**Viewing cable 09TELAVIV1098, ISRAEL: A PROMISED LAND FOR ORGANIZED CRIME?**

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### Summary

1. (SBU) Organized crime (OC) has longstanding roots in Israel, but in recent years there has been a sharp increase in the reach and impact of OC networks. In seeking a competitive advantage in such lucrative trades as narcotics and prostitution, Israeli crime groups have demonstrated their ability and willingness to engage in violent attacks on each other with little regard for innocent bystanders. The Israeli National Police (INP) and the courts have engaged in a vigorous campaign against organized crime leaders, including the creation of a new specialized anti-OC unit, but they remain unable to cope with the full scope of the problem. Organized crime in Israel now has global reach, with direct impact inside the United States. Post is currently utilizing all available tools to deny Israeli OC figures access to the United States in order to prevent them from furthering their criminal activities on U.S. soil. End Summary.

### Crime War Hits the Streets of Israel

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**SUBJECT: ISRAEL: A PROMISED LAND FOR ORGANIZED CRIME?**

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2. (SBU) In November 2008, Israeli crime boss Yaakov Alperon was assassinated in broad daylight in a gruesome attack on the streets of Tel Aviv, only about a mile away from the Embassy. According to several media accounts, a motor scooter pulled up alongside Alperon's car and the rider attached a sophisticated explosive device with a remote detonator to the car door. The bomb killed Alperon and his driver, and injured two innocent pedestrians. The hit was the latest in a series of violent attacks and reprisals, and indicated a widening crime war in Israel.

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3. In July 2008, a 31-year-old Israeli woman was killed by a stray bullet on the beach in Bat Yam in front of her husband and two children during a failed assassination attempt on noted crime figure Rami Amir. In a feud between the Abutbul and Shirazi clans, crime boss Shalom "Charlie" Abutbul was shot by two gunmen in September 2008, an attack that also wounded three bystanders. In December 2008, Charlie Abutbul's son-in-law, Nati Ohayon, was gunned down in his car in Netanya. Before the fatal bombing of his car, Alperon himself had survived at least three previous attempts on his life before his assassination, and was engaged in an ongoing feud with the rival Abergil clan (although there are numerous suspects in...
Alperon's murder). The day after Alperon's death, two members of the Abergil syndicate were sentenced for conspiring to kill Alperon's brother, Nissim, in May 2008.

In response to rising concerns for public safety, former Prime Minister Olmert convened an emergency meeting of top law enforcement officials, cabinet members, and prosecutors in December 2008. He promised to add 1,000 officers to the INP and to allocate approximately NIS 340 million (USD 81 million) to improve the INP's technical capabilities. In general, the rise in OC-related violence has led figures to call for emergency state powers to attack criminal organizations, and OC became a minor but important issue in the February 2009 Knesset elections. Former Labor Party MK Ephraim Sneh publicly decried criminal extortion in his campaign ads, only to have his car torched in apparent retaliation outside his home in Herzliya.

Background
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Organized criminal activity is not a new phenomenon in Israel, and major crime families are well known to the Israeli public (the Alperons even featured in a recent reality television program). Five or six crime families have traditionally dominated OC in Israel, although the names and makeup of these syndicates have fluctuated in recent years. The Abergil, Abutbul, Alperon, and Rosenstein organizations are among the most well known, but recent arrests and assassinations have created a power vacuum at the top. New names such as Mulner, Shirazi, Cohen and Domrani have moved quickly to fill the gap. Other up-and-coming groups include the Harari, Ohana, and Kdoshim families. There are also a number of rival families active in the underworld of Israel's Arab sector.

Traditional OC activities in Israel include illegal neighborhood casinos, prostitution rings, extortion, and loan sharking, with each family controlling a different geographic region. The Alperon family, for instance, dominates the Sharon region, while the Abutbul operation is based in the coastal city of Netanya. The focus is largely on easy money guaranteed by the limited use of violence. Criminal involvement in the recycling business, for example, has been well covered in the press. OC families collect bottles illegally from municipal recycling bins and restaurants, return them at the collection centers claiming twice the actual numbers, and pocket the change for millions in profits.

Not Your Grandfather's Mob
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Despite their notoriety, OC figures have generally been viewed as a nuisance to be handled by local police. Law enforcement resources were directed to more existential security threats from terrorists and enemy states. In recent years, however, the rules of the game have changed. According to Yaakov Lappin of the Jerusalem Post, the old school of Israel OC is giving way to a new, more violent, breed of crime. Lappin told conoffs that the new style of crime features knowledge of hi-tech explosives acquired from service in the Israeli Defense Forces, and a willingness to use indiscriminate violence, at least against rival gang leaders. New OC business also includes technology-related crimes, such as stock market and credit card fraud, and operates on a global scale.

As the reach of Israeli OC has grown, so have the stakes. Crime families are working further from home and exporting violence abroad. Older gambling schemes have grown to include sprawling casino franchises in Eastern Europe. The Abutbul family began its gambling business in Romania over a decade ago, and now owns the Europe-wide Casino Royale network. In 2002, Israeli OC turf wars spilled into Europe when Yaakov Abergil and Felix Abutbul were killed two months apart. Abutbul was gunned down in front of his casino in Prague in a show of force by the Abergils as they attempted to capture a portion of the European gambling market.

Israeli OC now plays a significant role in the global drug trade, providing both a local consumer market and an important transit point to Europe and the United States. In 2004, Zeev Rosenstein was arrested in Israel for possession of 700,000 ecstasy tablets in his New York apartment, destined for distribution in the U.S. market. He was ultimately extradited to the United States in 2006, where he is currently serving a 12-year prison sentence. Two other crime figures, Meir Abergil and Israel Ozifa, are also facing U.S. charges on charges that include smuggling 100,000 ecstasy tablets into the United States.

The prostitution business has also grown beyond the neighborhood brothel. In March 2009, the INP arrested twelve suspects in what is believed to be the largest Israeli-led human trafficking network unearthed to date. Ring leader Rami Saban and his associates were charged with smuggling thousands of women from the former Soviet Union and forcing them to work as prostitutes in Israel, Cyprus, Belgium, and Great Britain. Some women were flown to Egypt and smuggled across the Sinai border by Bedouins.
Law Enforcement Steps up the Pressure
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11. (SBU) After years of perceived inaction, in 2008 the INP created a new unit called Lahav 433. The elite unit operates under the direct command of the police commissioner, and is charged specifically with infiltrating and eliminating Israel's major crime syndicates. Lahav 433 also cooperates closely with district investigative units to combat smaller criminal organizations, many of which are aligned with the larger crime families.

12. (SBU) Following Alperon's assassination, the INP initiated a series of raids that led to the arrests of a number of leading crime figures. Among their targets were Aviv and Adam Abutbul, sons of crime-family head Charlie Abutbul, both charged with possession of illegal weapons. (A third brother, Francois, is already facing murder charges for a nightclub killing in 2004.) Police also arrested gangland figure Amir Mulner for weapons possession and conspiracy to commit a crime. Mulner is known to be an explosives expert by army training, and is a suspect in Yaakov Alperon's murder. Police also arrested Yaakov Alperon's brother Nissim in December 2008, in what was reported to be a "mafia meeting" in a Tel Aviv-area cafe. According to the Jerusalem Post, the group may have been planning a revenge attack for his brother's recent assassination. Alperon's son Dror was dismissed from the army for disorderly behavior, also faces several counts of assault and was convicted on extortion charges. Also in December, police in Netanya launched several raids on illegal gambling houses and the homes of suspected money launderers with ties to the crime families. In Ashdod, brothers Roni and David Harari were arrested on charges of extortion. Regional police shot a blow against the Jerusalem Gang, and convicted its leader Itzik Bar Muha.

Skepticism Hovers Over GOI Efforts
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14. (SBU) Journalist Yuval Goren of Ha'aretz told conoffs that "thousands of foot soldiers" remain active on the streets despite these aggressive anti-OC operations. He noted that approximately 2,000 people attended Alperon's very public funeral. Goren expressed skepticism that recent arrests will bear fruit in the long term without a sustained commitment to enforcement. He noted that many of the crime leaders remain active while in prison and their operations are not hampered significantly even when they are convicted and jailed.

15. (SBU) In December 2008, former Prime Minister Olmert himself admitted that efforts to combat OC have long been diluted among different agencies, and that INP technology lags far behind that allocated to security services for counterterrorism. Given the recent change in government and the current economic crisis, there is public skepticism as to whether GOI promises to remedy the situation will be fulfilled. In 2003, following a failed assassination attempt on Rosenstein, then Prime Minister Ariel Sharon made similar promises to commit manpower and resources to combating the problem.

16. (SBU) It is not entirely clear to what extent OC elements have penetrated the Israeli establishment and corrupted public officials. The INP insists that such instances are rare, despite the occasional revelation of crooked police officers in the press. Nevertheless, there have been several dramatic revelations in recent years that indicate a growing problem. In 2004, former government minister Gonen Segev was arrested for trying to smuggle thousands of ecstasy pills into Israel, a case that produced considerable circumstantial evidence of his involvement in OC. The election of Inbal Gavrieli to the Knesset in 2003 as a member of Likud raised concerns about OC influence in the party's Central Committee. Gavrieli is the daughter of a suspected crime boss, and she attempted to use her parliamentary immunity to block investigations into her father's business. (Gavrieli is no longer a member of the Knesset.) Just last month, Israeli politicians and OC figures came together for the funeral of Likud party activist Shlomi Oz, who served time in prison in the 1990s for extortion on behalf of the Alperon family. Among those in attendance was Omri Sharon, son of former Prime Minister Ariel Sharon, who was himself convicted in 2006 on illegal fundraising charges unrelated to OC.

Courts Testing New Powers
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17. (SBU) In 2003, the GOI passed anti-OC legislation that carries a maximum sentence of 10 years imprisonment for heading a criminal organization and three years for working in such an organization. The law defines such a body as a group of people working in an "organized, methodical and ongoing pattern to commit offenses that are defined by the laws of Israel as crimes." The law also allows
for property forfeiture, both in the wake of conviction and in cases where it is proven to belong to a criminal organization.

18. (SBU) Until recently, said Lappin, judges and lawyers have been slow to make use of this authority, and are hampered by a lack of resources, insufficient understanding of the tools at their disposal, and reticence to mete out tough sentences. A witness protection program for those who testify against OC is just now getting off the ground, and is not backed by any specific legislation. Nevertheless, on March 16th, a Tel Aviv district court took the important step of sentencing 14 convicted criminals belonging to two mob organizations in Ramle and Jaffa to up to 27 years in prison.

19. (SBU) Increased efforts by Israeli authorities to combat OC have engendered retaliatory threats of violence. Recent press reports indicate that as many as 10 Israeli judges are currently required protection by the police against the threat of violence from members of crime organizations. Israeli OC appears to be intent on intimidating judges personally, as a way of influencing the legal process. Judges in Tel Aviv, Jerusalem, and Haifa have been assigned police protection, underscoring the depth of the problem.

**Israeli Crime Reaches American Shores**

20. (SBU) Israel's multi-ethnic population provides a deep well of opportunity for Israeli OC to expand into new territory. Most Israeli crime families trace their roots to North Africa or Eastern Europe, and many of their Israeli operatives hold foreign passports allowing them to move freely in European countries, most of which participate in the visa waiver program with the United States. Approximately one million Russians moved to Israel following the dissolution of the Soviet Union, and Russian citizens no longer require visas to enter Israel. Many Russian oligarchs of Jewish origin and Jewish members of OC groups have received Israeli citizenship, or at least maintain residences in the country. Little is known about the full extent of Russian criminal activity in Israel, but sources in the police estimate that Russian OC has laundered as much as USD 10 billion through Israeli holdings. While most Israeli OC families are native-born and the stereotype that Russian immigrants tend to be mobsters is greatly overblown, indigenous OC groups routinely employ “muscle” from the former Soviet Union.

21. (SBU) The profit motive serves as a great unifier among Israel’s diverse demographic groups. According to Goren, some Amsterdam-based Hasidic groups allegedly are implicated in international drug smuggling through links to Israeli OC. Arab and Jewish Israeli criminals routinely cooperate and form alliances to expand control of lucrative drug, car theft and extortion rackets. Even hostile and closed borders pose few obstacles to OC groups. According to the INP, 43% of intercepted heroin in 2008 was smuggled from Lebanon, 37% from Jordan, and 12% from Egypt.

**Israeli OC Operating Freely in United States**

22. (SBU) Given the volume of travel and trade between the United States and Israel, it is not surprising that Israeli OC has also gained a foothold in America. Over the last decade, media reports have detailed a number of high-profile cases involving Israeli OC, ranging from large-scale drug deals to murder. The ongoing Central District of California grand jury investigation against the Abergil family, where a RICO conspiracy case was initiated in December 2007, best demonstrates the full extent of such criminal activity. Investigators have linked Yitzhak Abergil and his entire network to crimes of “embezzlement, extortion, kidnapping, and money laundering.” Yitzhak Abergil is currently under arrest in Israel and facing extradition for related charges linking him to the murder of Israeli drug dealer Samy Attias on U.S. soil.

23. (SBU) As part of an ongoing effort to track Israeli OC through media reports and police sources, Post so far has identified 16 families and 78 related individuals who are at the center of Israeli organized criminal activity. The consular section has revoked several visas for those who have been convicted of crimes in Israel, but many OC figures have no prior criminal convictions and carry no visa ineligibilities. As a result, many hold valid nonimmigrant visas to the United States and have traveled freely or attempted to travel for a variety of purposes.

24. (SBU) In March 2009, Post received information from law enforcement authorities that convicted criminal and member of the Abergil organization, Mordechai Yair Hasin, along with his pregnant wife and child, was intending to flee Israel for Los Angeles on valid tourist visas. Hasin’s visa was revoked based on his conviction, as were his family’s visas after they were determined to be intending immigrants.

25. (SBU) As in the Hasin case, Post is using every available tool...
to limit OC travel to the United States, but such efforts are not always successful. In June 2008, Post issued Adam Abitbul a valid tourist visa. Abitbul had no prior criminal convictions, and carried no visa ineligibilities. Several months later, Post received information from the Los Angeles Police Department (LAPD) that he had traveled to the United States to carry out a hit. Abitbul returned to Israel prematurely for his father's funeral, at which time Post revoked his visa. (Post can only revoke the visas of Israeli citizens while in country.) In a similar case, in October 2008 Post issued Moshe Bar Muha a tourist visa; he claimed to be traveling for medical treatment. Post subsequently received information from the LAPD that Bar Muha is in fact the brother of Itzik Bar Muha of the Jerusalem Gang (see above) and a convicted criminal.

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26. (SBU) As recently as March 2009, Zvika Ben Shabat, Yaacov Avitan, and Tzuri Rokah requested visas to attend a "security-related convention" in Las Vegas. According to local media reports, all three had involvement with OC. Post asked the applicants to provide police reports for any criminal records in Israel, but without such evidence there is no immediate ineligibility for links to OC. Luckily, all three have so far failed to return for continued adjudication of their applications. Nevertheless, it is fair to assume that many known OC figures hold valid tourist visas to the United States and travel freely.

Comment: Israeli OC Slipping Through the Consular Cracks

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27. (SBU) Given the growing reach and lethal methods of Israeli OC, blocking the travel of known OC figures to the United States is a matter of great concern to Post. Through collaboration with Israeli and U.S. law enforcement authorities, Post has developed an extensive database and placed lookouts for OC figures and their foot soldiers. Nevertheless, the above visa cases demonstrate the challenges that have arisen since the termination of the Visas Shark in September 2008. Unlike OC groups from the former Soviet Union, Italy, China, and Central America, application of INA 212(a)(3)(A)(ii) against Israeli OC is not specifically authorized per Foreign Affairs Manual 40.31 N5.3. As such, Israelis who are known to work for or belong to OC families are not automatically ineligible for travel to the United States.