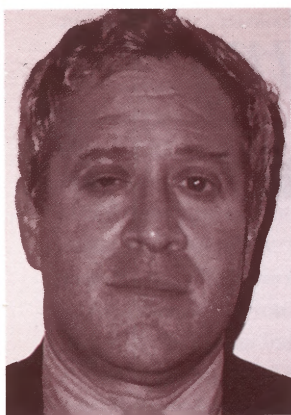


John Moscow



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John Moscow is Deputy Chief, Investigations Division, at the New York County District Attorney's Office. A Harvard graduate, he is a Fellow of the Society for Advanced Legal Studies, and came to London this month to deliver the keynote speech at the money laundering conference 'Washing for a price' staged at Senate House, London University, by the IALS and CCH New Law.

As someone with wide experience of investigating many forms of white collar crime, John Moscow's views on money laundering carry considerable weight – even if they are, by his own admission, 'very idiosyncratic'. He first went to work at the New York District Attorney's Office after graduation from law school in 1972, starting in the Complaints Bureau and dealing with various grievances voiced by the public at large involving 'relatively small but noxious acts' such as larceny and the passing of bad cheques. Many complaints were bizarre and could not be followed up, but others were real cases which John Moscow passed on to district attorneys with the relevant experience.

There is no system in the UK comparable to the local prosecutors' offices in the USA, where complaints can be received directly from the public. These local offices, which prosecute over 95% of cases, form an excellent training ground for the young lawyer. John Moscow moved on, joining the Criminal Courts Bureau and dealing with misdemeanours (such as low-level street crime), and subsequently progressing to the Supreme Court Bureau handling such matters as robberies, burglaries and serious violent crime. In the course of his time there he was assigned to the investigation of a race riot in Washington Square Park which resulted in the trial of a number of defendants in January 1978.

By then John Moscow was a member of the Frauds Bureau, involved with the prosecution of the numerous types of white-collar crime to be found in Manhattan. In many instances the cases involved professional and other advisers matching up people in possession of contraband material with others who could distribute it. The experience he gained led to him serving as chief prosecutor in the BCCI case, which has been running since March 1989 and is still in progress: one hearing in the USA which took place as recently as April was declared a mistrial, and two or three warrants are still outstanding against people who cannot be extradited from the countries they are currently occupying.

John Moscow does not view money laundering as a substantive offence:

'I think of it as a facilitative offence, and by and large our approach is to look at the other crimes involved and try to get hold of evidence relating to them. However, I do get very upset with the bankers and the lawyers who say we should go after the real criminals rather those who merely act as facilitators. We are looking for the evidence to use against


such criminals; those people have it and they won't give it to us. This is wildly hypocritical – if a particular deal is not legitimate, why did the adviser involved undertake it?'

Looking at recent European legislation designed to counter money laundering, John Moscow admits that his views on the area are idiosyncratic:

'I believe that the criminals are way ahead of us in many areas, and I despair of seeing regulations passed which cannot be circumvented. Money laundering is one such area – there are only two ways I know of combating it. One is to make a record of the deposit of currency in the banks or other financial institutions, including bureaux de changes for example. The other is to have a level of secrecy in financial transactions which keeps information from competitors, friends, relations and the public, but not from court orders or due process.'

'I have a very dim view of the use of attorney or accountant-client privilege to conceal the ownership of companies. I do not think that is right, and I do not know what the legitimate purpose of concealing the ownership of companies can be. To a certain extent the argument over bank secrecy is turning into a dispute over the right of people who are unlawfully generating funds to conceal them from authorities who have a legal right to tax. If business activity is legal, you do not need secrecy. A tax haven can exist without secrecy, unless violations are taking place of the laws under which someone is living.'

He notes that the political will in the UK to fight corruption has increased greatly over the last few years, but warns of the American experience:

'We have allocated resources so broadly that no single area of white-collar crime is being successfully prosecuted. I would very much like to see a wholehearted commitment to integrity in the financial markets, but this has not been made.' 

Julian Harris

Senior Information Officer, IALS

John Moscow has been a regular speaker at the annual International Symposium on Economic Crime at Jesus College, Cambridge, and will be contributing to the Seventeenth Symposium which takes place from 12 to 18 September this year.