



# Effort to Track Drug Money in Communities Stalled After Initial Discussions

## Citizen action program on local drug trafficking

### SUMMARY

The Institute of Justice for All (Philadelphia, Pa.) proposed to create and train a network of community leaders in 10 states to advocate for investigation into the financial transactions vital to local drug trafficking.

### Key Results

- About 200 people were contacted by telephone and 100 face-to-face meetings were held in 15 communities in California, Florida, North Carolina, Illinois, New Jersey, Michigan and Texas.
- A selection and screening process for training program participants was completed and used on an individual and collective basis.
- However, no formal training was delivered during the time of this grant and implementation of the project stalled because further funds could not be raised.

### Funding

The Robert Wood Johnson Foundation (RWJF) provided a grant of \$35,000 from December 1993 to August 1994 to support this project.

### THE PROBLEM

One of the Foundation's main interest areas is reducing the harm caused by substance abuse, with the focus aimed principally at demand reduction. While the Foundation's community initiatives have emphasized coordination of demand-reduction activities with local law enforcement efforts to curtail supply, the general assumption has been that the supply-reduction programs are already well funded and additional expenditures in this area would have little impact.

A recognized shortcoming of law enforcement efforts in this area is that they often stop short of addressing the financial underpinnings of local drug markets and that, therefore their impact tends to be limited.

Art Nicoletti, president of the Institute of Justice for All, a Philadelphia-based community action group, had been working on the supply side, specifically trying to put pressure on law enforcement to track where the money from the sale of illegal drugs went.

## **THE PROJECT**

This president's grant was intended to provide start-up support for the Institute to recruit and begin training a network of 300 to 400 community leaders and other concerned citizens in 30 communities (three communities in each of 10 states) to advocate for investigation into the financial transactions vital to drug trafficking.

The Institute was expected to use the grant to identify candidate communities for a three-year implementation phase to follow, recruit participants, develop a manual and other training materials, and seek additional funding sources to implement three additional phases of the project.

In the implementation phases, further community meetings were to be held. A "citizen's summit" would take place, and a leadership training program would help participants better deal with government policymakers regarding illegal drug issues.

Participants were to learn how to identify accurate and verifiable information, how money from illegal drugs is traced, and what steps are being taken to return confiscated drug money to local communities; the community groups would be helped to develop a working partnership with their Congressman, and a series of town hall meetings were planned to address national drug issues.

The objectives of this grant were partially met. Mr. Nicoletti closed the Institute office that existed at the time of the grant. The Institute filed an Annual Progress Report on June 30, 1994, two months before the end of the grant, that was accepted in lieu of a Final Report. No addendum report was filed, as requested by the Foundation. Mr. Nicoletti closed the Institute office that existed at the time of the grant.

As of June 30, 1994, community groups had been created in 15 cities in 7 states: Texas: Houston, San Antonio, Beaumont, and Galveston; California: Los Angeles and Oakland; Florida: Orlando and Gainesville; North Carolina: Raleigh, Greensboro and Charlotte; Illinois: Chicago; New Jersey: Atlantic City and Trenton; Michigan: Detroit. Additional meetings to set up groups were scheduled for 11 additional cities: Newark, N.J.; Greenville, N.C.; Tampa, Fla.; Dearborn, Mich.; New York, N.Y.; Cleveland, Toledo, and Columbus, Ohio; and Pittsburgh, Harrisburg, and Philadelphia, Pa. Mr. Nicoletti reported holding telephone conversations with about 200 potential participants and having face-to-face meetings with 100 people; further progress in holding meetings was slowed by bad weather during the winter of 1994.

The telephone calls and meetings resulted in some general agreements reached by the potential participants.

- New jobs in local communities could not co-exist with drug-infested neighborhoods.
- The funding community was "out of step" with the communities' real concerns.
- The media's knowledge about narcotic issues is not shared with the public at the time the information is first known to them.
- Their *own* congressional representative was trying to do a good job for them, but the rest of Congress was packed with incompetence, bureaucracy and corruption.
- Religious leaders should begin preaching about the need for persons inside and outside government "to break the silence."
- The U.S. government is not doing all it can to address the drug issue, particularly in the areas of high tech communications, satellites and tracking drug moneys.

Shortly after the project began, Foundation program staff began to receive informal reports that Nicoletti's activities were causing controversy and that he was "chasing phantoms." This is not surprising in that in the original grant proposal, he had written about government and news media conspiracies to hide the truth about the illegal drug business.

The Institute received a \$5,000 grant from Corestates Bank in Philadelphia to develop a training manual. A framework for the manual was prepared, but the manual itself was not written.

Although in-depth discussions prepared people to receive training, no formal training of those who agreed to participate occurred. The Institute was given assurances by the CORO Foundation that it would work with the Institute to develop the leadership training programs and funding for the implementation. The relationship, however, did not work out.

A later attempt to work with the Rutgers University's School of Social Work to develop the formal leadership training also failed to develop. After initial interest, staff at the school refused to return his calls.

Aside from the \$5,000 Corestates Bank grant, no other funding was raised by the Institute despite having the RWJF imprimatur on the project and Mr. Nicoletti's effort to secure other foundation support through his own contacts and through those provided by the Foundation. He claims there was interference with his fund-raising efforts.

As support for this project ended, he requested bridge funding from the Foundation to hold additional meetings with potential participants and to keep the project running until "substantial" funding arrived. The request for additional funds was denied.

## Communications

No training materials or other products were produced by the grant. No coverage by press, radio, or television was sought because local leaders feared and mistrusted the media.

## AFTERWARD

While the network of community leaders still exists, none of the community groups are now active, according to Mr. Nicoletti. He indicates, however, that he is planning to meet with the participants he recruited in 1994 to revive the community groups. He is also planning to renew work on the training program and manual. He has received no funding to proceed with these objectives.

The Institute is monitoring Bill HR 34, introduced by Rep. Maxine Waters (D-Calif.), who represents South Central Los Angeles in Congress, to fund a bipartisan investigation of whether or not the CIA was involved in supplying drug dealers with drugs in order to help support the Nicaraguan Contras. The Institute is reporting back on it and other relevant events to some 300 people around the country through the Institute's newsletter, *Just Us*.

Mr. Nicoletti has recently spoken to the "Sarah McClendon Study Group" at the National Press Club in Washington D.C. Ms. McClendon is a reporter for the *Washington Post* who has covered the White House for 50 years and is interested in narcotics issues. He also is working on a nationally televised meeting entitled "A Town Hall Meeting for the Nation: Narcotics in America." Training sessions are planned to follow the event.

In addition, he is writing a book about his nearly 30 years of community activities dealing with the narcotics issue that will include developments relating to this project and the Foundation's grant.

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Program area: Vulnerable Populations

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## APPENDIX

### Institute of Justice for All Senior Advisors

*(Current as of the end date of the program; provided by the program's management; not verified by RWJF.)*

**Joseph Cappella**

Annenberg School of Communications  
University of Pennsylvania  
Philadelphia, Pa.

**Mayin Correa, Mayor**

Panama City, Panama

**Richard Cunningham**

School of Journalism  
New York University  
New York, N.Y.

**Donald Gordon**

Department of Psychology  
Ohio University  
Athens, Ohio

**Janet Johnson**

School of Law  
Pace University  
White Plains, N.Y.

**Christopher Keys**

National Association of Community  
Psychologists  
Chicago, Ill.

**James Laue (deceased)**

George Mason University  
Fairfax, Va.

**Lewis Lipsett (retired)**

School of Psychology  
Brown University  
Providence, R.I.

**Steve Lindsey**

Multi-National Bank Division  
U.S. Comptroller of the Currency Department  
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**Raymond Lorion**

Department of Psychology  
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of the Currency  
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