

Are Wall Street’s “Untouchables” Disbanding?

By Tamir Chagal, LLM Candidate 2015 | March 17, 2015

Preet Bharara’s crack team of prosecutors at the US Department of Justice have earned many merits and accomplishments. The team is specifically known for going head on against the big names in the financial market. Two of the team’s notable successes are the conviction of Bernard Madoff for his [Ponzi scheme](#) and [SAC Capital Investors’](#) securities fraud indictment.

These successful actions have pointed the spotlight over this special task force, which have boosted the reputation of the US Department of Justice and also turned Preet Bharara into a reputable “star” in the field.

However, subsequent to this reputation boost, many prosecutors have found their way into private practice; over the last year, [eight prosecutors have left](#) the team in favor of large law firms. Although employees’ churn-rate is a generally known issue, the departure of the highly skilled prosecutors from the elite team poses a significant problem, since filling up the ranks of this elite team can prove quite difficult in terms of locating people with the exceptional skills required to keep the top-notch reputation gained by Bharara’s team. Moreover, the Department should take into account that frequent recruiting sessions will be required in the future as well, shall this high churn-rate continue.

Despite these potential challenges, officials say that they are not concerned with personnel departure, acknowledging that this issue has and shall continue to occur, as large law firms and even hedge funds are interested in retaining experienced and highly skilled attorneys.

While it seems that a high churn-rate in this exclusive, top-tier task force might lead to fallbacks in tasks’ performance, it should be stated that prosecutors have departed from the unit even before the Madoff case and other large cases, and that the highly skilled new prosecutors filling in the shoes of those who had departed are the ones who contributed to the teams’ success and reputation.

Only time will tell whether the US Justice Department will be able to adequately fill its ranks with high-skilled prosecutors on an ongoing basis in order to meet the high expectations of the Wall Street task force and retain its reputation.