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The Nigerian Crime Network: Feasting on America's Innocence and Slipshod ID System

By David Simcox

As many as 100,000 Nigerians are now in the United States. Nearly half of them originally entered the United States with nonimmigrant (temporary) foreign student visas. Citing Nigerian sources, U.S. law enforcement officials estimate that 75 to 90 percent of them have been involved in an impressive and innovative variety of fraud schemes, often using extensive Nigerian networks across the country. Nigerian crime in 1989 was estimated to cost the United States \$1 billion. Law enforcement officials consider New York and Houston the hubs of Nigerian criminal activity, with significant problems also existing in Atlanta, New Orleans, Los Angeles and the Washington-Baltimore area.

The Nigerian mafia is well organized and sophisticated. Investigators have uncovered "classes" where earlier Nigerian settlers train newcomers to the U.S. in the subtle arts of credit card, banking and insurance fraud and keep up to date on new techniques. Police have discovered phony Nigerian companies that exist only to reply to credit inquiries and provide references and employment confirmation. A network of cells of three to fifteen members each have been found. Each cell of "boys" usually has an identifiable leader who acts as recruiter and trainer of new members, most of whom are found on college campuses. Unlike traditional organized crime, however, Nigerian organizations make no territorial claims, are highly mobile, and display no clear hierarchy.

Here are some of the Nigerian mafia's most common, and most lucrative, criminal practices:

- **Immigration and Citizenship Fraud:** The most common ploy is providing false information to get a visa from the American consul in Nigeria. This may involve the purchase from a corrupt U.S. college administrator of Form I-20, essential for admission to the U.S. as a student. Phony bank or employment records are used to prove the financial support required for the visa. Nigerians have frequently used sham marriages to U.S. citizens, claims of birth in the U.S. Virgin Islands, and counterfeit U.S. passports. Since Nigerian passports are issued with little documentary evidence of identity, many Nigerians have two or more under different aliases to facilitate

fraud here.

- **Identification Fraud:** In the wide open U.S.A., the resourceful Nigerian has little problem in obtaining enough birth certificates, social security cards and driver's licenses to accompany *each* identity used. Often valid social security numbers of others are lifted from stolen company personnel documents. The California Department of Motor Vehicles, which controls license issuance more carefully than most states, found in 1989 that one Nigerian, Adedotun Kuku, had six different licenses. Four of his aliases used English surnames and one a Hispanic surname. Virtuosity at driver's license fraud led Nigerian networks into large scale resale of licenses to other aliens, often by bribery of state motor vehicle officials, along with their own versions of bogus social security cards and birth certificates.

- **Bank and Credit Card Fraud:** Stolen or fraudulently obtained credit cards are used for quick, large scale purchases of goods — for resale or for export to Nigeria — and then passed on to others in distant cities. High mobility has made investigations more difficult. Sometimes the line of credit is maintained by paying the account with kited or cold checks. Similarly, to obtain an Automated Teller (ATM) card, bank accounts are opened with the help of an American and with a cold check as initial deposit. Telephone credit card fraud is another Nigerian innovation. Stolen or fraudulently obtained phone credit cards and PIN numbers are used to sell reduced rate international calls to fellow Nigerians or other emigres.

The Nigerian mafia has engaged boldly in check forgery. In the late 1980s, a Nigerian mafia scheme to pass \$30 million worth of counterfeit American Express travelers checks was broken up after \$2 million were passed successfully. Printing plants in Florida and California were seized. Fraudulent letters of credit from Nigerian banks passed by prospective Nigerian "investors" or "export-import executives" have plagued some U.S. banks. Police in New York found Nigerians working for financial institutions and assisting other Nigerians to defraud those institutions.

- **Welfare and Food Stamp Fraud:** The huge U.S.

structure of entitlements remains an easy mark for Nigerians, who have little trouble mustering evidence of U.S. citizenship. Assistance programs for which eligibility is monitored by state governments have been particularly vulnerable. The continuing deadlock in Congress and the courts over whether to bar ineligible aliens from subsidized housing programs opens the door still further to widespread abuse by Nigerians, with little apparent concern by municipal housing authorities. The INS reported in 1985 that not only Nigerians, but migrants from neighboring West African nations, Ghana and Liberia "....are abusing our entitlement systems in a most organized and effective way."

- **Student Loan Fraud:** During the 1980s, Nigerians led the pack in gaining U.S. guaranteed student loans. The ease and simplicity of their success spotlights the incredible inefficiency of U.S. controls. They simply applied and listed themselves as U.S. citizens. For a good while, banking officials just took their word for it, as the loans were insured by the federal government in any event. As the rising default rate among those with Nigerian names began to raise questions, many Nigerians applied under English surname aliases. Multiple applications for student aid are not uncommon, though the Department of Education tightened procedures somewhat in the late 1980s. A Nigerian in the Baltimore area was found to have fifteen student loan accounts at three different schools, totalling \$42,000. In a Chicago-area case, four members of the same family illegally obtained over \$60,000 in student aid, lived in subsidized housing and received food stamps.

- **Insurance Fraud** is remarkable for its ingenuity, variety andchutzpa. Life insurance is taken out on someone who then "dies" in Nigeria. Providing the required death certificate is no problem. Phony car accidents are staged, along with thefts of goods that don't exist or that have been dispatched to Nigeria. Claims for fictitious lost baggage and personal injuries abound.

- **Heroin Trafficking** has become increasingly lucrative for the Nigerian networks. Most of the heroin is originally purchased in Pakistan and India and shipped to the U.S. through Nigeria or Europe, often using female couriers. The Washington-Baltimore area has been a preferred entry and sales region for Nigerian traffickers.

In the current surge of alien crime, the United States has seen such immigrant groups as Colombians, Dominicans, Jamaicans and Salvadorans unusually prone to criminal involvement. Unlike those groups, Nigerian immigrants represent their country's privileged elites, English-speaking and with educational achievement significantly above the immigrant average. Education may work to turn its

immigrant possessors from crime over the long term, but for the Nigerians, it apparently has made them more adept at capitalizing on the trusting character of American institutions and the weakness of the country's identification procedures.

We can only speculate about the motives of the Nigerian over-achiever turned criminal. The culture from which he springs is notorious for corruption and non-existent business ethics, even by African standards. The openness and innocence of the U.S. way of doing things presents an irresistible appeal to the newcomer from a society where corner-cutting is a way of life. One indicted Nigerian bad check artist told investigators in 1985 that Nigerian students are forced into crime to pay their bills. He held the U.S. government responsible for Nigerian crime because "immigration regulations prevent students from working and scholarship payments are slow coming from Nigeria."

However self-serving, such comments confirm that U.S. Consuls have been doing a poor job of testing the financial solvency of seekers of student visas. Once the Nigerians arrive and take on criminal ways, the INS lacks the personnel or funds to locate and remove them. Law enforcement officers continue to complain of an ineffective deportation process — though there has been some improvement since special criminal aliens legislation was enacted in the mid-1980s. Nevertheless, appeals and other procedures can take years, allowing criminals additional time to commit crimes and assume new identities. Cases continue to turn up in which deported Nigerians have returned to the United States, in itself a felony, and resumed their criminal careers.

The Need for Identification Safeguards

Finally, the ease with which Nigerians have found the cracks in U.S. identification safeguards points up how defenseless many American institutions are — and unnecessarily so. The unwillingness of banks, for example, to share information on cardholders allows many persons to use the same identifying information to obtain cards. Financial institutions often do not verify information provided on credit card applications. State government social assistance agencies, and some federal ones, check perfunctorily, or not at all, on the citizenship status of applicants for costly assistance programs. One cause is the continuing tendency of service providers to think of screening and enforcement as "not their job." The INS entitlements verification system (SAVE) legislated in 1986 checks only those applicants who own up to being non-citizens. The INS data base ostensibly covering all the nation's aliens still contains many omissions, and the Social Security Administration has consistently refused to provide the data that would strengthen the system.

States issue drivers' licenses without verifying legal immigrant status — only three states now bar illegal aliens from licenses — and allow officials little time to check suspect ID documents. The prospective passage of "Motor-Voter legislation" will place new burdens on motor vehicle administrators, but may have the benefit of conditioning them to be more attentive to applicants' citizenship status. No major breakthrough against false identity is likely until the states impose much higher security standards on the issuance of birth certificates and drivers' licenses. The rapidly advancing technology of biometric identification gives the states a capacity to obtain a unique and permanent identification fix on 175 million holders of drivers' licenses and state ID cards and future applicants for them. Similar techniques would permit federal tracking of the more than one million illegal aliens arrested or cited yearly. New developments in automated fingerprint ID systems make possible the computer coding, storage and comparison of hundreds of millions of prints. Persons arriving on these shores may still give a false identity, but with biometrics that person will be locked into a single identity for a lifetime. ■

[This article was based in part on reports and exhibits of the Permanent Subcommittee on Investigations of the U.S. Congress; on *The Nigerian Mafia*, a 1989 study by the Los Angeles Police Department; and on data from the Immigration and Naturalization Service.]

Deportation of Criminal Aliens - 1991
Major Sending Countries

Sending Country	Total Legal Immigration	Crime/Narcotics Deportations
Mexico	946,167	9,624
Colombia	19,702	514
Jamaica	23,828	436
El Salvador	47,351	420
Dominican Republic	41,405	391
Guatemala	25,527	190
Honduras	11,451	166
Haiti	47,527	116
Nigeria	7,912	65

Source: Immigration and Naturalization Service