Department of Justice

STATEMENT FOR THE RECORD OF

ERIC H. HOLDER, JR.
ATTORNEY GENERAL

BEFORE THE

COMMITTEE ON THE JUDICIARY
UNITED STATES SENATE

ENTITLED

"OVERSIGHT OF THE U.S. DEPARTMENT OF JUSTICE"

PRESENTED

NOVEMBER 8, 2011

Statement of
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Attorney General
United States Department of Justice

Committee on the Judiciary
United States Senate

"Oversight of the U.S. Department of Justice"
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Chairman Leahy, Ranking Member Grassley, and distinguished members of the Committee. I appreciate the opportunity to appear before you today.

Over the last three years, I have been privileged to address this Committee on numerous occasions – and to partner with many of you – in advancing the goals and priorities that we share. I am extremely proud of the Department's historic achievements over the last two years. Despite significant financial constraints, we have effectively confronted a range of national security threats and public safety challenges.

I'm especially pleased to report that our efforts to combat global terrorism have never been stronger. Since I last appeared before this Committee in May – just three days after the decade-long manhunt for Osama bin Laden came to a successful end – the Department has achieved several additional milestones. For example, last month, we secured a conviction against Umar Farouk Abdulmutallab for his role in the attempted bombing of an airplane traveling from Amsterdam to Detroit on Christmas Day 2009. We also worked closely with our domestic and international partners to thwart an attempted plot – allegedly involving elements of the Iranian government – to assassinate the Saudi Arabian Ambassador to the United States on American soil. We have also disrupted numerous alleged plots by homegrown violent extremists – including one targeting a military recruiting center in Washington State and another targeting

U.S. soldiers in Texas. Meanwhile, in one of the most complex counter-intelligence operations in history, we brought down a ring involving 10 Russian spies. And just last week, a federal jury in Manhattan convicted Viktor Bout, one of the world's most prolific arms dealers, for his efforts to sell millions of dollars-worth of weapons – including 800 surface-to air-missiles and 30,000 AK-47s – for use in killing Americans.

On other fronts, the Department has made extraordinary progress in protecting civil rights, combating financial fraud, safeguarding our environment, and advancing our fight against violent crime. We have filed a record number of criminal civil rights cases. And, in the last fiscal year, our Civil Rights Division's Voting Section opened more investigations, participated in more cases, and resolved more matters than in any other similar time period in the last dozen years. This section is also immersed in reviewing over 4,500 submissions for review under Section 5, including redistricting plans and other proposed state and local election-law changes that would impact the access some Americans would have to the ballot box.

We've also worked to ensure that states do not institute an unconstitutional patchwork of immigration laws. In recent months, the Department has challenged immigration-related laws in several states that directly conflict with the enforcement of federal immigration policies. Not only would these laws divert critical law enforcement resources from the most serious public safety threats, they can lead to potentially discriminatory practices and undermine the vital trust between local jurisdictions and the communities they serve.

The Department also has focused its efforts on the fight against financial fraud over the last two years – by spearheading the interagency Financial Fraud Enforcement Task Force and successfully executing the largest financial and health-care fraud takedowns in history. In addition, we secured a conviction in the biggest bank fraud prosecution in a generation, taking

down a nearly $3 billion fraud scheme. And, through our aggressive enforcement of the False Claims Act, a law significantly strengthened in recent years by this Committee, we've secured record-setting recoveries that have exceeded $8 billion since January 2009.

I am proud of these – and our many other – achievements. And, I am committed to building on this progress. Although I hope to spend much of our time together discussing the work that's ongoing throughout the Department, I'd like to take a moment to address the public safety crisis of guns flowing across our border into Mexico – and the local law enforcement operation known as "Fast and Furious" that has brought renewed public attention to this shared national security threat.

I want to be clear: any instance of so-called "gun walking" is unacceptable. Regrettably, this tactic was used as part of Fast and Furious, which was launched to combat gun trafficking and violence on our Southwest Border. This operation was flawed in concept, as well as in execution. And, unfortunately, we will feel its effects for years to come as guns that were lost during this operation continue to show up at crimes scenes both here and in Mexico. This should never have happened. And it must never happen again.

To ensure that it will not, after learning about the allegations raised by ATF agents involved with Fast and Furious, I took action. I asked the Department's Inspector General to investigate the matter, and I ordered that a directive be sent to the Department's law enforcement agents and prosecutors stating that such tactics violate Department policy and will not be tolerated. More recently, the new leadership at ATF has implemented reforms to prevent such tactics from being used in the future, including stricter oversight procedures for all significant investigations.

Today, I would like to correct some of the inaccurate – and irresponsible – accusations surrounding Fast and Furious. Some of the overheated rhetoric might lead you to believe that this local, Arizona-based operation was somehow the cause of the epidemic of gun violence in Mexico. In fact, Fast and Furious was a flawed *response* to, not the *cause* of, the flow of illegal guns from the United States into Mexico.

As you all know, the trafficking of firearms across our Southwest Border has long been a serious problem – one that has contributed to approximately 40,000 deaths in the last five years. As Senator Feinstein highlighted just last week, of the nearly 94,000 guns that have been recovered and traced in Mexico in recent years, over 64,000 were sourced to the United States.

The mistakes of Operation Fast and Furious, serious though they were, should not deter or distract us from our critical mission to disrupt the dangerous flow of firearms along our Southwest Border. I have supported a number of aggressive, innovative steps to do so and our work has yielded significant successes. We've built crime-fighting capacity on both sides of the border by developing new procedures for using evidence gathered in Mexico to prosecute gun traffickers in U.S. courts; by training thousands of Mexican prosecutors and investigators; by successfully fighting to enhance sentencing guidelines for convicted traffickers and straw purchasers; and by pursuing coordinated, multi-district investigations of gun-trafficking rings.

This year alone, we have led successful investigations into the murders of U.S. citizens in Mexico, created new cartel-targeting prosecutorial units, and secured the extradition of 104 defendants wanted by U.S. law enforcement – including the former head of the Tijuana Cartel. This work has undoubtedly saved and improved lives in the United States as well as Mexico. I am personally committed to combating gun trafficking and reducing the alarming rate of violence along the Southwest Border by using effective – and appropriate – tools.

Like each of you, I want to know why and how firearms that should have been under surveillance could wind up in the hands of Mexican drug cartels. But beyond identifying where errors occurred and ensuring that they never occur again, we must be careful not to lose sight of the critical problem that this flawed investigation has highlighted: we are losing the battle to stop the flow of illegal guns to Mexico. That means we have a responsibility to act. And, we can start by listening to the agents who serve on the front lines of this battle. Not only did they bring the inappropriate and misguided tactics of Operation Fast and Furious to light, they also sounded the alarm to Congress that they need our help.

ATF agents who testified before a House committee this summer explained that the agency's ability to stem the flow of guns from the United States into Mexico suffers from a lack of effective enforcement tools. One critical first step should be for Congressional leaders to work with us to provide ATF with the resources and statutory tools it needs to be effective**.** Another would be for Congress to fully fund our request for teams of agents to fight gun trafficking. Unfortunately, earlier this year the House of Representatives actually voted to keep law enforcement in the dark when individuals purchase multiple semi-automatic rifles and shotguns in Southwest border gun shops. Providing law enforcement with the tools to detect and disrupt illegal gun trafficking is entirely consistent with the constitutional rights of law-abiding citizens and it is critical to addressing the public safety crisis on the Southwest border.

As someone who has seen the consequences of gun violence firsthand – and who has promised far too many grieving families that I would do everything in my power not only to seek justice on behalf of their loved ones, but also to prevent other families from experiencing similar tragedies – I am determined to ensure that our shared concerns about Operation Fast and Furious

lead to more than headline-grabbing Washington "gotcha" games and cynical political point scoring.

We have serious problems to address – and sacred responsibilities to fulfill. We must not lose sight of what's really at stake here: lives, futures, families, and communities. When it comes to protecting our fellow citizens – and stopping illegal gun trafficking across our Southwest Border – I hope we can engage in a responsible dialogue and work toward common solutions. And, I hope we can begin that discussion today.

I welcome any questions that you have for me.