

## Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Tolson

DATE: Feb. 24, 1955

FROM : *p*L. B. Nichols *LBN*ALL INFORMATION CONTAINED  
HEREIN IS UNCLASSIFIED  
DATE 10-29-90 BY SP1 [redacted]

SUBJECT:

WARREN OLNEY'S ADDRESS  
NATIONAL ASSOCIATION OF COUNTY AND  
PROSECUTING ATTORNEYS  
BIRMINGHAM, ALABAMA  
FEBRUARY 24, 1955*Warren Olney*

b7C

*[redacted]* Mr. DeLoach went around to the Public Relations Office and secured a copy of the speech. *b7C b7D*

After Olney discusses the role of law enforcement, he moves to the subject of organized crime and points out no agency has done more than the Kefauver Committee. He then points out the section on organized crime and racketeering in his Division and then starts referring to the handling of labor racketeering cases. No mention is made of the Bureau's efforts in such case. He then refers to racketeering in home improvement and does give the Bureau full credit for the Federal House Administration investigations. He points out the Bureau's work in going after gangs of automobile thieves.

He then comes down to the question "Is organized crime on the increase?" "Are we holding our own? Is it on the decrease? No man in the United States can answer that question with any pretense at accuracy. The fact is that we simply do not have any statistics or sound factual information that alone can make an accurate answer to such a question possible. Our Uniform Crime Reports, which even as to the limited field they cover have been described as probably the poorest and least accurate criminal statistics kept by any civilized country in the world, do not touch upon the categories of crime in which racketeering and organized crime flourish. There is no index kept by either federal or state government from which the amount or even the trends of racketeering and organized crime can be determined. The progress of the battle is not to be learned from an official report. Our only way of gauging our advance or retreat is by our own individual and collective experience, and who is there with so broad an experience in this field that he feels certain in his opinions?"

cc: *[redacted]*LBN  
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*This shows Olney in his true light. H.*

I immediately called Ed Ethel since Mullen was in New York and pointed out the deprecating manner in which Olney speaks of Uniform Crime Reports and pointed out that this was incorrect; that there was no better account on crime than actual offenses committed and reported to the police. I pointed out that if Olney was going to make this statement, obviously the Bureau would have no other choice but to issue a public statement stating the true fact and that every police department in the country would probably start swinging on Olney. Ethel agreed that it was a very bad statement to make.

I further pointed out to him that it was an untrue statement since Olney does not define what he means by organized crime; therefore, used in the broad sense, it could include gangs of bank robbers, hijackers, gangs of thieves who prey on interstate transportation of property and automobile rings. Ethel stated he would get busy immediately. I pointed out that he had given copies to the three wire services.

Shortly thereafter, Ethel informed me Olney is presently en route to Birmingham; that David Luce, his assistant, was trying to reach Olney.

Subsequently, Luce called me and stated he had talked to Olney that Olney carefully considered the matter and agreed to cut out the phrase "we even as to the limited field they cover have been described as probably the poorest and least accurate criminal statistics kept by any civilized country in the world." I told Luce this still left an inaccurate statement because Olney does not define organized crime. Luce stated that this was Olney's decision; that there was nothing he could do; that if, of course, there were additional arguments, that Olney could call. I made it clear to Luce that what Olney wanted to say in a speech was business; that we had discharged our duty by calling attention to the inaccuracy and that if Olney wanted to bring upon him a wave of complaints from the police that was his business; that we, of course, would probably be forced to say something if pressed because the statement as it now stood was not true. Luce suggested that we wait and see what happens. I told Luce it was wrong; I could not agree to it, but, of course, it was up to Olney.

I had earlier tried to reach Mr. Rogers who was at hearings. Mr. Rogers did call me when he returned. I outlined to him what had happened and he agreed the statement should not be made. He subsequently told me he called Ethel and told Ethel to work it out. Ethel told me he was trying to reach



Olney and was going to drop the seven or eight lines that were offensive and would try to get Olney to drop the same lines out of his speech in Birmingham or rephrasing and defining what he means by organized crime.

In discussing the matter with Rogers, I told Rogers we, of course, hated to become involved in a controversy but there was no other choice but to see that the record was kept straight and that we might have to issue a public statement. Rogers did not want that done if it could be avoided.

In my last conversation with Ethel, I referred him to Olney's references on page 13 where he makes strictly personal and unofficial suggestions that Congress pass a law which would prohibit deduction as a business expense the cost incurred in conducting criminal enterprises. Ethel stated he already received inquiry from [REDACTED]. He pointed to Olney's speech last summer before the Chicago Crime Commission wherein he stated a study was being made on taking prohibitive action on criminal enterprises with the view of seeking legislation. [REDACTED] inquired why was the statement official last summer and not now and what was the Attorney General going to do about it. I asked Ethel if the Department had not talked of legislation on this point. He stated he had not been able to find anything like this.

I have Mr. [REDACTED] getting together some material now in order <sup>b7c</sup> that we can write a strong memorandum to the Attorney General and Rogers. I think we should send a copy to both Mullen and Olney also.

Ethel HASN'T BEEN  
ABLE to REACH  
OLNEY AT 5:30 PM  
STILL TRYING *Wm*

*Nichols very promptly &  
adequately handled this  
matter.*  
*H,*

### The rates of crime

While "organized crime" has practically disappeared, crime as an everyday threat to the property and life of the average citizen—robberies, burglaries, assaults—seems to

have risen. FBI Director J. Edgar Hoover, in his 1954 semi-annual report, noted that "major crimes" had risen 8 per cent over the comparable period in 1953.\*

Mr. Hoover's statement was based on crimes reported to the FBI by municipalities. But how significant are such reports? The U.S., says Thorsten Sellin, professor of criminology of the University of Pennsylvania, "undoubtedly has the poorest [criminal] statistics of any of the nations of the free world."

For one thing, local police frequently fake their reports. Take Philadelphia. Police Commissioner Thomas J. Gibbons, who assumed office in 1952 as part of the reform administration of Mayor Clark, found that for years records had been distorted in order to minimize the amount of crime in the city. One center-city district in one month handled 5,000 more complaints than it had recorded. When a new central reporting system was installed, the number of "crimes" went up from 16,800 in 1951 to 28,600 in 1953—on the record an increase in "crime" of over 70 per cent. In New York a similar faking had gone on for years. In 1950 the number of property crimes reported by the police was about half those investigated by insurance companies. Following a survey by police expert Bruce Smith, a new system of central recording was installed. In 1952 assaults rose 47 per cent, robberies 73 per cent, and burglaries 118 per cent over 1951 figures. As Smith concluded, "such startling rises ... do not in themselves represent an increase in crime, but rather a vast improvement in crime reporting."

In the last three years the Middle Atlantic States have shown startling statistical increases for all major offenses. But New York and Philadelphia account for 53 per cent of the urban population covered by the reports. Do we then have a crime wave, or a "statistical reporting" wave? And how many other cities still understate the amount of crime?

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\*FBI estimates for the first half of 1954: 2,400 murders and cases of non-negligent manslaughter, 38,000 robberies, 48,000 assaults, 283,000 burglaries, 287,000 larcenies. But the urban crime rates were below the national level.

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## What Crime Wave?

*continued from page 99*

There are other statistical pitfalls. There are no estimates for city populations for the inter-census years. Since FBI crime rates are computed on the basis of the populations of the reporting cities, toward the end of a decade inaccuracies occur. For example, from 1940 to 1950 the population of the three Pacific coast states increased about 40 per cent. In effect, the larger number of crimes in 1949 were charged to only 60 per cent of the population, overstating considerably the rate of criminality.

Even if one granted the adequacy of specific crime rates, the criterion of a "crime wave" remains undefined. For example, in the first half of 1954 robberies and burglaries rose steeply over the same period in 1953—a sign, apparently, of increasing lawlessness—but murders were practically stationary and auto thefts were down. How does one weigh these facts?

A check shows amazing variations by cities. In Los Angeles and New Orleans all crime was on the rise. Portland showed decreases in assaults, but larcenies, burglaries, and robberies rose. Seattle reported assaults up, but auto thefts down. In Miami larceny and burglary increased. In Cleveland and Chicago offenses mounted except for assaults in both cities and auto thefts in the latter. Detroit showed a rise in property crimes. Birmingham reported an over-all improvement. Memphis and Dallas showed rises in murder, but other crimes in Memphis were down. Analysts were hard put to find convincing explanations.

*Fortune Magazine  
January 1955  
Page 154*

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Page 11, proposed speech of Warren Olney before the Fifth Midwinter Conference, National Association of County and Prosecuting Attornies, Birmingham, February 24. He indicates here that all uniform crime reports which, even as to the limited field they cover, have been described as probably the poorest and least accurate criminal statistics kept by any country in the world.

**Defects in this statement:**

1. Olney is apparently using as his source Bell's article in the January (not February) issue of Fortune wherein Bell quotes Thorsten Sellin, Professor of Criminology of the University of Pennsylvania, to the effect that "the U.S. undoubtedly has the poorest criminal statistics of any of the nations of the free world." Olney's statement is stronger and precisely mentions uniform crime reporting. Even Bell in his obviously biased article did not do that.

Further, it is observed that Olney, like Bell, avoided checking this statement with us.

Further, on page 12 Olney refers to Bell's article in the February issue of Fortune. Actually, Bell's article appeared in the January issue but in the February issue Bruce Smith's letter to the editor is presented. Bruce Smith is described by Bell in his article as "the man who probably knows most about police in the U.S." Bruce Smith's letter explains Sellin's comment. Sellin actually was referring to the broad academic field of criminal statistics including court statistics, of which we have none at all and penal statistics.

Isolating uniform crime reporting alone, Smith states in his letter that despite the complications "for all of our urban areas and for considerable chunks of rural territory we have really good compilations."

2. Olney's proposed statement indicates that we do not have any statistics or sound factual information that alone can indicate whether organized crime is on the increase or decrease. This leaves the impression that

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figures are available and contradicts the Department of Justice's release of January 5, 1955, reporting on the year-end report of Mr. Hoover to the Attorney General which showed a continuation of the increase in crime which began in 1945. The year-end report shows that 1954 will show a new high for the past decade in robbery, aggravated assaults, rape, burglary, and larceny, with an over-all increase of 5 percent in major crimes.

In addition to the uniform crime reports, the year-end report shows substantial increases in violations of Federal laws, bank robberies, fraud against the Government, and the like.



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