to 20 years in federal prison; the robber, who also admitted to a weapons charge, faces 25 years in federal prison. During the same month, a third member of the JIS also pled guilty to the same charges, conspiracy to levy war against the United States through terrorism and the weapons charge, and he is facing five years to life in federal prison.

In June 2008, the JIS parolee/recruiter was sentenced to 22 years in federal prison for his role in planning the attacks and admitting in court that the group conspired "to levy war against the government of the U.S. through terrorism, and to oppose by force the authority of the U.S.

government.” One of the recruits was also sentenced to 12 and one-half years. He received a lighter sentence because he had no previous criminal record. The fourth JIS member indicted was found mentally incompetent to stand trial and remains under psychiatric care at a federal prison facility.

While the defendants involved in the JIS case did not appear to have any genuine connections to international terrorist organizations, they did promote an ideology similar to that of al-Qaeda’s, focusing on waging war against the United States and Israel.

In a video interview released on May 5, 2007, al-Qaeda’s second-in-command called on ethnic minorities around the world, specifically those in America, to join the jihad, stating, “Al-Qaeda is not merely for the benefit of Muslims.” Al-Qaeda’s second-in-command also spoke about African-Americans as the subject of tyranny and oppression in the United States and repeatedly quoted Malcolm X, who criticized the notion that African-Americans could achieve freedom nonviolently and who is seen by many as a militant figure.

Al-Qaeda’s second-in-command exploited internal conflicts within the United States to further al-Qaeda’s cause, and his call to “people of color” and African-American Muslims may have been intended to incite some Muslim converts in the United States, including some of the radical prison groups in California and other parts of the country, to violence against domestic interests.

In addition, in a May 2007 videotape that makes a number of demands on behalf of the international terrorist organization, an al-Qaeda spokesperson demanded the United States to “free all Muslim captives from your prisons... and concentration camps.” This call could appeal to those in prisons who believe they have been persecuted and are being oppressed by the United States government. Several examples of terrorist recruitment activities inside other prison systems indicate this is not the first time this phenomenon has occurred. While the majority of inmates in the United States prisons are not likely to be truly interested in becoming terrorists and conducting attacks, it only takes a few individuals to inflict significant casualties and damage. The western ideology of a fear of death, as compared to individuals from Islamic Middle Eastern countries and cultures who do not fear death but rather believe they will go to paradise, lends itself to a lower likelihood that a person raised in American culture will be willing to sacrifice himself in a suicide attack. Many American inmates engage in what is called a “conversion of convenience” meaning that they convert to one form of Islam and may even join a radical prison group while in prison for reasons of protection or other benefits. Once back on the outside they return to their old criminal or gang ways and leave behind the radical beliefs they adopted while in prison.

Many law enforcement authorities in California and numerous other states have been attempting to implement countermeasures to deter the spread of inmate radicalization. These efforts include improved screening of religious service providers in the local, state, and federal correctional facilities; training personnel to recognize possible indicators of radicalization; and developing tools to track potentially radicalized prisoners after they have exited the correctional system and returned to the outside world.

International Terrorism

International terrorist groups that have both direct and indirect impacts on the state include al-Qaeda, Hamas, Mujahedin-e-Khalq (MEK), and Jama'at ul-Fuqra (JUF). Al-Qaeda is an international terrorist network that seeks to unite allied Islamic extremist groups to overthrow regimes it deems as "non-Islamic" and purge Muslim countries of Western influence. While al-Qaeda has not successfully committed a terrorist attack in California, authorities did foil plans to detonate a bomb at the Los Angeles International Airport during the millennium celebrations and a 2002 plot to crash a plane into the U.S. Bank Tower (also known as Liberty Tower) in Los Angeles.

Hamas is designated by the U.S. State Department as an international terrorist organization that aims to destroy the state of Israel and establish an Islamic Palestinian state in its place. While the organization has become involved in the region's political system and taken an active role in providing social services to needy Palestinians, it is notorious for perpetrating terrorist attacks against Israeli citizens. The group's most notable link to California has been in the form of fundraising.

MEK was formed in Iran during the early 1960s based on an ideological mix of Marxism and Islam. MEK was expelled from Iran after the Islamic Revolution in 1979, after which MEK began advocating the overthrow of the Iranian regime and its replacement with the MEK's own leadership. In the late 1980s, the terrorist group obtained its primary support from the former Iraqi regime of Saddam Hussein. MEK was designated by the U.S. State Department as a foreign terrorist organization in October 1997. The designation has been renewed on multiple occasions and remains in effect today.

JUF is an international terrorist organization based in Pakistan. According to the U.S. State Department's 1998 *Patterns in Global Terrorism*, "Jama'at ul-Fuqra was established in the U.S. during the early 1980s in Brooklyn, New York, by a Pakistani Sufi cleric for the purpose of purifying Islam through violence." JUF has been linked to approximately 13 compounds located in 10 states across the country. Individuals from these compounds have been charged and convicted of crimes including fraud, murder, bombings, and weapons violations.

One of these compounds was located in California's Central Valley, but it was closed and dismantled. The compound was, at one time, advertised as a site for a chapter of an international Islamic school and a charitable organization that were both founded by the Pakistani Sufi cleric. Neighbors close to the compound reported hearing automatic weapons fire and explosions coming from the location. Law enforcement authorities suspect the compound was owned and occupied by individuals connected to JUF, in part, because the terrorist organization, Islamic university, and charitable organization are believed to be linked through their crossover membership, and all the groups operate under the founding Pakistani Sufi cleric's authority.

Jemaah Islamiyah (JI) is a Southeast Asian international terrorist network formed by two Muslim clerics in Malaysia around 1993. The group's original goal was to create an Islamic state in Indonesia but evolved to the creation of an Islamic state across Southeast Asia. JI is an al-Qaeda-affiliated group, actively advocates the use of violence to attain its goals, and has been financing, recruiting, and training extremists to conduct terrorist activities.

The Lebanese Hizballah, also spelled “Hezbollah,” which translates to “Party of God,” is one of the most powerful and well-organized militant groups in the Middle East. Founded in 1982 by Shi’ite clerics in Lebanon with ideological direction from the late Ayatollah Khomeini and military training from Iran through the Iranian Revolutionary Guard, Hizballah is dedicated to the liberation of Jerusalem, the elimination of Israel, and the establishment of Iranian-style Islamic rule in Lebanon.

A former California resident, who grew up in Riverside and Orange counties before moving to Pakistan, is believed by law enforcement officials to be the same man known as “Azzam the American.” Azzam the American has become al-Qaeda’s English language spokesperson and part of the group’s media release campaign allegedly used to influence its members and associates and possibly recruit others. He has appeared in a series of videos broadcast from October 2004 through the present. The media releases from 2007 through 2008 involving Azzam the American include the following:

- On May 29, 2007, Azzam the American appeared in a video titled “Legitimate Demands.” In the video he addressed President Bush and listed six demands, stating that if the United States does not meet the demands it will “experience things which will make you forget all about the horrors of September 11th, Afghanistan, Iraq, and Virginia Tech.”
- In August 2007, Azzam the American appeared in another video posted on the internet and warned that United States embassies and American interests at home and abroad are prime targets for terrorist attacks. In this video, he makes explicit threats against the United States and United States interests, specifically singling out embassies and consulates. He warned that embassies and consulates will continue to be targets.
- On January 6, 2008, Azzam the American posted a video calling for attacks on President Bush during an upcoming trip to the Middle East. In the video, in which he appeared, Azzam the American destroyed his American passport.

Law enforcement achievements against international terrorism during this reporting period include the following:

- In March 2007, a New York-based multimillion-dollar counterfeit clothing ring tied to JUF was broken up by federal authorities after a lengthy counterfeit goods and copyright infringement investigation. Eight suspects were arrested in Virginia, West Virginia, Delaware, and New York. At least three of the arrestees are suspected of having ties to JUF front groups. The principal suspect pleaded guilty and was sentenced on October 12, 2007, to 57 months in prison on one count of conspiracy to commit criminal copyright infringement.
- In August 2007, in San Jose, a 16-count indictment charged two brothers with terrorism-related acts, including conspiracy to support terrorists, after one brother allegedly provided money and equipment to his younger brother who was purportedly battling government troops in the Philippines as a member of a terrorist group. The indictment charged the older brother with contributing goods and services to a Specially Designated Global Terrorist (his brother), conspiring to provide material support to terrorists,

providing material support to terrorists, and making false statements to federal authorities. The younger brother, a Malaysian citizen, remains at large in the Philippines. As a "Specially Designated Global Terrorist," the U.S. Department of Justice added him to the U.S. State Department's Most-Wanted List in March 2007.

- In November 2007, a man from Corcoran pled guilty to laundering approximately \$350,000 after being caught in a sting operation attempting to transfer \$55,000 into an undercover United States bank account in Bahrain that he believed was linked to Hizballah. In June 2008, he was sentenced to 30 months in federal prison.
- In November 2007, "Operation Bell Bottoms" culminated with the arrests of a dozen men and women in multiple Los Angeles locations for narcotic trafficking, counterfeit goods sales, and concealing large amount of cash to avoid federal reporting requirements. During the raids, the multiagency task force seized 30 kilograms of cocaine and hundreds of thousands of dollars worth of counterfeit designer clothing. The suspected ringleader was detained at the Los Angeles International Airport for attempting to smuggle \$123,000 in money orders and cashier's checks concealed inside a child's toy from the United States to Lebanon. Authorities suspect the monies were intended for Hizballah.

Analysis and Trends

Information from a variety of sources led California Department of Justice intelligence analysts to the following analysis, trends, and conclusions with respect to terrorism:

- The number of direct actions and purported threats attributed to animal rights extremists continues to increase. Animal rights extremists routinely terrorize University of California researchers and anyone associated with them.
- Although animal rights extremists have the tendency to post claims of criminal activity on the North American Animal Liberation Press Office (NAALPO), it is believed they also post false claims. Often the claims are made after criminal activities were reported to law enforcement. In the cases where details of related criminal activities were not released to the media, no claims were made.
- Harassing "home visits" to university researchers have evolved into dangerous attacks. An anonymous communiqué posted on the NAALPO warns that animal rights extremists "will increase the level of their tactics" as long as universities continue to support primate research.
- Radical prison groups, such as JIS, will continue to exist in California as they have for many years. They will likely continue to diversify their criminal activities, such as performing robberies outside prison, to support their goals. In addition, radical prison groups are expected to continue to recruit members, likely from other groups such as prison and street gangs.

- JI remains active and capable of conducting terrorist operations. This group's violence is usually aimed at soft targets like tourist destinations. This makes JI a significant terrorist threat to Western interests. While JI has not committed a terrorist attack in the United States, there are some ties between JI, the United States, and California in particular. As with many other terrorist groups, these ties are mainly individuals providing funding and equipment to members of the group.
- While JUF's acts of terrorism have declined, recent arrests and investigations suggest JUF members and affiliates remain involved in criminal activity in the United States, and specifically California. Because of this group's history of violence and weapons violations, its potential for renewed violence should not be discounted. Recent arrests and legal proceedings may cause JUF's United States membership to become fragmented. As a result, members may attempt to maintain a low profile to avoid attention by law enforcement.
- International terrorist groups will continue to engage in various types of criminal enterprises, such as drug trafficking and fraud, to raise capital for their causes.

Glossary of Terms

Acronym	Definition
AB	Aryan Brotherhood
ABZ	Asian Boyz
AEM	Ansar El Muhammad
ALF	Animal Liberation Front
AMA	American Motorcycle Association
AP	Armenian Power
ATF	Bureau of Alcohol, Tobacco, Firearms, and Explosives
ATM	Automated Teller Machine
BGF	Black Guerrilla Family
CAMP	Campaign Against Marijuana Planting
CCR	California Code of Regulations
CDCR	California Department of Corrections and Rehabilitation
CFR	Code of Federal Regulations
CRW	Confederation of Racist Working Class Skinheads
CSM	Creativity Skinhead Movement
CTIP	Cargo Theft Interdiction Program
DCESP	Domestic Cannabis Eradication Suppression Program
DEA	Drug Enforcement Administration
DTO	Drug Trafficking Organization
ELF	Earth Liberation Front
EME	Mexican Mafia
EOC	Eurasian Organized Crime

Acronym	Definition
FBI	Federal Bureau of Investigation
HAMC	Hells Angels Motorcycle Club
IID	Improvised Incendiary Device
JI	Jemaah Islamiyah
JIS	Jamiyyat Ul-Islam Is-Saheeh
JUF	Jama'at ul-Fuqra
LA CLEAR	Los Angeles County Regional Criminal Information Clearinghouse
LOCCUST	Location Organized Cannabis Cultivators Using Saturation Tactics
LSD	Lysergic Acid Diethylamide
LTC	Loc Town Crips
MC	Motorcycle Club
MDMA	Methylenedioxy-n-methylamphetamine
MEK	Mujahedin-e-Khalq
MET	Marijuana Eradication Team
MS-13	Mara Salvatrucha
NAALPO	North American Animal Liberation Press Office
NF	Nuestra Familia
NGIC	National Gang Intelligence Center
NLR	Nazi Low Riders
NSM	National Socialist Movement
OG	Original Gangster
OMG	Outlaw Motorcycle Gang
PC	Penal Code

Acronym	Definition
PCP	Phencyclidine
PEN1	Public Enemy Number One
POS	Point Of Sale
ROC	Russian Organized Crime
SPLC	Southern Poverty Law Center
THC	Delta-9-tetrahydrocannabinol
TRG	Tiny Rascals Gang
UCLA	University of California, Los Angeles
USAS	United Society of Aryan Skinheads
U.S.C.	U.S. Code