
Interview: Clarence Davis

A bill to stop dope-pushers and drug-money-launders

Clarence Davis is a Democratic state legislator from Baltimore's 45th Legislative District. He was first elected in 1983. He is a member of the executive committee of American Legion Post 294 and was formerly VFW regional coordinator. He is a member of the National Association of Black Veterans, and a member of the Board of Directors of the Association of Black Veterans, and a member of the Board of Directors of the Baltimore NAACP.

EIR: You've just introduced a bill, No. 1353, titled "An Act Concerning Money-Laundering." Can you tell us something about the bill and where it stands in the legislature?

Davis: Right now it's awaiting hearing before the Judiciary Committee. The bill is designed to eliminate dope-money-laundering. It would hold an institution and its officers, directors, and employees, who knowingly participate, accountable. It would place a fine of not more than \$250,000 or twice the value of the monetary instrument itself. For subsequent offenses, financial institutions would be subject to a fine of not more than \$1 million.

EIR: In the preamble to the bill, you declare that a state of emergency exists within the U.S. banking system as a result of laundering of drug profits.

Davis: Yes, it does. In just some of the recent events, if you check the *Baltimore Sun* for Jan. 31, the headline on page 13b states, "Second Largest New England Bank Accused of Helping Bookie Hide Withdrawals."

EIR: Which bank was that?

Davis: This is the Bank of New England. That's different than the Bank of Boston. So that's just another bank that's added to the list. The article goes on and states the transactions that occurred there, the interconnections between the various personalities.

Then if you follow up and look at the *Baltimore Sun* of Feb. 13, you'll see a heading, "Democracy in South America is Linked to War Against Drugs." Here, statements were attributed to Elliott Abrams, the head of the State Depart-

ment's Latin American Bureau. This is what he told a Baltimore audience. So, everyone is aware of the problem.

EIR: There has also been something of an emergency problem in the financial institutions of Maryland in the past year.

Davis: Yes, we have a serious problem, what we call the savings and loan crisis.

EIR: Do you think there is any relationship between the large amount of drug use in Baltimore and Maryland, and the financial crisis facing the banks of Maryland?

Davis: I don't have any facts on that, but certainly, many of my associates are speculating that much of what is taking place could possibly be attributed to the drug industry.

EIR: In the bill's second "whereas" clause, you note that the U.S. Department of Justice, currently under the direction of Attorney-General Edwin Meese, has "consistently refrained from prosecuting chief executive officers and other directing officials of some of America's largest banks."

Davis: Yes, he has. But not only that; he has attempted to water down the legislation proposed by the President's Commission on Organized Crime.

EIR: Why do you think this is happening?

Davis: It would appear that there may be some relationship between the friends of the federal government and the dope trade. One of the reasons it's necessary to attack this problem at the local level, is the failure of the Reagan administration, and particularly Mr. Meese, to actively pursue the recommendations of the President's Commission. This problem could be dealt with best by federal legislation. But when we went to visit Washington a couple of months ago, the person who's the chairman of the subcommittee that would deal with this legislation in the Senate was Paul Laxalt, and he's from Las Vegas. And he's reputed to have relationships with organized crime. When we went to visit the House, we met with Congressman Hughes from southern New Jersey, which includes Atlantic City. It would appear that the people from

those particular areas that are reputed to be organized crime areas, are not the impartial type of people we would want to head those committees.

EIR: But they've placed themselves in the positions where they control which bills get passed, and which don't.

Davis: In particular, the legislation dealing with money-laundering and organized crime.

EIR: What do you see as the prospect for passing this legislation?

Davis: I think we have a good chance. I think the problem is so profound that people are groping for answers. This problem potentially could destroy America and the entire Western Hemisphere and democracy as we know it.

EIR: A dossier on the Ibero-American drug crisis has been prepared by the National Democratic Policy Committee, with which you've worked to draft this bill, at the request of Rep. Charles Rangel of the House Select Committee on Narcotics.

Davis: I intend to highlight this material in my testimony on the bill, when it comes up for a hearing. Also in that testimony, I'm going to highlight the Casino Case, which is referred to in the President's Commission on Organized Crime report on money-laundering (page 10). This is the Baltimore drug-trafficking case. That's my district. That particular individual bought mopeds and color-coded sweat suits for kids, so that if you had this colored sweat suit, your area to deliver



drugs was over here, and so on and so forth. That's how intricate the drug-trafficking is.

EIR: Approximately how much money in drugs goes through your district in any one year?

Davis: It's in the millions in my district. When you go through the paper every day, you look at the business page, and everywhere you look, the banks are getting caught up in money-laundering. And then you turn to another page and you see people like Abrams, a head of the State Department, saying that democracy in South America is linked to the war against drugs. Then you ask what are we doing about it. The one thing that we at the local level can do, is to make every effort to destroy the import of drugs to our state, and to apprehend and prosecute to the fullest those persons who are caught up in the traffic.

EIR: For that reason, you've introduced House Bill No. 641, "An Act Concerning Controlled Dangerous Substances"?

Davis: Yes, and I have another piece of legislation in too, that would prohibit the court from considering alcohol or substance abuse as a contributing or mitigating factor in the commission of a crime. This would mean that a person who commits a burglary or other crime because of his drug habit, would have to do five years, or whatever the crime called for. They could not place that person in a halfway house. Just because one has a drug problem, is no excuse for breaking into my home, or anyone else's home in my district, or anywhere in the country. We want to take that away.

But a second part of that legislation would mandate that the state create a facility to put these people in. Because you don't want to put them with the regular population. And since we have at least one, maybe two of our mental institutions closing in the next couple of years, those facilities would be excellent for such an institution to house these people in for the duration of their sentence. If they have a five-year sentence, I can guarantee you that they'll be off of drugs within that five years.

EIR: House Bill 1353 also says that money derived from illegal laundering of drugs will be forfeited to the state for use by the state to finance such projects. Should both bills pass, one would finance the other.

Davis: Precisely. That's the plan.

EIR: Do you have much support in the legislature for this bill?

Davis: It's a little hard to tell, until I present the testimony. Then I can begin to count votes. The most difficult thing is to get it out of committee. I can say this, that the chairman of the Judiciary Committee and I have talked. He's concerned about the legislation and he's going to give it every opportunity to get out of his committee.