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WORLD DRUG TRAFFIC AND ITS IMPACT ON U.S. SECURITY

HEARINGS
BEFORE THE
SUBCOMMITTEE TO INVESTIGATE THE
ADMINISTRATION OF THE INTERNAL SECURITY
ACT AND OTHER INTERNAL SECURITY LAWS
OF THE
COMMITTEE ON THE JUDICIARY
UNITED STATES SENATE
NINETY-SECOND CONGRESS
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THE MACHINERY OF CONTROL

SEPTEMBER 18, 1972

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**WORLD DRUG TRAFFIC AND ITS IMPACT ON U.S.
SECURITY**

MONDAY, SEPTEMBER 18, 1972

**U.S. SENATE,
SUBCOMMITTEE TO INVESTIGATE THE
ADMINISTRATION OF THE INTERNAL SECURITY ACT
AND OTHER INTERNAL SECURITY LAWS
OF THE COMMITTEE ON THE JUDICIARY,
Washington, D.C.**

The subcommittee met, pursuant to recess, at 10:30 a.m. in room 2228, New Senate Office Building, Senator James O. Eastland (chairman) presiding.

Present: Senators Eastland and Gurney.
Also present: J. G. Sourwine, chief counsel.

* * * * *

Mr. SOURWINE. Mr. Chairman, these other witnesses were scheduled to testify. They are Eugene T. Rossides, John E. Ingersoll, and Nelson Gross. We have their statements, which should be made part of the record. May they be ordered printed as though read?

Senator GURNEY. So ordered.

(The statements referred to are printed below.)

The subcommittee will recess, subject to the call of the Chair.

(Whereupon, at 11:55 a.m., the hearing was recessed, subject to the call of the Chair.)

* * * * *

STATEMENT OF NELSON GROSS, SENIOR ADVISER AND COORDINATOR FOR INTERNATIONAL NARCOTICS MATTERS, DEPARTMENT OF STATE

The President called for an accelerated attack on the international aspects of the drug abuse problem in his message to the Congress on June 17, 1971, when he stated:

No serious attack on our national drug problem can ignore the international implications of such an effort, nor can the domestic effort succeed without attacking the problem on an international plane.

The President's call resulted in the formation of the Cabinet Committee on International Narcotics Control in September 1971. That committee, chaired by the Secretary of State William Rogers, provides for interagency coordination of an overall program to strengthen narcotics control from Cabinet level down, throughout the executive

branch. The State Department's role has been crystalized, and there has been a sharp increase in activity in all of its bureaus.

Not only was my office, that of Senior Adviser to the Secretary and Coordinator for International Narcotics Matters created, but in addition, narcotics control coordinators were designated for all of the Department's geographic and the pertinent functional bureaus. Each of the five geographic bureaus chairs an Inter-Agency Narcotics Control Committee.

To complement the mobilizing of resources in Washington, narcotics control coordinators have been designated at virtually all foreign posts. The coordinators operate within the framework of a country team which utilizes the expertise of all appropriate agencies represented at the mission. For those countries having a current or potential involvement in the production, processing, or transiting of illicit hard drugs, narcotics control action plans have been developed. The Ambassador has been charged with the ultimate responsibility of developing, implementing, and monitoring the action plans, a responsibility placed upon him directly by the President. Pertinent excerpts of a Presidential letter sent in February to the chiefs of mission in 69 countries read as follows:

A successful fight against drug abuse will require the cooperation of all nations. For this reason I have made effective narcotics control a primary foreign policy objective of the United States.

The State Department's senior adviser and coordinator for international narcotics matters, Mr. Nelson Gross, and other administration officials have attempted to convey to foreign governments and to our overseas diplomatic missions the determination of the United States to take the necessary steps in cooperation with others to bring narcotics and other dangerous drugs under effective control.

These efforts are beginning to bear fruit. I am particularly gratified by the courageous decision of the Turkish Government to ban opium cultivation, by the results of Operation Cooperation in Mexico, and by recent successes in narcotics enforcement in Europe, Southeast Asia, and Latin America.

Still, much remains to be done. In many nations narcotics law enforcement is still in its infancy. Better narcotics intelligence is required almost everywhere.

Narcotics control action plans have now been drafted by 57 missions. The key to carrying out these plans effectively is to convince the leaders of countries where production and trafficking take place to commit their governments to attacking the narcotics problem with urgency and determination.

Your assistance will be critical in this effort. To begin with, we need your advice on how best to obtain the requisite political commitment from the government to which you are accredited. If you have not already given us your views, we shall appreciate receiving them promptly.

The efforts undertaken by our chiefs of mission within the structure of the Cabinet committee apparatus have been unique. By elevating the subject of narcotics control to a top foreign policy issue, the President has enabled the Ambassadors to deal continuously with this problem at the very highest levels with foreign governments.

Charged as they have been, the chiefs of mission and all members of their country teams have performed with diligence and dedication. While no one can measure success in this field, some appreciable impact has already been felt, and I am certain that the effort expended thus far will produce favorable results in the succeeding months.

Clearly this effort led by the President has galvanized commitments from nations around the world as never before. Our missions overseas began to yield cooperative undertakings essential to a worldwide attack on illicit drugs. The United States made it clear that it could not do the job alone, and the critical necessity for drawing together cooperative programs for narcotics control became universally recognized.

It quickly became necessary for our Government to help increase the capability of foreign governments to immobilize the traffickers and cut the supply of narcotics. The result was the development of the previously mentioned narcotics control action plans for key countries around the world. To seek the very best results, law enforcement survey teams have been sent to selected countries, regional conferences of narcotics coordinators have been held throughout the world, and there has been a simultaneous expansion of BNDD overseas activities, foreign customs cooperation and assistance, and establishment of CIA responsibility for narcotics intelligence coordination. The increased capability being promoted is in accordance with the Cabinet committee priorities assigned to intelligence collection and enforcement activities abroad.

The attention drawn to this problem by our own officials, together with an increasing awareness of other governments to the danger of spreading drug abuse, has unquestionably led to more active international cooperation. The very fact that we have our own U.S. Government agents operating within the jurisdiction of foreign governments is a strong sign of cooperation. When looked at from that point of view, it can be recognized quickly that accepting our agents bespeaks firm and unswerving support.

This does not mean that we can expect resounding results overnight. We must acknowledge that in many cases we are dealing with unsophisticated equipment and untrained personnel. Surely if the United States cannot stop the trafficking at its own borders, we must understand that a developing country will have even greater difficulty in preventing itself from becoming a point of transit for narcotics. Yet the beginnings have been made and the results have been significant.

There have been seizures of greater importance and with increasing regularity throughout the world. Arrests of important figures have been made. High-level traffickers have been extradited and put in prison. Five heroin laboratories in the Marseilles area of France have been seized during 1972. The Turkish ban on opium cultivation has been implemented resolutely, though Turkish officials have had to face continuing criticism. Thus measurable steps have been generated toward bilateral cooperation.

It would be useful at this point to discuss the situation as we now see it in the key countries in illicit production and/or trafficking. First, our two neighbors—Canada and Mexico.

Canada

In a sense the drug abuse problem in Canada parallels that of the United States. Canadian statistics show significant increases over the past 5 years in the use of marihuana, hashish, and psychotropics. Of particular concern at the present time is an apparent substantial in-

crease in the use of heroin in major cities, notably Vancouver, Toronto, and Montreal. In March 1972, official Canadian sources estimated that there were 16,000 heroin addicts in Canada, approximately five times the 3,500 addicts estimated in 1966. Total arrests for drug offenses were about 14,000 in 1970 and exceeded 17,000 in 1971.

Montreal and Toronto are recognized as major transshipment points for drugs—particularly heroin—destined for the larger U.S. market. Canadian enforcement problems are therefore much greater and more difficult than the incidence of illicit use in the country would indicate. The use of Montreal and Toronto as entrepôts also illustrates the need for very close and forthright cooperation between United States and Canadian authorities.

As might be expected, there is close cooperation at all levels between interested Canadian and United States agencies. The Royal Canadian Mounted Police maintains a three-man staff attached to the Embassy to handle daily liaison in Washington. Similarly, there is a BNDD liaison office, to which an officer of the Bureau of Customs is attached, for liaison in Montreal. Additional BNDD liaison offices have recently been established in Toronto and Vancouver and the Bureau of Customs has recently established an additional liaison office in Ottawa. Mention should also be made of the excellent working level relationship between United States and Canadian officials at the border crossing points.

High level cooperation between the two countries is also good. In September 1971, a U.S. group headed by BNDD Director Ingersoll journeyed to Ottawa for a consultative meeting with a Canadian group headed by Dr. R. A. Chapman, Special Adviser to the Deputy Minister, Department of National Health and Welfare. In October 1971, a tripartite meeting at the Deputy Attorney General level considered enforcement questions of possible joint interest to the United States, Canada, and Mexico. A tripartite meeting of Attorneys-General was held at Mexico City in March 1972, at which time the three governments reaffirmed their commitment to cooperation in antidrug efforts. The United States and Mexico have accepted a Canadian invitation to another meeting at the Deputy Attorney-General level in October 1972. Planning is now underway for increased United States-Canadian cooperation and coordination in drug research including seminars to bring together leading researchers of the two countries. Canada has participated since November 1970 with the United States and France in periodic meetings of the drug law enforcement agencies of the three countries.

Canada worked closely with the United States at the United Nations conference to amend the Single Convention and was one of 71 nations voting to approve the amending protocol. Canada has contributed \$400,000 to the United Nations Fund for Drug Abuse Control, the largest contribution after that of the United States. Canada is an active member of the United Nations Commission on Narcotic Drugs.

Mexico

Mexico is the source of nearly all the high-potency marihuana and about 10 percent of the heroin consumed in the United States. In addition, Mexico is increasingly being used as a transit country by international drug traffickers, particularly for heroin and cocaine. Interdiction of illicit narcotics traffic at the border can only control a portion of this traffic. Complementary efforts must be made to eradicate marihuana and opium poppy production at their source.

In October 1969, the friction created by "Operation Intercept" was converted into the harmonious and relatively successful "Operation Cooperation." We are gratified that President Echeverria and other high Mexican Government officials are keenly aware of the narcotics problem and are expending considerable human and material resources in a broad scale program of cooperation with the United States in narcotics control. In its efforts to eradicate opium poppies and marihuana the Mexican Government is using light planes and helicopters to spot growing areas. Army ground troops are dispatched to destroy the fields and apprehend illegal growers. As many as 12,000 soldiers may be employed in this manner at any given time. In addition, Mexican laws concerning drug abuse are considerably more severe than those in the United States, and a recent change in the Agrarian Code has made the illegal growing of marihuana or opium poppies an offense punishable by fine, imprisonment, or confiscation of the land involved. More recently still Mexico has outlawed production of amphetamine drugs.

Several examples of cooperation can be cited. At the beginning of Operation Cooperation the United States made available to Mexico \$1 million to be used for material assistance in narcotics control. The money was used to purchase helicopters and light aircraft. Negotiations are nearly complete for an agreement which will provide an additional \$51.3 million package of material and training assistance, including helicopters, communications equipment, and weapons. BNDD and U.S. Customs personnel stationed in Mexico cooperate routinely with Mexican narcotics authorities and the exchange of intelligence and in operations directed against the drug traffic; destruction of growing areas and seizures of heroin, cocaine, and marihuana are large and are increasing. In keeping with the agreement to maintain high-level consultations between the two countries, the Mexican and U.S. Attorneys-General, their Deputies and their staffs hold periodic narcotics talks, alternately in Washington and Mexico City. Canada has now added her participation, making the consultations tripartite. Two such tripartite talks have been held, in October 1971 and in March 1972; we expect another meeting before the end of this year.

Panama

Because of her crossroads location, which provides ready access to a wide variety of air and sea transportation routes, and her tradition of permitting trade to move freely in and out of the country, Panama's

role as a transshipment point for international narcotics smuggling has in recent years become a cause of increasing U.S. concern.

Two recent cases served to focus our attention on the need to help strengthen Panama's efforts in controlling drug traffic. One of these was the arrest in the Canal Zone of Joaquin Him Gonzalez, a Panamanian air traffic controller. He was subsequently charged with conspiring to smuggle heroin into the United States. A second case was the seizure of 180 pounds of heroin on July 8, 1971 when Rafael A. Richard, Jr., son of the Panamanian Ambassador to Taiwan, was arrested at JFK Airport in New York.

Factors which have tended to hamper Panamanian efforts to control the narcotics traffic are (1) Panama has not been a victim country and (2) an effective control and enforcement program would require a commitment of trained personnel and funds, both of which are scarce. The Panamanian Government has tended to give priority to its socio-economic development programs in using its financial and administrative resources. The Panamanian Government has, however, stated that it wishes to cooperate with the United States in eliminating the flow of illicit drugs through Panama.

During the past year, the Department of State and the U.S. Embassy have sought to increase Panamanian cooperation and commitment to control the international narcotics flow. They have facilitated Panamanian acceptance of the assignment of BNDD and customs agents to work in Panama. When, because of a misunderstanding resulting from the publication in the U.S. press of allegations about Panamanian officials, the BNDD agents were expelled from Panama, the Embassy within a short time was able to obtain Panamanian agreement to have them replaced.

Some specific examples of Panamanian activity can be cited. In October and November 1971, the Panamanian National Guard located and destroyed approximately 50 tons of marihuana in the Las Perlas Islands. About 75 percent of this would ordinarily have been destined for the U.S. market and would have had a street value of \$10 to \$15 million. The Government of Panama introduced a crop substitution program. According to eyewitness accounts by one of our own BNDD agents very little marihuana is growing in the area this year. Rice is growing in its place. Panamanian Customs officials have cooperated at Tocumen Airport, at times assisting U.S. agents in dismantling planes suspected of carrying narcotics. Panamanian officials have provided information concerning shipments of narcotics. Recently they broke up a narcotics smuggling ring, stopped a shipment of cocaine from entering the United States, and arrested the traffickers involved. During the past year, Panamanian authorities arrested a number of narcotics offenders in Panama, and have returned a fugitive trafficker who had jumped bond in the United States. They have participated in several narcotics control training courses, and have increased their understanding of the narcotics smuggling problem and Panama's role in it.

Paraguay

For many years the way of life in Paraguay has included smuggling of consumer goods. Smuggling of goods to Paraguay's neighboring countries has not been illegal. Supply and demand has been an important element in clandestine and illegal trafficking in consumer goods to and through Paraguay, and in this latter regard, Paraguay seems to have had a role similar to that of Andorra between Spain and France. As there has been a demand or "need" for narcotics by some members of the population in the United States, apparently the operational pattern of clandestine trade in Paraguay has been put to use helping supply that unfortunate need.

Much of Paraguay's boundary areas with her neighbors are unprotected and unpoliced. Paraguay has developed into a transient place for heroin from Europe to the United States as well as for cocaine from South America, although drug abuse within Paraguay is apparently very small.

It seems to have been difficult for some officials of Paraguay to understand the importance of the effort of the United States to terminate illegal drug traffic into our country, although this situation is improving. A key step in obtaining this improvement was the recent departure of Auguste Ricord from Paraguay and his safe arrival in the United States to face trial for alleged drug trafficking offenses.

Based on my recent visit to Paraguay and personal discussions with President Stroessner, I am personally encouraged that we can expect an improved level of cooperation, understanding and mutual assistance in the drug suppression effort. This could include suppression of the manufacture of drugs in Paraguay and elimination of the smuggling of drugs through that nation.

Paraguay has limited resources for combating drug traffic, although a new awareness of the need seems to be unfolding. The U.S. Government expects to be able to assist the Government of Paraguay in appropriate, practical, and useful ways related to Paraguay's ability to absorb and use such assistance efficiently. We also expect that improved legislation in the drug preparation and trafficking fields will be enacted in Paraguay.

France

Most of the heroin entering the United States in recent years has been processed from Turkish opium and morphine base in southern France, primarily around Marseilles. The southern coastal town of Marseilles, which has long been a center of French underworld activity, is estimated to house within its environs as many as 12 heroin "laboratories." Nothing more than portable rudimentary workshops, these "laboratories" process morphine base into high-grade heroin.

The French have expressed concern over their drug problem only in the last few years. Legal penalties were stiffened in late 1970, when the national legislature doubled the maximum penalty for trafficking to 20 years. In 1971 a strong publicity campaign was launched to edu-

cate and arouse the French public to the drug abuse problem. In August 1971, President Pompidou sent a letter to the heads of other members of the European community proposing that the organization develop specific areas of cooperation in attacking the drug problem.

Furthermore, in the last several years, France has substantially increased the money and manpower allocated to the drug problem. Since 1969 the number of agents assigned to narcotics duty has greatly increased. The fight against drug abuse is directed from a central narcotics office in the Ministry of the Interior, but the customs service, which is part of the Ministry of Finance, has also been involved. In early 1972 the customs service was responsible for a large seizure of heroin cached on a shrimp trawler. In August 1971 Interior Minister Marcellin upgraded the leadership of the antidrug efforts by appointing Francois le Mouel to head the overall effort and Marcel Morin to oversee operations in Marseilles. In the 10 years prior to the end of 1971, only three heroin laboratories had been uncovered. Thus far in 1972, five heroin laboratories have been shut down.

French-American cooperation against the illegal drug traffic is based on a number of agreements, the most important of which was signed in February 1971 between then U.S. Attorney General Mitchell and French Interior Minister Marcellin. A number of agents from the Bureau of Narcotics and Dangerous Drugs are stationed in Paris and Marseilles, and the French Judiciary Police has stationed agents in New York City. A bilateral Intergovernmental Committee on Drug Control meets quarterly to review the cooperative arrangements and to seek improvements in the program.

West Germany

West Germany is neither a known producer nor processor of opiates, but is considered an important transit country and storage and staging area for hard drugs. The narcotics problem is compounded by the large number (over 2 million) of foreign workers in West Germany, many from the Middle East, who have acted as a conduit for illegal drug traffic. Because of the significant amounts of morphine bases and other opiates thought to be in the country, German officials are highly alert to the fact that a serious hard drug problem could develop relatively rapidly in Germany.

Reflecting growing public and official concern, the German Government (FRG) instituted in November 1970 a comprehensive "Action Program Against Drug Abuse." The program tightened legislative control over legal and illegal movements of narcotics, initiated an educational campaign on the effects of drug abuse, increased the institutional assistance available to addicts and users, and provided for enhanced international cooperation on the problem of combating the flow of illegal drugs across national boundaries.

An extensive series of United States-Federal Republic of Germany consultation visits on narcotics matters has taken place at all levels of government. The BNDD staff in Germany has been expanded to five persons and offices opened in Munich, Bonn, and Frankfurt, and U.S. customs officers are scheduled assignment to Munich and Hamburg to work with German customs on narcotics matters. Liaison has been instituted between the Federal Republic of Germany and U.S.

Embassies in Turkey, Iran, Afghanistan, and elsewhere. The U.S. military forces, in cooperation with the Federal Republic of Germany, have begun a wide-ranging attack on drug problems affecting our troops in Germany. A Joint United States-Federal Republic of Germany Interministerial Task Force meets regularly on narcotics problems affecting the U.S. forces in Germany and talks on military drug problems have also been instituted directly between the German Ministry of Defense and U.S. military officials.

In addition, a comprehensive bilateral program for further cooperation has been worked out and discussed at a high level with German officials. This program particularly focuses on cooperation with the Federal Republic of Germany narcotics enforcement officials, and includes training and educational assistance, the sharing of narcotics technology and techniques, increased mutual informational exchanges on narcotics, coordination of narcotics-connected scientific research, and cooperation in social policy, international youth activities, and drug rehabilitation efforts.

Eastern Europe

Eastern Europe's importance in the international narcotics problem is primarily as a transit region for illegal opiates smuggled from Turkey to Western Europe. Bulgaria and Yugoslavia are the main transit routes. Thus far, only small quantities of illicit opiates are known to have been routed through Rumania, Hungary, Poland, Czechoslovakia, or East Germany. Production of opium, which occurs in Bulgaria, Yugoslavia, and Hungary, is minor, although poppy seed is often an ingredient of East European pastries. There is no significant opiate addiction in the region, but the use of other dangerous drugs is growing.

Following a trip by the U.S. Commissioner of Customs to the various Eastern European countries last December, we have been successful in developing on a bilateral basis cooperation in the field of narcotics with the various governments in the area. Customs and BNDD teams have visited Sophia, Belgrade, Bucharest, Budapest, and Prague. Appropriate officials from each of these countries have either visited or been invited to visit the United States to tour facilities in this country concerned with enforcement and rehabilitation aspects of the narcotics problem.

The thrust of our efforts in the Eastern European area has been to elicit whatever cooperation we can from these governments to deal with drug abuse on a multilateral basis, to devise ways for cooperating with them in their efforts to control the transit of drugs across their territories, to promote a full exchange of information on all aspects of the drug problem between ourselves and these governments, and to endorse the efforts of the Ambassadors and other Embassy personnel to insure continuing and effective cooperation in this area.

Turkey

Although Turkey is not one of the world's largest producers of opium, it is the second largest legal exporter and the most important supplier of the raw material from which illicit heroin is produced for

the U.S. market. The principal source of illicit diversion appears to be the understatement of opium gum yields by some farmers in authorized poppy-growing provinces. The amount siphoned off in this manner is sold to the illicit trafficking network. Most other major producers of opium have large numbers of domestic addicts to support. There is no significant consumption of opium in Turkey. Thus, the entire diversion is available to foreign buyers.

In an effort to improve control over opium poppy cultivation in order to eliminate the illicit traffic, Turkey has reduced the number of provinces where poppy growing is legally permitted since 1967. As the number of provinces has fallen, production of opium gum has also fallen, but not nearly as rapidly. Estimates of opium gum production in 1967 ranged from 240 to 350 tons; 1971 estimates ranged from 180 to 210 tons.

Events in 1971 introduced drastic changes in Turkish opium production. By law, the Turkish Government must announce poppy cultivation decisions 1 year in advance of their implementation. The June 30, 1971, decree confirmed four provinces for cultivation during the 1971-72 growing season but announced that a total ban would apply thereafter. This decree was the strongest and most direct action legally possible for the Turkish Government to take.

Prior to the decree the Government had initiated a number of measures in the spring of 1971, to improve the collection of opium gum. These included a 66-percent increase in the price government purchasers paid for the gum, an increase in the number of collection points in the seven poppy-growing provinces, cash payments when farmers turn in the gum and the initiation of a vigorous radio and press campaign publicizing these benefits and the penalties for noncompliance. It is estimated that these measures substantially reduced the proportion of gum flowing into illicit channels.

In August 1971, the Turkish Parliament enacted a licensing law which further strengthens the Government's authority over the growing process. The law provides an improved basis for licensing, controlling, and collecting the final crop and includes stiffer penalties for those who fail to comply. In late 1971, licenses were issued to any farmer in the four authorized provinces who completed an application. Information on the license must include the location of the farm, the number of hectares to be planted, the amount of opium to be produced, and a simple sketch of the opium field. The transfer of licenses is prohibited and licenses may not be issued to persons convicted of smuggling or other crimes.

In support of the opium ban, the United States pledged \$35 million which is in concept divided into two parts—(a) \$20 million is intended as a financial resource for programs and projects which could, in a reasonable period of time, produce new sources of income for the poppy farmer and the region in which he lives; and (b) \$15 million spread over 3 to 4 years to the Government of Turkey will help replace losses in foreign exchange the Government would incur as a consequence of no longer being able to market its legitimate opium and related poppy product exports.

With American technical advice and assistance, Turkey has designed a special regional authority for central areas affected by the

poppy ban which will put developmental funds to work on selected activities, most of which are outlined in a joint report prepared in October and November 1971 by a United States-Turkish team. The U.S. team was led by former Secretary of Agriculture, Clifford Hardin. During the spring of 1972, Turkey established a regulatory and legislative base for this new regional development organization and made appointments to its key positions, hoping to utilize this operation as a model for agricultural development perhaps applicable to other areas of Turkey as well.

The opium poppy ban is subject to argument and challenge from a number of sources in Turkey. Some maintain that Turkey should not accept the economic loss without the commitment of massive compensatory assistance. Clearly, farmers are concerned over the uncertainty involved in changing a centuries old practice and wonder what will replace the opium gum and other byproducts to provide them cash and the products they consumed for their own use. The permanency of the ban will depend in large measure on the development of new sources of income to make up these losses.

There will still be a need for vigorous law enforcement against smugglers if the flow of illegal opium is to be slowed after 1972 when production is banned. This is true because of the likelihood that illegal stocks of opium and morphine base may be stored in Turkey. In the mid or late 1960's, Turkish traffickers began to convert opium to morphine base before smuggling it out of the country. A large network exists in Turkey to collect and, in some cases, process and smuggle the opium out of the country. These activities can be expected to continue until opium is no longer available in Turkey.

Afghanistan

Opium production in Afghanistan—all illicit—is estimated at about 100 tons in 1971. Output could be higher than this; there is a lack of solid information on production in Afghanistan. Kabul is a signatory to the 1961 Single Convention, and production and trafficking are proscribed by domestic statute. However, the Royal Government of Afghanistan (RGA) is simply unable to provide adequate enforcement. There is no licit production of opium derivatives in Afghanistan nor any indication of illicit processing into morphine or heroin.

The RGA in recent months has indicated a willingness to cooperate with other nations on the opium problem. Two ministerial-level committees were set up in January 1972 to formulate narcotics control programs. The first committee is charged with supervising social and economic aspects of narcotics control (including cultivation and crop substitution) while the second committee is responsible for combating illicit traffic and strengthening the police and gendarmerie by upgrading equipment and tightening customs controls. These committees also will provide liaison with foreign governments and advisers on specific control programs.

The Government of Afghanistan is now preparing for visits by a joint UNFDAC/FAO team for a 3-week study tour beginning September 18, and the special mission of the members of the Commission on Narcotics Drugs ad hoc Committee on Illicit Traffic in the Middle East in early October. Staff members from the Division of Narcotic

Drugs will participate in both visits. The Government of Afghanistan has decided to detail several qualified officials to the study tour, and is delaying completion of the reports of its two Cabinet Committees on Narcotics until the results of the visits are known. The International Narcotics Control Board is also planning a visit to Kabul; the Government of Afghanistan has reportedly agreed to a January schedule for this visit.

Afghanistan faces economic and political constraints in instituting an effective narcotics control or eradication program. In some areas, opium provides practically the only cash income to the farmer. There is no substitute crop—except for hashish—that can be grown under existing agricultural conditions and provide anywhere near an equal income. If cash subsidies are required to induce farmers to cease illicit poppy cultivation, the RGA would expect funding for such a program to come from outside sources, given Afghanistan's slim resources. For Afghanistan narcotics control has not had a high priority because addiction is not a domestic problem. Furthermore, the droughts of 1970 and 1971 strained Afghanistan's financial and manpower resources.

The following steps have been taken by the American Embassy in Kabul to secure Afghan cooperation in narcotics control:

Assignment of BNDD agent to the Embassy;

Organization of regular meeting of Ambassadors of concerned countries to coordinate approaches to RGA;

Suggestion of U.S. willingness to provide technical assistance for enforcement and crop substitution projects if desired by RGA;

Continuing diplomatic contact with RGA officials at all levels.

The major difficulties in Afghanistan have been the preoccupation of the Government with an unprecedented drought and the human, economic, and political consequences of the drought. Hopefully now that the drought seems over, senior Afghan officials will be able to devote their attention to this problem. A major continuing problem will be the limited capability of enforcement agencies in Afghanistan.

Clearly we need more information about the location, amount and profitability of opium poppy production in Afghanistan and how it moves out of the country. We shall continue our efforts to convince the Government of Afghanistan of the seriousness of the problem and the importance of well-coordinated international action to overcome it.

Pakistan

Annual opium production in Pakistan is probably at least 32 tons, but may be 170 tons or more. Estimates of total output are extremely tenuous because of the dearth of information on illicit output. Licit opium production in 1971, as reported by Islamabad to the United Nations, was only about 12 tons. Opium poppy cultivation takes place in the Northwest Frontier Province, with much illicit cultivation in tribal areas outside the Government's control. Pakistan does not export licit opium; a small amount is used in the domestic pharmaceutical industry, but most is consumed by domestic opium eaters. Most illicit output, on the other hand, probably enters the illicit international market and is sold in Iran.

The major current problem in Pakistan is that the country was divided by the warfare in December 1971 and must reconstruct itself

in the aftermath. The major continuing problem will be the lack of administrative and police control over tribal territories along the western border, and perhaps even more perplexing, the former princely states of Swat, Dir, Chitral and Amb which are being transferred from tribal to settled administration, a process which will take years to complete.

Before an effective control effort can move very fast, more information about the location, amount, and profitability of opium poppy production in Pakistan will be needed, especially concerning the tribal areas and the former princely states. The Embassy has requested a great deal of additional information from the Government of Pakistan, and it is believed that much of it is being prepared now.

The U. S. Government has taken the following steps to encourage the Government of Pakistan to improve its control of narcotics production and trade:

President Nixon sent a letter to President Bhutto urging full GOP cooperation in the international control effort. President Bhutto has replied promising full cooperation.

I have visited Pakistan for a full round of talks with GOP leaders.

Both before and since the above, the Embassy in Islamabad undertook diplomatic approaches in several ministries and at various levels within the GOP.

We have offered assistance to the GOP in studying the problem and in providing both technical assistance and equipment.

In the most preliminary stages are GOP plans to create a Narcotics Intelligence Bureau under the authority of the Narcotics Board, and to possibly shift responsibility for narcotics control from the provinces to the center.

Southeast Asia

The drug trafficking problem in Southeast Asia has been very much in the news during recent months. We have been gratified to see that the press has begun to take cognizance of the efforts our Government, in cooperation with the governments of the area, has taken during the past year to head off the supply of Southeast Asian heroin to the United States.

Let me assure you that favorable reports do not stimulate a sense of complacency on our part. We are taking the threat of Southeast Asia's potential as a major source of heroin for the U.S. market very seriously. For this very reason we have bilateral narcotics control action plans operating in 10 Asian nations. At the same time, we have serious problems, particularly, in Burma, where the majority of illicit opium produced in the so-called Golden Triangle is grown. I shall review some of the problem areas:

Burma

While considerable progress has been made in antinarcotics suppression in most of Southeast Asia in recent months, the intractable situation in northeastern Burma remains. Although Burma is the largest producer of opium in the Golden Triangle, most of the illicit opium is grown and transported through remote, mountainous areas where the Burmese Government has little or no control. Numerous insurgent

groups—both Communist and tribal—have created serious internal security problems for the thinly spread Burmese military forces. Insurgency and illicit narcotics are closely related because opium provides the means for various groups to purchase arms and supplies.

In order to maintain what little control it presently has in the area, the Burmese Government has had to rely upon local factions, primarily an ethnic self-defense militia known as the Khakweyei (KKY). Unable to provide adequate equipment, arms and supplies to KKY units allied with it, the Burmese Government has been forced to give the KKY local autonomy so as to support themselves. This the KKY forces do through traditional means, such as illegal taxation, extortion and—most importantly—trafficking in opium. Government attempts to suppress narcotics production and trafficking must be weighed against the risk of alienating the KKY, who could readily join the insurgents in opposing the government. This would deny even larger areas to the Burmese authorities without hindering KKY opium trading activities.

Unfortunately, the Burmese are unwilling to modify their rigid policy of nonalignment and neutrality and decline to accept international assistance in combating their narcotics problem. Still, despite their wariness of foreign designs and their preference to resolve the problem themselves, Burmese officials have recently been more willing to exchange views on the international drug situation with the United States and international agencies. Moreover, recent discussions between Burmese and U.N. officials offer some hope of United Nations antinarcotics activity in Burma. As long as Burma's internal security is threatened, however, the Burmese Government will undoubtedly continue to assign highest priority to its counterinsurgency efforts.

Laos

Recent narcotics control actions in Laos have been concentrated on staffing the *Groupe Special d'Investigation*, or GSI, the Lao equivalent of the BNDD, and expanding its operations to key areas of the trafficking pipeline. GSI was created by a Cabinet decree on January 12, 1972. By mid-August small, but skilled, GSI teams were stationed in Ban Houei Sai, Luang Prabang and Pakse as well as in Vientiane.

On March 11 a GSI team seized 10.7 kilos of opium from a civilian passenger on a Royal Lao Air Force plane. On March 17 and 25, another GSI team located the sites of two abandoned heroin refineries near Ban Houei Sai and seized a large amount of refinery chemicals and equipment hidden in the jungle. Perhaps the most significant action by GSI agents occurred on June 6 when the home of a National Assembly deputy was raided and 9.5 kilos of heroin and 26 kilos of opium were seized. The deputy was arrested. This action already demonstrated that the RLG is prepared to move against traffickers even though they may occupy positions of influence.

We believe that the success of our narcotics control plan in Laos is due in large part to the power and broad jurisdiction given to GSI by Prime Minister Souvanna Phouma. Its chief, B. Gen. Khamhou Boussarath, reports directly to the Prime Minister. GSI agents are authorized to investigate and arrest both civilians and military personnel. If necessary, B. Gen. Khamhou can supplement his teams with personnel from the national police, customs or Armed Forces.

Advisers from our Mission in Vientiane continue to work closely with their counterparts in GSI, the national police, customs, and the military police, as they have since early last year. Two private American charter airlines under contract to the Mission, Air America and Continental Air Services, are also cooperating with Lao authorities to prevent trafficking on their aircraft. During the first 6 months of this year, stringent searches of passengers and cargo resulted in 35 seizures totaling 22 kilos of opium. This is not a large amount, but we believe that, like the overall program, the companies' interdiction effort has had a deterrent effect on trafficking which is not entirely reflected by the total amount of narcotics seized.

During this same period of time, significant progress was made in another facet of the central program which so far has not received much attention here, addict rehabilitation. We know from our own experience that an important factor in narcotics control is demand. The RLG faces the same problem, which is compounded by the fact that opium consumption and cultivation has been tolerated by Lao society for generations. There have been recent news reports of criticism by National Assembly deputies that the narcotics control plan concentrates on law enforcement without regard to rehabilitation of Lao addicts whose supply of opium has been suddenly stopped, or for small farmers whose only cash crop traditionally has been opium. A group of opposition deputies has proposed repeal of the Lao Narcotics Control Law on these grounds.

While it is true the control plan emphasizes law enforcement, we have also been working with the Ministries of Public Health and Agriculture on other programs. We are assisting with a pilot rehabilitation project in the Vientiane area where heroin addiction is increasing. We shall also attempt to apply crop substitution programs, like those developed among opium growers in northern Thailand, to government-controlled areas when the security situation permits. We anticipate that these measures will assist Prime Minister Souvanna Phouma now in answering critics of the program and form a long-term basis for the program's more rapidly expanding law enforcement elements.

Thailand

In recent months, intensified Thai antinarcotics efforts, with U.S. support and assistance, have contributed significantly to discouraging narcotics trafficking in Thailand. Still, much needs to be done.

We feel that the foundations that have been laid during the past year are serving to give the Thai an increasingly effective narcotics enforcement program. The Special Narcotics Organization (SNO), a mobile task force in north Thailand, and the police in Bangkok have in recent months conducted numerous raids on suspected narcotics caches. There have been significant seizures of opium, morphine, and heroin and the arrest of several important traffickers. Close working relations and cooperation have been established between Thai and U.S. officials thereby facilitating stronger efforts against the drug traffic destined for the United States. A seizure on September 10 of 12 kilos of No. 4 heroin and arrests of two Thai traffickers by Thai police in Bangkok is a good example. Cooperation in that case involved many

agencies of both the Thai and United States Government and augers well for the future of our narcotics efforts in Thailand.

The success of our bilateral programs has caused disruption of established smuggling routes and made traffickers more cautious. This increased pressure on the drug merchants has forced many of them to postpone purchases and shipments of narcotics, resulting in a significant reduction in the price of opium and derivative products in the Golden Triangle. Moreover, the recent agreement between the Chinese Irregular Forces (CIF), under which the latter agreed to terminate their involvement in narcotics, appears to have removed a key link in the drug pipeline and to have forced the traffickers to seek alternate routes and personnel.

The enforcement successes scored by SNO and other Thai police units underline the necessity of providing substitute crops for hill tribe opium producers. With the drop in opium prices and a sluggish market, hill tribesmen are being deprived of their major cash income. While SNO enforcement measures are not directed at the grower as much as the trafficker, curtailment of the traffic affects the hill tribes directly. It is therefore essential that programs designed to show them how to grow substitute cash crops be accelerated. Economic necessity will hopefully encourage hill tribe receptivity to alternate crops, as well as RTG and addict rehabilitation efforts. A joint Thai Government-United Nations project has been designed to begin what eventually must be an economic and social revolution in the upland areas of Thailand. By continuing to apply pressure against the trafficker while offering the growers substitute income, the narcotics problem thus is being attacked on both fronts.

Hong Kong

Several actions taken by the Hong Kong Government in recent months reflect its continuing and increasing concern over the international drug problem. One significant step taken in June was the creation of a new position of Commissioner of Narcotics. The Commissioner serves under the Secretary for Home Affairs and is responsible for coordinating police, customs, prison and medical programs concerned with narcotics. Thus, for the first time, Hong Kong has a senior official who devotes full time to coordinating efforts in the narcotics field.

The new Commissioner, Norman Rolph, formerly Deputy Commissioner of Police, has recently made it clear that the Hong Kong Government intends to cooperate fully in the suppression of any international narcotics trafficking that involves Hong Kong. On August 31, Commissioner Rolph said in a statement to the press:

There has undoubtedly been a small traffic of narcotics from Hong Kong to America over the years, and if the Turkish sources dry up, the illegal traffic through Hong Kong could expand. It is our business to see, as far as we possibly can, that this does not develop. It concerns the Americans and it concerns ourselves. We are going to have to watch this possibility and we are going to do something about it.

On the enforcement side, Hong Kong authorities have scored some notable success in 1972. For instance, one drug seizure in June involved 1,775 pounds of raw opium and 180 pounds of morphine base found on a cargo junk. In April of this year, after months of investigation,

Hong Kong Police raided and closed down what was believed to be one of the biggest heroin factories ever found in Hong Kong.

Cambodia and Vietnam

Cambodia and Vietnam, although faced with serious threats to their security, are nevertheless engaged in the war on drugs. During 1972 the Khmer Republic in early 1972 established a Directorate of Narcotics composed of officers drawn from Customs, Public Health, National Police, Military Police, and Ministry of Defense. In Vietnam on August 12, President Thieu promulgated a decree law on narcotics and dangerous drugs. In what was a most significant step, the law calls for the execution of the death penalty for those persons convicted of trafficking in hard drugs in an organized narcotics ring.

THE TASK AHEAD

Additional information on geographic regions and individual countries is contained in the "World Opium Survey 1972," released by the cabinet committee on August 16. The survey is a frank and candid analysis of the problem as it now stands. Because it is candid, it should not be assumed that we are pessimistic. One of the requirements of managing an ongoing program is an ability to manage successes and failures. Ours is not a program that will bring immediate relief from the horrendous problem nor is it doomed to failure. Our program is one in which a substantial beginning has been achieved, one in which an appreciable impact has been made. If the momentum is sustained, we can look forward to continued sizeable results. Some recent successes can be cited: In the New York City area, the Bureau of Narcotics and Dangerous Drugs reports that at the wholesale level the purity of heroin has been reduced in the last 6 months to a year from 51 percent to 32 percent. At the retail level—that is, on the street—quality is as low as 2 and 3 percent. That is considerably less than it was a year ago. These figures are based on analyses of the significant amounts of heroin that have been seized by law enforcement agents and by purchases by undercover agents.

As other examples, in Boston, the cost of one gram of heroin jumped in recent months from \$418 to \$785. In Baltimore the pressure on supply has forced prices up from \$10 to \$15 a bag, and that bag is of lessened quality, the amount of pure heroin decreasing from 6 percent to 4 percent, and in some cases as low as 1 percent.

I should stress that the approach of a successful program cannot relate to supply alone. Nor is an attack on the demand side alone the answer. Rather a combined program is called for. The objective is to interdict supply to the degree that availabilities are sharply reduced. The shortage of drugs will then tend to drive addicts into treatment; as well as prevent them from addicting others who might be tempted to experiment with the drug. There are strong indications that progress is being made. According to the Special Action Office for Drug Abuse Prevention, there are 60,000 to 70,000 persons being treated in some 450 federally regulated methadone programs throughout the country with an estimated 30,000 on waiting lists. Compared with a year ago, this constitutes a sharp rise in both treatment centers and patients.

We have confronted the problem of drug abuse unhesitatingly and without illusions. A full year of work has taken place within the framework of the Cabinet Committee, and we plan to accelerate our efforts a good deal more. The stepping off point will begin next Monday, September 18, the first day of a 3-day Washington Conference on International Narcotics Matters, a conference to which we have summoned senior narcotics control coordinators from more than 50 U.S. missions around the world. The President will address the Conference on the first morning, and a series of meetings will be held for 3 days to push our program into higher gear. We shall evaluate the progress to date and consider what must be done to improve our program.

Our goal is obviously urgent, but we must be certain that our plans of attack are realistic and responsible. In the forthcoming conference, we shall reemphasize the importance of narcotics control as a foreign policy issue. More effective law enforcement and an increased exchange of information will continue as the top priority items in the U.S. international control program. At the same time we shall continue to recognize that there must be a balance between programs to suppress traffic and other approaches, such as the development of replacement crops for opium. In other words, our plans must be comprehensive.

Every possible resource for making international narcotics controls more effective must be utilized. Every viable forum for focusing attention on the problem must be sought. National commitments are, of course, essential. Toward this end bilateral cooperation will sometimes be the most expeditious means of proceeding. But regional cooperation will also be sought, and in some cases the all-encompassing structure of the United Nations will be the most effective.

The past year has, in fact, been marked by considerable activity in the field of multilateral action against narcotics traffic. Two major pieces of international narcotics legislation, the Protocol Amending the 1961 Single Convention on Narcotic Drugs and the Convention on Psychotropic Substances, are presently before the U.S. Senate and the appropriate bodies of other nations for ratification. These conventions would rationalize and strengthen international regulation of narcotics traffic and provide for the first international control of such substances as hallucinogens and amphetamines.

The United States is also giving its full support to the work of the U.N. Fund for Drug Abuse Control, having provided \$2 million of the \$3.2 million pledged as of June 30, 1972. We have congressional authorization for another \$2 million and will seek additional appropriations in the future depending upon the fund's performance. We find particularly important the fund's first major project in Thailand where more than \$2 million has been committed to an action program of drug abuse control involving crop substitution in the remote hill areas of that country and rehabilitation and treatment of addicts. Aside from Southeast Asia, the Middle East is another critical area for narcotics production and traffic. The forthcoming visit of a U.N. ad hoc committee to Turkey, Afghanistan, Iran, and Pakistan could be very valuable in identifying narcotics problems and encouraging regional cooperation in solving them. The United States believes that the Ad Hoc Committee on the Near East should be converted into

a permanent body and we expect to encourage ECOSOC to do this at its next session.

I conclude by stating that while the problem of drug abuse is critical for the United States, heroin addiction and other forms of abuse are spreading elsewhere in this hemisphere, in Europe, and in other parts of the world. It is fully appreciated by most of the nations with which we are cooperating that a truly collective effort against both the supply of and demand for illicit drugs and narcotics will be required to bring the problem of drug abuse under control.

President Nixon stated the case on March 21, 1972, as follows:

The fight against drug abuse is complex and difficult, but there are signs that we are making progress. More victims are under treatment than ever before. More and better ways of treatment are becoming increasingly available. More illegal drugs are being seized—both within this country and without. More nations around the world are joining with us in a vigorous effort to stop drug trafficking. More Americans are becoming involved in the fight in their communities, their churches, their schools, and their homes.

Now we must continue to build on this progress until success is assured.

The President's message is clear. A full-scale, across-the-board battle against drug abuse is required if we are to succeed in the elimination of a tragic epidemic. Toward this end, we in the Department of State shall continue to strive.

**STATEMENT OF JOHN E. INGERSOLL, DIRECTOR, BUREAU OF
NARCOTICS AND DANGEROUS DRUGS, U.S. DEPARTMENT OF
JUSTICE**

Mr. Chairman and distinguished members of the subcommittee, I am pleased to appear before you today in your inquiry into the nature and organization of the Federal drug law enforcement effort. I intend to confine my remarks for the most part to the nature and activities of the Bureau of Narcotics and Dangerous Drugs, which I have directed since the fall of 1968, shortly after its creation.

It is the principal Federal law enforcement agency operating in this area whether measured in terms of agent manpower, legislative mandate, or breadth of knowledge and expertise. As you will see, our bureau also has in its service a diverse pool of professional talents required to handle many additional matters which support the primary mission of apprehending drug traffickers.

But before attempting to recount the Bureau's many responsibilities and the manner in which it seeks to fulfill them, I think it useful to briefly describe the nature of the drug traffic and indicate those areas in which we are not operationally involved. This will also help to explain the role of other agencies which have an important part to play in the total effort.

The sources of illicit drugs are roughly divided into two categories which include those of clandestine origin, such as heroin, cocaine, marihuana, and LSD, and those which have been diverted from legitimate origin, such as barbiturates, amphetamines, certain narcotics, and tranquilizers. With some important exceptions, most of the drugs of clandestine origin are surreptitiously brought into the United States from abroad whereas a large portion of the diverted drugs are of domestic manufacture. In all cases, the drugs are ultimately made

available to the user through criminal enterprises organized for profit. This activity varies tremendously in its scope, degree of organization, and importance with the total traffic.

At one end of the spectrum, we have on the international level, well-organized and financed criminal groups which manufacture, move, and market heroin across continents and oceans for millions of dollars profit. At the other end, by contrast, are the neighborhood street corner peddlers, who may be marketing heroin which has passed through numerous hands and become heavily diluted since entering the country. Alternatively, they may be selling an array of various pills which they themselves have diverted through thefts from doctors' offices or drugstores. Between these extremes stand a vast array of circumstances which would require a text to describe. These include students returning from Mexican border towns with small amounts of marihuana, aircraft, or four-wheel-drive vehicles smuggling tons of marihuana or kilograms of heroin across the Rio Grande, professional hijackers diverting shipments of tens of thousands of amphetamine tablets, servicemen mailing pounds or ounces of heroin into the continental United States, Chinese shipjumpers body-packing heroin, and even occasionally foreign diplomats taking advantage of their generally unrestricted movement across international boundaries.

I think it clear from this sketch that the problem is sufficiently immense that no one agency of government could be expected to encompass it all. For that reason, most of the drug law enforcement effort in the United States is and must continue to be conducted at the level of State and local police. In addition to other aid which the Federal Government contributes to the local effort, the Office of Drug Abuse Law Enforcement has recently been organized to mount an integrated attack on the street-level heroin peddlers. Also, since drugs are so frequently smuggled through our ports and borders, the Customs authorities are and must continue to be vigilant in their search for contraband drugs. Because of the diverse illicit business interests of criminal elements in general, other Federal law enforcement agencies, such as the Internal Revenue Service, the Federal Bureau of Investigation, the Secret Service, and Alcohol, Tobacco Tax and Firearms Bureau will from time to time be in a position to make valuable contributions to the drug suppression effort. Finally, the Central Intelligence Agency provides invaluable assistance in its collection and analysis of drug related intelligence.

The primary mission of the Bureau of Narcotics and Dangerous Drugs is to disrupt that part of the traffic which is organized at the international or interstate level. This is the mission which the Federal Government is uniquely suited to fulfill by virtue of its great resources and broader jurisdiction.

Within these perimeters, the Bureau enforcement emphasis is on stopping the flow of drugs at their foreign sources and in disrupting illicit commerce in drugs at its highest and most organized levels where the apprehension of violators can have the most impact. The higher one proceeds in the drug traffic, the greater the quantity of drugs handled by a decreasing number of people. This is the bottleneck of the pyramid of illegal distribution ultimately reaching down to the street corner level. It is, therefore, the strategic point to strike; and in the

case of heroin and cocaine in particular, it is a bottleneck which is especially vulnerable because of its lengthy lines of communication which extend across oceans and continents.

The first line of attack abroad is the diplomatic effort in which our Bureau officials participate in conjunction with State Department personnel. This activity is aimed at the achievement of social, legal, and governmental changes which facilitate in the suppression of drug traffic or manufacture. Examples are the passage of recent legislation in Laos banning the cultivation of opium; the establishment of special enforcement structures in Thailand and Laos and operate in conjunction with our foreign offices; the banning of opium cultivation in Turkey which takes effect this year; and the current increased police activity which has been accomplished in such nations as France and Mexico.

The second part of our effort to strike at foreign sources is one in which we are more deeply involved as the principal. It consists of the day-to-day cooperation at the operational level between the police forces of foreign nations and our own officers. This is far more than a mere exchange of intelligence but consists of joint investigative activities.

Your committee was provided with examples of this in recent testimony of our agents concerning the *Jaguar*, the *Cirillo*, and the *Suarez* cases. The arrests resulting from these investigations immobilized heroin distribution rings at the very highest level on both sides of the Atlantic simultaneously. The French police in these cases concerted their action with us precisely on a day-to-day and hour-to-hour basis with a constant flow of information concerning developments. As concerns these and similar cases, the investigative forces of the two nations actually operated as one.

The same caliber of cooperation has also been developed with Canada, Mexico, and other European police forces, particularly in Germany, Italy, and Turkey.

In other parts of the world where narcotic law enforcement is still in its infancy, such as Laos and Thailand, our agents assume an even closer operating posture with the domestic police forces. In the recent organization of new narcotic units in both Thailand and Laos, BNDD agents actually help direct operations, provide the support, expertise, and instruct in the use of the specialized technical equipment such as radios, aircraft, and other sophisticated devices.

The scope of our foreign commitment has increased from 13 offices in fiscal year 1969 to the present 46 offices with several others still planned. Because of the recent expansion of our foreign effort, there are many nations in which we have only begun to develop programs and the level and quality of cooperation characteristic of such nations as France, Turkey, and Mexico where we have long worked, cannot yet be expected. This is particularly true in much of Central and South America and some parts of Asia. We feel that this will come within a short time when these nations realize the priority which the United States places on suppression of the drug traffic. In those cases in which this does not prove to be so, the Congress can expect to receive reports from ourselves and the State Department accordingly.

For the purpose of effecting the Bureau's primary mission, we currently have approximately 1,600 special agents stationed in the United States and abroad. Tables listing our foreign and domestic offices and their manpower complements are attached to my statement.

Although the number is small and still growing, this represents an increase from a base of less than 600 agents with which we began when I first became Director of BNDD in the fall of 1968.

Most of this force is stationed within the continental United States and as important as the work of our foreign offices is in eliminating sources, this work must be complemented by eliminating the criminal organizations which operate at home.

I have already indicated to you the nature of the Bureau's strategic approach to the drug traffic in both foreign and domestic areas. It would next be useful to consider the tactics by which we attempt to implement this strategy, particularly inasmuch as our Bureau possesses unique capabilities in this regard. The most outstanding of these is the ability of our agent personnel to work in undercover situations daily for protracted periods of time. This is a particularly difficult role which requires a great mixture of courage, cunning, and theatrics. It is not so simple, as is sometimes represented, for an agent to identify himself with criminals and work himself into the interior of an organization.

Our agents are professional persons who possess the normal family and community ties which one would expect in the case of any good citizen. They cannot literally live with the people they investigate. They cannot commit crimes with them, gamble with them, entertain prostitutes or engage in acts of violence. All of this they must be prepared to simulate in an acceptable fashion. The danger of discovery is ever present and it is certainly a job which cannot be accomplished on the basis of a 9 to 5 workday; but they are nevertheless successful.

All of the three cases of which you heard previously from our agents were developed in part through undercover work. Suarez, the major Mexican violator, was discovered when an undercover agent of ours was negotiating for the purchase of 15 kilograms of heroin at a price of \$200,000. This \$200,000 had to be shown to the violators to convince them of the undercover agent's serious intent. Naturally, unknown to them, for both the agent's safety and the safety of the \$200,000, every meeting and every move was covered by a team of agents conducting surveillance at a distance. This is standard procedure.

Moreover, in that case, as is often true, \$21,000 of Government funds had already been expended on the purchase of one kilogram of heroin from one of the suspects. This was money which had passed into the possession of the trafficker and was no doubt briefly enjoyed by him until his arrest 3 weeks later.

By making repeated purchases in this fashion, our agents are frequently able to work their way through various levels of traffickers to the top. In a Chicago investigation, spanning a 6-month period, \$81,200 were expended in the purchase of six different exhibits of heroin totaling 2,500 grams. But the case resulted in the arrest of 10 organized crime figures in the Chicago area; seizure of an additional 3,000 grams

of heroin, five guns, two automobiles, and \$83,000 in cash, only \$9,850 of which were of the original \$81,000 of Government funds expended.

The Bureau also uses funds for the purchase of information, usually in the form of a reward to a cooperating individual. In March of this year, an informant provided us with information concerning suspects in Denver, Colo., including Eugene Smaldone, who together with his father have been the most important figures in organized crime in Denver for the last decade. In the course of several months, with guidance from BNDD agents, the individual became increasingly familiar with the Smaldone operation and was actually sent to Lima, Peru, to pick up a shipment of cocaine. This resulted in arrests in both Peru and Colorado and a reward of \$9,800 was paid to the informant for his effort.

Our ability to offer substantial rewards is of undisputed importance, and you may recall that this ability was responsible for the first break in the *Jaguar* case of which you have heard. In that case an individual unexpectedly appeared in our Paris regional office and advised that he had been recruited in connection with a shipment of 94 kilograms of heroin to be hidden in a 1971 Jaguar. His motivation in contacting us was the prospect of a reward.

The Congress has consistently recognized the value of the techniques by appropriating necessary funds.

Also, the Congress has recently provided us new legal weapons which we have used to great advantage. Among these are court-authorized wire intercepts, which we have found often provide the only means for the in-depth penetration of drug trafficking organizations.

For example, a task force which we employed against a drug trafficking ring in Washington, D.C., in the summer of 1969, was at first able to identify only four individuals, one of whom was the principal local violator known as "Slippery" Jackson. Because of a court-authorized wire intercept on Jackson's telephone, we subsequently identified and incriminated his two associates, 46 additional subordinates, and the three men who constituted his primary source of heroin supply in New York. The use of the wiretap also enabled us, working with the metropolitan police, to positively identify and incriminate a police officer who was involved with the gang.

In a subsequent wiretap case in Kansas City, in addition to developing the evidence needed for drug prosecutions, we were able to prevent a planned murder and supply the FBI with information to assist in the apprehension of bank robbers. Wiretap evidence can also be important in clearing the innocent as well as incriminating the guilty. In one of our first utilizations of this new weapon in New York, we discovered that a primary suspect whom we intended to arrest and prosecute was, in fact, innocent; he was thus saved a great deal of embarrassment, expense, and mental suffering. I want to emphasize that the use of this technique is one which cannot be routinely employed because of its expense and burdensome manpower requirement; but it is an invaluable tool in selected situations.

Another legal improvement was the extension of our jurisdiction, under the Controlled Substances Act of 1970 given us by the Congress, to persons who commit drug trafficking offenses effecting the United States while abroad. In other words, if we are able to prove that an

American or foreign citizen has committed acts aiding the illegal flow of drugs into the United States, the individual can be indicted by our Federal courts and extradition proceedings begun. This was the basis on which BNDD agents in Asuncion made their request for extradition in the *Ricord* case.

I do not wish to suggest that the possibilities for improvements in drug law or in drug law enforcement techniques have been exhausted. This is by no means the case. We still have a number of problems which must be studied and addressed. We have, and continue to be, particularly alarmed at the continuing drug trafficking activity of individuals following their arrest.

Nevertheless, we feel that the enforcement effort, which our expanded resources and authority have made possible, are beginning to have a detectable impact upon drug traffic in the United States. Attached to my statement is a summary record of our achievements for fiscal year 1972. Among other things, it shows that we made 4,579 arrests independently and 3,192 arrests in conjunction with other foreign and domestic enforcement agencies. This was a substantial percentage increase over 1971 in both categories. We removed from the traffic 5,107 pounds of heroin or heroin equivalents in opium and morphine base, 675 pounds of cocaine, and 207,094,395 dosage units of dangerous drugs. Our conviction rate was 96 percent in Federal cases and 98 percent in State cases. Most significant of all, which these figures do not reflect, is the fact that we are now experiencing a general heroin shortage in all major east coast cities. This shortage of unprecedented extent and duration and we relate it to the removal of major heroin trafficking organizations on both sides of the Atlantic, as a result of investigations such as the *Jaguar*, *Cirillo*, and *Suarez* cases.

I want to emphasize here that seizure figures are often reported by us and others because of their dramatic impact, but the true measure of success is the importance of the violators who are taken out of the traffic through enforcement activity. The size of seizures often, but not always, provides a gage of the importance of the defendants involved. If the drugs alone are intercepted and taken out of the traffic, some worthwhile objective is achieved. But if the violators are detected and taken out of the traffic, then a whole string of illicit commerce ceases to exist; for the particular shipment which may have been seized is but one of many which preceded it and which would have followed. The impact of apprehending a principal trafficker can be seen from the recent arrest in Saigon of Wan Pen-Fen as a result of a joint BNDD/Vietnamese investigation. The removal of this single individual who was one of the Asian kingpins of the drug traffic has reportedly increased the street price of a vial of heroin from \$1 to \$9.

In addition to the efforts which I have outlined, our Bureau has a range of other major responsibilities and capabilities to which I can hardly do justice in a single statement. We have the responsibility for regulating the domestic drug distribution chain, which includes registration of nearly 500,000 individual entities, including basic manufacturers, wholesalers, retailers, pharmacists, and doctors.

This regulatory effort involves a special office within the Bureau which has its own agent and investigative staff. Much of the work is

of a purely regulatory nature in which we employ our growing cadre of industrial inspectors which now number approximately 150. Some of this work also involves criminal investigations when major diversions of amphetamines, barbiturates, or methadone are involved. This Office of Compliance Investigations also supplies us with the basic expertise in locating and eliminating illicit clandestine laboratory operations for the manufacture of LSD and methamphetamines.

Our Bureau assumes a major role in assisting State and local officers. This may be in the form of joint operations within major U.S. cities, or by supplying special training in law enforcement techniques. A separate office within the Bureau headed by an Assistant Director has responsibility for this training effort.

Since 1971, the Bureau has conducted a total of 14 schools for foreign law enforcement officers in nations as widespread as Panama, South Vietnam, Italy, Mexico, Turkey, Argentina, Austria, and the Philippines.

During fiscal year 1972, over 4,000 State and local police officers received training in BNDD schools held in nearly one-third of the States of the Union. Since the growth of this program, we believe we have provided some degree of expert training to 120,000 individual officers. We feel that this is, in some measure, responsible for the increase in both the quantity and quality of the enforcement activity in virtually all major cities connected with the drug traffic in the world.

The Bureau maintains in its employ 115 specialized chemists in seven regional laboratories throughout the United States. These chemists are one of our principal sources of scientific expertise in the development of new technologies to aid in drug law enforcement. We have a legal staff of 14 attorneys who have, among other things, contributed new designs and reforms of Federal legislation, regulations for the domestic drug industry, and also assistance to our field agents in development of intricate prosecutions.

Nearly three dozen scientists assisted in collecting the scientific data necessary for Bureau decisions in controlling new drugs. We have several computer experts who are designing and implementing computer systems to help meet both our regulatory responsibilities and the need for the collection and collation of criminal intelligence. Finally, we have in our employ some 530 clerical support personnel who draw this work together.

As strongly as I would desire to do, you can readily grasp that it is not possible for me to give due justice to the contributions of these diverse and dedicated individuals with their broad range of skills.

In the time which I have been associated with the Federal efforts to stop the illicit drug traffic, I have seen disillusionment and pessimism turn into what now is a feeling that we have a real chance within our grasp to reduce drug trafficking to a tolerable irritant in the next few years. In the nature of things, this represents a vast improvement and one which is justified on the basis of the results of the activities of our own Bureau and those numerous other professionals in both Federal, State, local, and foreign police forces who have joined with us in this common cause.

BUREAU OF NARCOTICS AND DANGEROUS DRUGS, DOMESTIC AGENTS ON BOARD,
AUGUST 31, 1972

<i>Location</i>	<i>Agents on board</i>
Boston Regional Office	46
Hartford	12
Total	58
New York Regional Office	214
Buffalo	8
Newark	18
Westbury	11
Albany	1
JFK Airport	0
Total	252
New York Joint Task Force	39
Philadelphia Regional Office	41
Pittsburgh	13
Total	54
Baltimore Regional Office	25
Washington, D.C.	27
Norfolk	3
Greensboro	4
Charleston	2
Total	61
Miami Regional Office	61
Atlanta	6
Columbia	3
Jacksonville	4
San Juan, P.R.	5
Total	79
Detroit Regional Office	39
Cleveland	6
Cincinnati	3
Louisville	4
Columbus	1
Total	53
Chicago Regional Office	61
Indianapolis	5
Milwaukee	4
Total	70
New Orleans Regional Office	36
Birmingham	2
Jackson	2
Little Rock	2
Nashville	2
Memphis	2
Total	46

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Kansas City Regional Office	20
St. Louis	3
Omaha	0
Des Moines	2
Minneapolis	9
Total	34
Dallas Regional Office	21
San Antonio	16
Houston	15
Oklahoma City-Tulsa	3
El Paso	2
Laredo	1
McAllen	2
Total	60
Denver Regional Office	21
Albuquerque	6
Salt Lake City	4
Phoenix	8
Nogales	2
Tucson	7
Total	48
Seattle Regional Office	25
Portland	3
Anchorage	2
Spokane	1
Total	31
Los Angeles Regional Office	84
San Francisco	31
San Diego	10
Honolulu	5
Las Vegas	2
Calexico	5
Total	55
Grand total	1,022

BUREAU OF NARCOTICS AND DANGEROUS DRUGS, FOREIGN AGENTS ON BOARD,
AUGUST 31, 1972

<i>Location</i>	<i>Agents on board</i>
Mexico City Regional Office.	
Mexico City	8
Guadalajara	3
Hermosillo	2
Monterrey	2
Total	15
Buenos Aires Regional Office:	
Panama City, Panama	0
Caracas, Venezuela	1
Asuncion, Paraguay	2
Buenos Aires, Argentina	5
Lima, Peru	2
Quito, Ecuador	2

Rio de Janeiro, Brazil	0
Bogota, Colombia	1
Brasilia, Brazil	1
La Paz, Bolivia	0
Total	14
Ankara Regional Office:	
Ankara, Turkey	4
Istanbul, Turkey	2
Izmir, Turkey	2
Beirut, Lebanon	2
Kabul, Afghanistan	1
Tehran, Iran	2
Islamabad, Pakistan	0
New Delhi, India	0
Total	13
Bangkok Regional Office:	
Bangkok, Thailand	8
Chiang Mai, Thailand	2
Vientiane, Laos	2
Kuala Lumpur, Malaysia	1
Singapore	2
Saigon, Vietnam	3
Total	18
Manila Regional Office:	
Tokyo, Japan	3
Hong Kong	2
Manila, P.I.	3
Seoul, Korea	0
Okinawa	1
Total	9
Paris Regional Office:	
London, England	1
Paris, France	7
Marseilles, France	3
Madrid, Spain	2
Barcelona, Spain	2
Rabat, Morocco	1
Bonn, Germany	1
Frankfurt, Germany	2
Munich, Germany	2
Milan, Italy	2
Rome, Italy	3
Brussels, Belgium	1
Total	27
Canada:	
Montreal	2
Vancouver	1
Total	3
Grand total	99

**STATEMENT OF HON. EUGENE T. ROSSIDES, ASSISTANT SECRETARY
OF THE TREASURY (ENFORCEMENT, TARIFF AND TRADE
AFFAIRS, AND OPERATIONS)**

Mr. Chairman and members of the committee: I am pleased to appear before this committee to discuss "The Machinery of Control and Interception" developed by this administration regarding narcotics and other drugs. Treasury has a threefold role to play in this effort:

1. The antidrug smuggling campaign of the Bureau of Customs,
2. The Treasury/IRS narcotics trafficker program, and
3. Treasury's role in international economic matters.

THE PRESIDENT'S MULTIDIMENSIONAL WAR ON DRUG ABUSE

President Nixon started his war on drugs the first month of his administration when he established the Interdepartmental Task Force on Narcotics, Marijuana, and Dangerous Drugs that led to Operation Intercept in September 1969, and Operation Cooperation in October 1969. He has escalated that war with a series of action programs against the supply of narcotics and demand for narcotics.

First, he elevated the drug problem to the foreign policy level and has taken personal initiatives in soliciting the cooperation of other governments. The aim of our diplomatic efforts is to have each nation do its share and meet its responsibilities in the worldwide war against drug abuse.

The President established the Cabinet Committee on International Narcotics Control, under the chairmanship of Secretary of State Rogers, to coordinate the U.S. initiative on the international level.

Most recently, extradition proceedings have come to a conclusion with the arrival of Auguste Ricord in New York from Paraguay on September 2, 1972, to face trial in a Bureau of Customs case. Ricord was indicted in connection with the smuggling of 97.5 pounds of heroin into the United States.

Second, he placed particular emphasis on the crucial roles of education, research, and rehabilitation.

On January 1, 1969, the Federal Government was funding only 16 treatment programs. This number has grown enormously and, as of the end of fiscal year 1972, there were 321 Federal treatment programs operating. Funding in the areas of education, research, and rehabilitation has also increased substantially. More money will be spent on these programs during this administration than in all preceding years. For fiscal year 1973 alone, \$485.2 million has been requested for programs in these areas. This is over 10 times the amount funded in fiscal year 1969.

Third, he recommended differentiation in the criminal penalty structure between heroin and marijuana, and flexible provisions for handling first offenders. This was adopted into law in the Comprehensive Drug Abuse and Control Act of 1971.

Fourth, he stressed total community involvement—the private sector as well as governmental agencies—in this antidrug abuse program. As part of this aspect of the program, he has elicited the support of lead-

ing athletes and other celebrities for the production of antinarcotic public service advertisements which have been especially effective among the youth.

Fifth, he provided a substantial increase in budgetary support for the Bureau of Narcotics and Dangerous Drugs and the Bureau of Customs and initiated the Treasury/IRS tax drive on drug traffickers. In fiscal year 1973, \$244.2 million will be spent on narcotics-related law enforcement as compared with \$20.2 million which was spent in fiscal year 1969.

Sixth, he recognized the central role of the States and the need for close Federal-State cooperation in a unified drive against drug abuse. Through the Law Enforcement Assistance Administration (LEAA), substantial funds have been transmitted to our States for the attack on drug abuse. Also, he established the Office of Drug Abuse Law Enforcement in the Department of Justice to work closely with State and local enforcement agencies in the assault on the street-level heroin pusher.

As a result of this multiple effort, we have already stemmed the tide and seen a shortage of heroin on the streets of a number of American cities.

The basic strategy underscoring the administration's international narcotics control program is that all nations of the world should be encouraged to take those actions which will slow the movement of opium, morphine base, heroin or cocaine to U.S. citizens—whether stationed abroad as military or civilian employees or whether residing within the United States as well as to their own countries.

State Department representatives are working with key policy-makers within indigenous foreign affairs, finance and trade ministries. AID officials, particularly representatives of the Office of Public Safety, are working with national police in an effort to improve the law enforcement infrastructure of the respective host countries. Representatives of the Bureau of Narcotics and Dangerous Drugs are working with indigenous police officials responsible for breaking up the trafficking in narcotics and dangerous drugs. U.S. Customs representatives are working with foreign customs services to interdict the smuggling of drugs. U.S. Government intelligence agencies and units are working to obtain needed information on opium growing and heroin processing, trafficking and smuggling. Other activities by U.S. Government representatives are underway, designed to help foreign countries solve their own drug problems.

State Department representatives work to secure the overall cooperation of the countries and the key political leaders involved so that technical experts from U.S. Government agencies will be welcomed in-country to work as members of the country team and to make available their expertise as one of the most effective ways of assisting counterpart personnel. Each agency's effort can result in placing an additional block in the way of the flow of opium, morphine base, heroin or cocaine.

TREASURY'S THREE-FOLD ROLE

1. THE BUREAU OF CUSTOMS' ANTI-DRUG-SMUGGLING DRIVE

The Bureau of Customs is mounting an intensive effort at every major port of entry into the United States, including the major international airports, and overseas to contribute its share to this interdiction process. Utilizing increases in manpower, equipment and technology, Customs is carrying out an intensive narcotics oriented enforcement program in which it is inspecting and examining more people, vehicles, boats, cargo, and mail than ever before.

Just as the U.S. Bureau of Customs is used to interdict illegal incoming shipments of narcotics, the customs services of most countries of the world have the potential to take similar measures. In fact, in addition to interdicting incoming smuggled narcotics, these agencies often have the power to control outshipments as well.

The administration is making known to the leaders of other countries that the Bureau of Customs has developed, and continues to develop, programs which have a significant transfer value abroad. These customs-to-customs programs are being exposed to interested foreign governments and then tailored to service the individual needs of each, thereby servicing the overall worldwide objective of developing more aggressive and effective narcotics control procedures. This is a highly important part of the "machinery of control and interception" because border control can have an immediate, short-term impact on the flow of illegal drugs through or into the countries concerned.

The customs-to-customs assistance program is distinct from intelligence-gathering operations, although the assistance program will be coordinated with intelligence activities, where appropriate. Essentially, customs-to-customs assistance is designed to upgrade the enforcement capabilities of foreign customs agencies in the interdiction of narcotics entering into, transiting, or exiting from the various foreign countries. The improvement the U.S. Government hopes to foster is simply better screening of international traffic to stop the flow of hard drugs. This can be brought about by convincing the various governments that their customs agencies are in a position to have an influence on the traffic, and to point out ways in which they can be more effective.

Almost all country narcotics control action plans have by now identified upgrading of customs and border control functions as important targets, particularly for source and transit countries. To this end, some expert assistance and training from U.S. Customs will, in most instances, be required, and we stand ready to lend that assistance.

The needs of the various indigenous agencies will vary from country to country, but, in general, U.S. Customs officers can assist countries: (a) to improve inspection and screening of traffic at lawful points of entry and exit, and (b) to prevent smuggling at border and coastal points and interior airstrips. Improvement of these two essential controls will require in many countries extensive changes in inspection and control systems, development and use of intelligence, and training.

As the countries improve their capabilities by stopping the smuggling of drugs, they will invariably improve their capabilities to prevent the smuggling of other goods. Their improved customs capability, therefore, should increase their revenue gathered from normal imports.

CUSTOMS OPERATIONS

On President Nixon's recommendation and with bipartisan support of the Congress, Customs has increased its personnel in the past 3 years from about 9,000 to 14,000; acquired on a very accelerated basis modern helicopters, light aircraft, high-performance patrol boats, interceptor vehicles and related items; developed a nationwide computerized intelligence system, a computerized lookout system, and highly sophisticated communications networks. CADPIN, from the initial letters of Customs automated data processing of intelligence, has been installed across the country; 160 terminals, located at every important port of entry along the Mexican-United States border, at major international airports, and at various intelligence centers now have access to CADPIN's huge data bank. Merely by punching the keys of his terminal, the inspector on duty at a border crossing or an airport can obtain an almost instantaneous reply if a car or person is suspected of smuggling, the car is stolen, or the person is the subject of an outstanding warrant.

Customs has used this manpower, equipment, and technology to carry out an intensified narcotics oriented enforcement program in which we are inspecting and examining more people, vehicles, boats, cargo, and mail than ever before. In the spring of 1971, Customs and the Department of Defense acted when it became apparent that the narcotics problem in the military forces in Southeast Asia was not only a matter of use there, but was also one of the military personnel bringing and sending supplies to people in the United States. The examination of APO mail, originating in Southeast Asia, which had been carried out on a spot check basis was intensified to 100 percent examination. During the same period, the inspection of the luggage and personal effects of all military personnel returning to the United States was intensified.

In March 1972, the President directed Treasury to step up intelligence gathering abroad by assigning 25 additional Treasury special agents of customs overseas. These special agents have been assigned to principal opium source countries or at key points along the smuggling routes to the United States to implement the No. 1 priority of the CCINC, namely, the interdiction of narcotics at the U.S. border. This will supply intelligence to the respective country teams and to the U.S. Government in Washington.

Exhibit 1 contains the following:

Part I.—Maps depicting the routes followed in smuggling heroin and cocaine into the United States and tables showing significant United States and Canadian seizures of heroin and cocaine.

Part II.—Listing of key seizures by foreign customs and police services.

Part III.—Bar charts depicting seizures of heroin, marihuana, hashish, cocaine, opium, and dangerous drugs.

2. TREASURY/IRS NARCOTICS TRAFFICKER PROGRAM

This program is designed to take the profit out of the illegal traffic in narcotics and thereby further disrupt traffic. This is to be accomplished in two ways:

(a) *Major targets.*—By conducting systematic tax investigations of middle and upper echelon narcotic traffickers, smugglers, and financiers. These are the people who frequently are insulated from the daily operations of the drug traffic through intermediaries. Every effort is made to prosecute violators for tax evasion or other criminal tax offenses and to assess and collect substantial sums of unpaid taxes and penalties.

(b) *Minor targets.*—By the systematic drive underway to seize—to be applied to taxes and penalties owing—the substantial amounts of cash that are frequently found in the hands of minor narcotics traffickers—those below the middle and upper echelon level.

919 major targets and 798 minor traffickers selected since program inception, July 1, 1971

919 major targets in 42 States, 67 metropolitan areas and the District of Columbia were selected by Treasury's target selection committee and referred to the IRS for intensive tax investigation (see attached exhibit 2, table 1). Under the direction of IRS Commissioner, Johnnie M. Walters, 410 Treasury agents and 112 support personnel are presently conducting the intensive tax investigations. In addition, 798 minor traffickers are under tax action.

Taking the profit out of narcotics—\$66.1 million assessed, \$10.9 million collected

\$66.1 million in taxes and penalties have been assessed under the program, of which more than \$10.9 million has already been collected in the form of cash or valued property. We are now using the drug traffickers illegal profits to put them out of business.

8 convictions plus 23 indictments plus another 49 prosecution recommendations (80)

Eight men have been convicted on criminal tax charges; 23 other criminal tax cases are pending in Federal district courts in New York, Miami, Detroit, Los Angeles, San Francisco, Seattle, Boston, Indianapolis, Baltimore, and Washington, D.C., and in other areas; and another 49 investigations have been completed with prosecution recommendations. (See attached exhibit 2, tables II and III.)

Get out of the illegal drug traffic or face up to intensive tax investigation

The word for the drug traffickers is to get out of the illegal drug traffic or face up to intensive tax investigation. This word should be spread in every city and town in the United States. We have institutionalized this program. Everyone in this illegal business should realize that they will be subjected to tough tax scrutiny.

3. TREASURY'S ROLE IN INTERNATIONAL ECONOMIC MATTERS

As the holder of the Nation's purse strings, Treasury is obliged to take into account the total assistance being supplied to a given country in relation to the effort that country may be devoting against narcotics and the amounts of its own funds being budgeted for antinarcotics programs. The Secretary of the Treasury is charged with implementing legislation which requires U.S. directors of the international

financial institutions to vote against any pending loans if a Presidential determination concludes a country has failed to take satisfactory antinarcotics measures. This economic function is an important lever to achieve international narcotics control.

PRESIDENT NIXON'S WAR ON DRUGS IS SUCCEEDING

In conclusion, President Nixon's multidimensional antinarcotics drive is succeeding. The President's action program:

1. has turned the tide in the war against drug traffickers in the United States;
2. has galvanized the nations of the world into action against drug abuse. More has been done on the international front in the last 3½ years than in the previous 35 years;
3. has reduced the supply of heroin in the United States;
4. is taking the profit out of the heroin traffic; and
5. has brought unprecedented pressure on the drug distribution system.

Mr. Chairman, I would be pleased to respond to any questions the committee may have.

EXHIBIT I

PRESENTATIONS ON THE ROLE OF THE U.S. CUSTOMS BUREAU

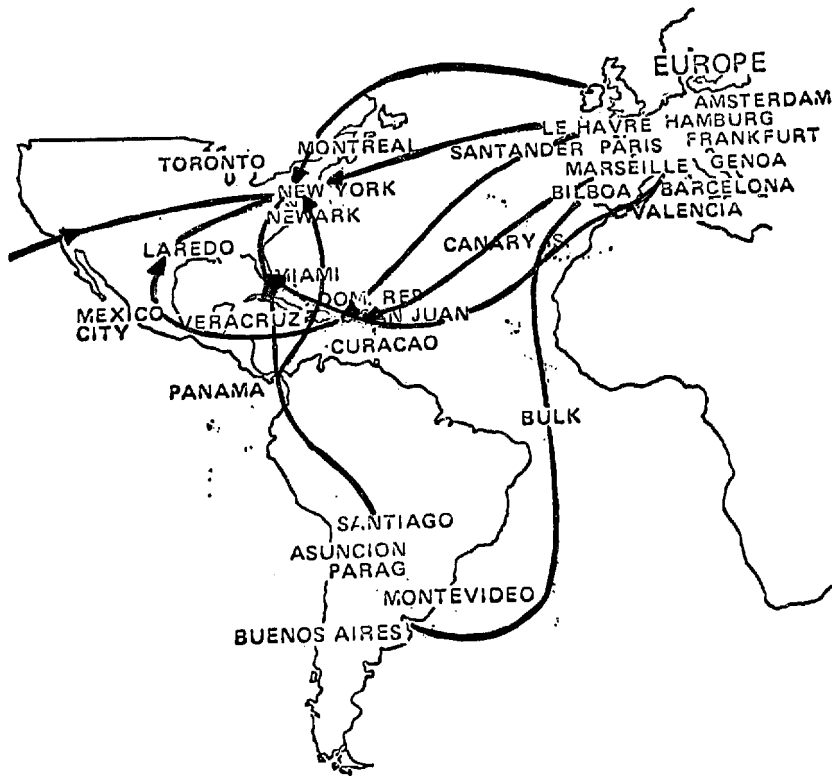
Part I.—Maps depicting the routes followed in smuggling heroin and cocaine into the United States and tables showing significant United States and Canadian seizures of heroin and cocaine.

Part II.—Listing of key seizures by foreign customs and police services.

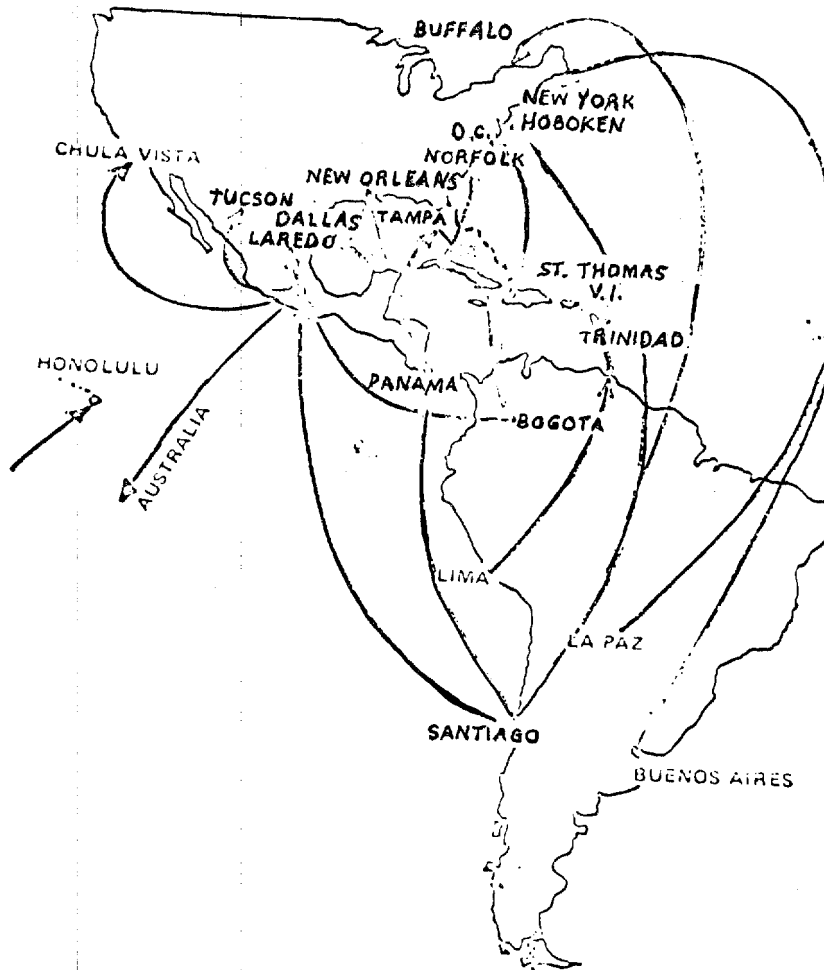
Part III.—Bar charts depicting seizures of heroin, marihuana, hashish, cocaine, opium, and dangerous drugs.

HEROIN

PART I



COCAINE



SIGNIFICANT HEROIN SEIZURES IN UNITED STATES AND CANADA
JULY 1970 TO PRESENT¹

- A. Bulk shipments of heroin moved from South America to U.S. via Contrabandista Aircraft.
- B. Bulk shipments direct from France to the New York area in automobiles.
- C. Bulk shipments from France and Spain to San Juan, Mexico and Canada in automobiles later driven across the borders.

¹ All of United States or Canadian customs unless otherwise stated.

D. Bulk shipments from South America and Europe in suitcases carried by Diplomats.

E. Bulk shipments on cruise ships to the Caribbean and on to South Florida and other U.S. ports.

F. Small shipments from Southeast Asia via APO, MAC, and body carries.

Port of entry	Date	Quantity (pounds)	Smuggling method employed	Country of departure
Miami, Fla.	July 29, 1970	4	Courier/suitcase	Curacao.
Do	Oct. 20, 1970	94	Private air	Paraguay.
Toronto, Canada	Nov. 28, 1970	22	Suitcase	Frankfurt.
Montreal, Canada	do	18	do	Paris.
Miami, Fla (BNDD)	Dec. 12, 1970	40	Unknown	Unknown.
Do	do	210	Cargo air	Paraguay.
San Juan, P.R.	Jan. 18, 1971	58	do	Dominican Republic.
Fort Monmouth, N.J.	Apr. 5, 1971	17	Official mail	Bangkok, Thailand.
New Jersey	do	97	Automobile	Le Havre, France.
Honolulu, Hawaii	May 16, 1971	4	Thermos jugs, suitcase	Hong Kong.
Miami, Fla.	May 22, 1971	155	Cargo air	Buenos Aires.
San Juan, P.R.	May 29, 1971	246	Automobile	Bilbao, Spain.
Montreal, Canada	June 22, 1971	110	do	Le Havre, France.
J.F.K. Airport, N.Y.	July 8, 1971	156	Suitcase—diplomat	Panama.
Toronto, Canada	July 15, 1971	4	Suitcase	Italy.
Laredo, Tex.	Aug. 26, 1971	24	Automobile tires	Mexico City.
New York (BNDD)	Sept. 14, 1971	206	Automobile	France/via England.
Do	Sept. 22, 1971	186	do	Genoa, Italy.
Do	Sept. 29, 1971	69	Suitcase—Braniff	Chile/Argentina.
Do	Oct. 6, 1971	39	Cargo—oil—Paintings	Argentina.
Sacramento	Nov. 11, 1971	3	Mail—APO	Thailand.
Travis AFB.	Dec. 30, 1971	17	Cargo—military—Airlift	Do.
Miami, Fla. (BNDD)	Jan. 3, 1972	238	Laundry bags—cruise ship	France.
Do	Jan. 10, 1972	147	do	Do.
Honolulu, Hawaii	Jan. 26, 1972	18	Courier—body	Singapore.
New York (BNDD)	Jan. 27, 1972	86	Unknown possibly champagne boxes.	France.
Miami, Fla.	Apr. 5, 1972	22	Suitcase	Hong Kong.
New York, N.Y.	Apr. 26, 1972	10	Cargo	Japan.
Calexico, Calif.	May 18, 1972	1½	do	Mexico.
Seattle, Wash.	May 23, 1972	11	In picture frames	Lebanon.
Douglas, Ariz.	May 26, 1972	6½	Automobile	Mexico.
San Ysidro, Calif.	Aug. 5, 1972	3	Vehicle	Do.
Do	Aug. 7, 1972	9	do	Do.
J.F.K. airport	July 4, 1972	6½	Suitcase	Thailand.
San Diego, Calif.	Aug. 23, 1972	2	Body carry	Mexico.

COCAINE SEIZURES, AUGUST 1970 TO DATE

A. Bulk shipments of cocaine moved from South America to U.S. via Contra-handista Aircraft and in household effects.

B. Couriers traveling from South America to U.S. via commercial air and vehicle make probes at numerous Port of Entry.

C. Seaman couriers on Chilean and Colombian vessels continue activity.

Port of entry	Date	Quantity (pounds)	Smuggling method employed	Country of departure
JFK Airport, N.Y.	Aug. 8, 1970	2½	Body carry	Argentina.
Do	Aug. 20, 1970	4½	Suitcase	Chile-Mexico.
Miami, Fla.	Sept. 2, 1970	4	do	Colombia.
Dulles Airport	Oct. 5, 1970	26	Comm. Air-sec.	Do.
Do	Oct. 7, 1970	8½	do	Do.
Miami, Fla.	Oct. 14, 1970	34	Diplomat suitcase	Do.
Hoboken, N.J.	Oct. 12, 1970	6½	Vessel	Chile.
Norfolk, Va.	Oct. 22, 1970	4	do	Do.
JFK Airport, N.Y.	Nov. 11, 1970	1½	Smugglers' vest	Do.
Miami, Fla.	Nov. 14, 1970	12	Suitcase	Peru.
JFK Airport, N.Y.	Nov. 18, 1970	8	do	Peru-Colombia.
Do	Nov. 21, 1970	5	Crew comm./air	Colombia.
Miami, Fla.	Dec. 4, 1970	88	Cargo—air	Peru.
Tampa, Fla.	Dec. 7, 1970	34	Vessel	Chile.
JFK Airport, N.Y.	Dec. 10, 1970	11	Suitcase	Bolivia.
Honolulu, Hawaii	Dec. 11, 1970	8	do	Colombia, Mexico, Sidney.
Miami, Fla.	Jan. 20, 1971	16	do	Chile.
Laredo, Tex.	Feb. 14, 1971	12	Rental vehicle	Unknown via Mexico.

Port of entry	Date	Quantity (pounds)	Smuggling method employed	Country of departure
Mexico City Airport	Feb. 16, 1971	1 1/2	Suitcase	Chile.
Do.	Feb. 19, 1971	1 4	do	Do.
Do.	Feb. 21, 1971	1 9	do	Do.
Do.	Feb. 22, 1971	1 18	do	Do.
Do.	do	1 4	do	Do.
Miami, Fla.	Feb. 24, 1971	10	In-transit baggage switch	Unknown via Panama.
St. Thomas, V.I.	Mar. 14, 1971	9	Suitcase	Peru via Trinidad.
New Orleans, La.	Mar. 23, 1971	9	Tables via Air Cargo	Chile.
Baltimore Airport	Apr. 20, 1971	7 1/2	Girdle—precleared	Ecuador via Nassau.
Los Angeles Airport	Apr. 27, 1971	2 1/2	Body carry	Colombia.
Philadelphia piers	May 5, 1971	2 1/2	Body carry and crew quarters	Chile.
Miami Airport	May 17, 1971	2	Body carry	Colombia.
New York piers	May 18, 1971	5 1/2	Body carry and crew quarters	Peru.
San Antonio Airport	May 23, 1971	2	Body carry	Do.
Miami Airport	May 30, 1971	2	do	Colombia.
Do.	June 5, 1971	2	Coffee cans	Do.
Los Angeles Airport	June 9, 1971	7	Suitcase	Mexico.
Do.	June 10, 1971	6 1/2	do	Do.
Do.	June 22, 1971	1	Body carry	Colombia.
Miami Airport	June 26, 1971	5	Suitcase	Costa Rica.
New Orleans, La.	do	4 1/2	do	Nicaragua.
Miami Airport	June 28, 1971	3	do	Peru.
San Ysidro, Calif.	July 3, 1971	2 1/2	Body carry	Mexico.
Tucson	July 29, 1971	3	Car—under front seat	Do.
Nogales	Sept. 7, 1971	2 1/2	Car	Do.
Miami Airport	Sept. 11, 1971	2 1/2	Body carry	Ecuador.
New York	Oct. 6, 1971	19 1/2	Cargo—picture frames	Argentina.
Los Angeles Airport	Oct. 15, 1971	4 1/2	Body carry—purse	Peru.
JFK Airport, N.Y.	Nov. 11, 1971	5 1/2	Body carry	Chile.
Los Angeles Airport	Nov. 21, 1971	1	Wooden statues in suitcase	Bolivia.
JFK Airport, N.Y.	Dec. 4, 1971	10	Suitcase	Spain.
San Ysidro, Calif.	Dec. 8, 1971	4 1/2	Car/spare tire	Mexico.
Los Angeles Airport	do	3	Body carry	Colombia.
San Juan Airport	Dec. 11, 1971	1	Body carry—shoes in suitcase	Do.
JFK Airport, N.Y.	Dec. 23, 1971	4 1/2	Body carry	Chile.
San Juan Airport	Jan. 9, 1972	3	do	Colombia.
Miami Airport	Jan. 13, 1972	54	Household effects—air freight	Chile.
San Juan Airport	Jan. 23, 1972	1	Purse	Colombia.
JFK Airport, N.Y.	Jan. 27, 1972	6 1/2	Suitcase	Ecuador.
San Ysidro, Calif.	Jan. 28, 1972	2 1/2	Body carry	Mexico.
Los Angeles Airport	Feb. 1, 1972	11	Body carry—suitcase	Peru.
JFK Airport, N.Y.	Feb. 2, 1972	10	Suitcase	Colombia.
Miami Airport	Feb. 4, 1972	23	Aircraft spare parts	Do.
Do.	Feb. 10, 1972	4	Body carry	Do.
JFK Airport, N.Y.	do	4	Courier overcoat	Panama.
Do.	Feb. 17, 1972	6	Body carry	Colombia.
Miami Airport	Feb. 25, 1972	6 1/2	do	Ecuador.
San Juan Airport	do	1	do	Colombia.
Port Newark, N.J.	Mar. 6, 1972	1	Body carry—seaman	Do.
JFK Airport, N.Y.	do	4 1/2	11 pairs of shoes	Do.
Morehead City, N.C.	Mar. 8, 1972	4 1/2	Seaman's quarters	Do.
Niagara Falls, N.Y.	Mar. 10, 1972	2 1/2	Floorboard auto—teady bear	Canada.
JFK Airport, N.Y.	Mar. 12, 1972	2	Trousers pockets in suitcase	Ecuador.
Miami, Fla.	Apr. 6, 1972	6 3/4	Suitcase	Do.
Houston, Tex.	Apr. 11, 1972	2 1/2	Heels of shoes in suitcase	Colombia.
Miami, Fla.	Apr. 15, 1972	3/4	Clothing	Do.
Los Angeles, Calif.	Apr. 19, 1972	2	Body carry	Peru.
Do.	do	2 1/2	do	Do.
Bridgeport, Conn.	Apr. 24, 1972	1 1/2	Mail	Unknown.
Miami, Fla.	Apr. 27, 1972	2 1/2	Cigarette cartons	Colombia.
Do.	do	3/4	Books and film packs	Do.
Do.	May 7, 1972	2 1/2	Book covers	Do.
New York, N.Y.	do	2	do	Do.
Miami, Fla.	do	1 3/4	Picture frames	Do.
New York, N.Y.	May 14, 1972	7	Body carry	Panama.
New Orleans, La.	May 15, 1972	1	do	Do.
Miami, Fla.	May 18, 1972	9 1/2	do	Do.
Do.	May 25, 1972	2	Undergarments	Colombia.
Costa Mesa, Calif.	do	3	Mail parcel	Do.
New York, N.Y.	May 26, 1972	1	Attaché case	Do.
Miami, Fla.	May 28, 1972	3 1/2	Body carry	Ecuador.
New Orleans, La.	May 29, 1972	1 1/4	do	Colombia.
Miami, Fla.	May 30, 1972	17	In girdles—body carry	Do.
Philadelphia, Pa.	June 27, 1972	2	Body carry	Do.
JFK Airport, N.Y.	July 4, 1972	5 1/2	do	Do.
Miami, Fla.	July 17, 1972	1	Mail parcel—shoes	Do.
Do.	July 18, 1972	3	Hidden on ship	Do.
New York, N.Y.	July 19, 1972	6 1/2	Suitcase	Chile.
JFK Airport, N.Y.	do	12 1/2	do	Do.
Los Angeles, Calif.	July 21, 1972	1 1/4	Body carry	Peru.
Calxico, Calif.	July 22, 1972	2	Station wagon	Guatemala.
McAllen, Tex.	do	3	Body carry	Mexico.

Port of entry	Date	Quantity (pounds)	Smuggling method employed	Country of departure
Los Angeles International Airport, Calif.	July 23, 1972	14	Suitcase	Peru.
Do	July 27, 1972	2	Body carry	Colombia.
Miami, Fla.	July 28, 1972	1	Mail parcel—lanterns	Do.
Do	July 30, 1972	2½	Suitcase	Do.
San Ysidro, Calif.	Aug. 5, 1972	2½	Vehicle	Mexico.
Miami, Fla.	Aug. 16, 1972	2	Body carry	Colombia.
Do	Aug. 21, 1972	4	do	Do.
Los Angeles, Calif.	Aug. 28, 1972	1	Mail parcel—bellows	Ecuador.
Do	Aug. 30, 1972	5	Body carry	Chile.
Miami, Fla.	do	1½	Body carry—shoes	Colombia.
Do	Sept. 7, 1972	9	Body carry	Chile.

¹ Seizures by Mexico customs.

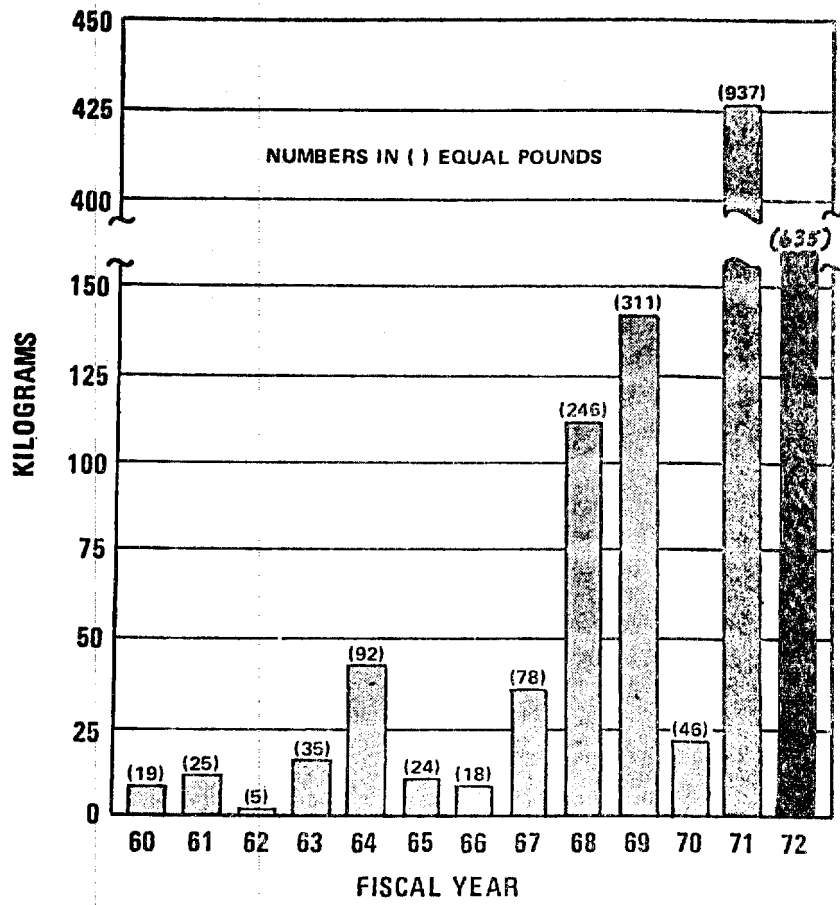
See large chart depicting morphine base and heroin smuggling routes throughout Europe as determined by seizures by European customs services and the listing of key seizures.

The importance of the key seizures listed below is that they represent extremely large amounts which have significant impact on U.S. supply.

KEY EXAMPLES

	Amount	Location	Date
French customs	790 lbs., morphine base	Marseille Harbor	Mar. 16, 1971
Spanish customs	110 lbs., heroin	La Junquera, Spain	Apr. 21, 1971
Bulgarian customs	684 lbs., morphine base	Svilengrad, Bulgaria	Apr. 29, 1971
German customs	506 lbs., morphine base	Schwarzbach, Germany	Dec. 23, 1971
French customs	110 lbs., heroin	Paris	Dec. 24, 1971
German customs	220 lbs., morphine base	Schwarzbach, Germany	Feb. 18, 1972
French customs	902 lbs., heroin	Marseille Harbor	Mar. 1, 1972
Do	321 lbs., morphine base	Menion, France	Mar. 5, 1972
Belgium and French police	264 lbs., heroin	Brussels, Belgium	May 16, 1972
Argentine Federal police	101 lbs., heroin	Buenos Aires, Argentina	Aug. 30, 1972
Venezuelan police	44 lbs., heroin	Caracas, Venezuela	Do.

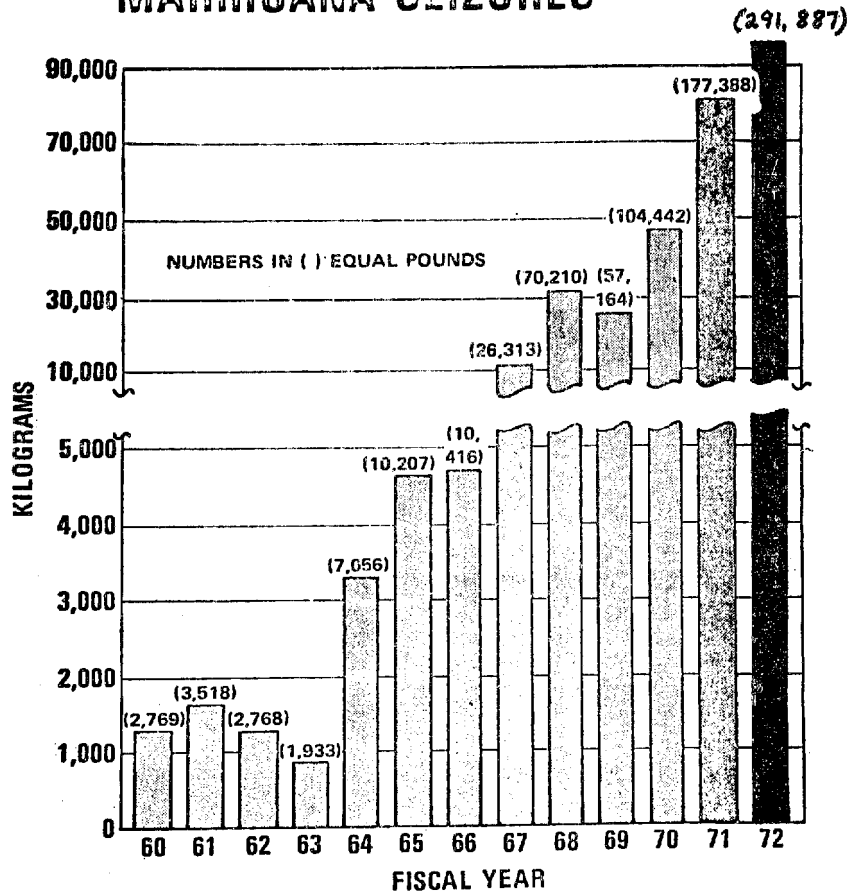
HEROIN SEIZURES PART III



BUREAU OF CUSTOMS
DEPARTMENT OF THE TREASURY

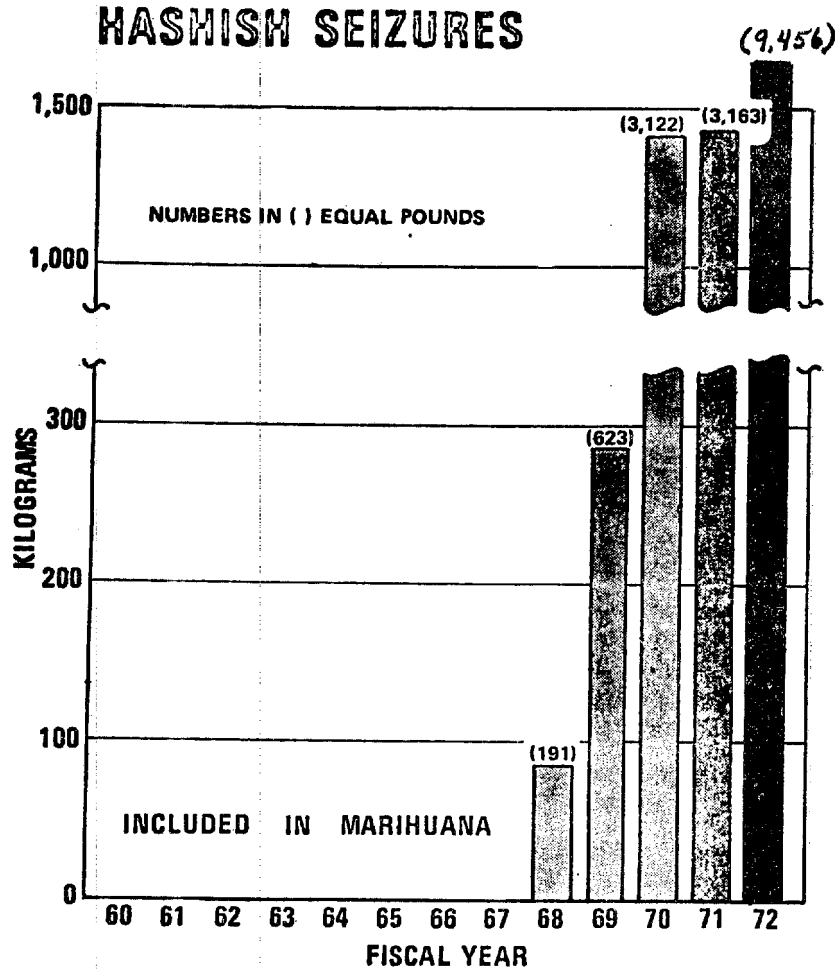
1 KILOGRAM = 2.2 POUNDS
OR 1,000 GRAMS

MARIHUANA SEIZURES



BUREAU OF CUSTOMS
DEPARTMENT OF THE TREASURY

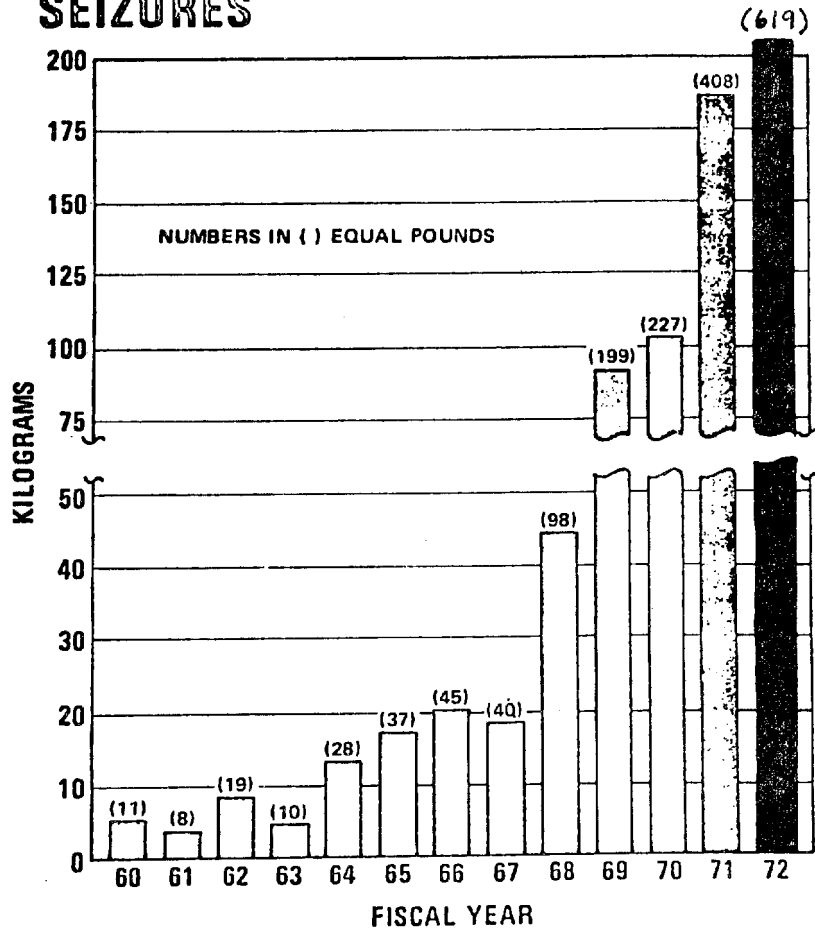
1 KILOGRAM = 2.2 POUNDS
OR 1,000 GRAMS



BUREAU OF CUSTOMS
DEPARTMENT OF THE TREASURY

1 KILOGRAM = 2.2 POUNDS
OR 1,000 GRAMS

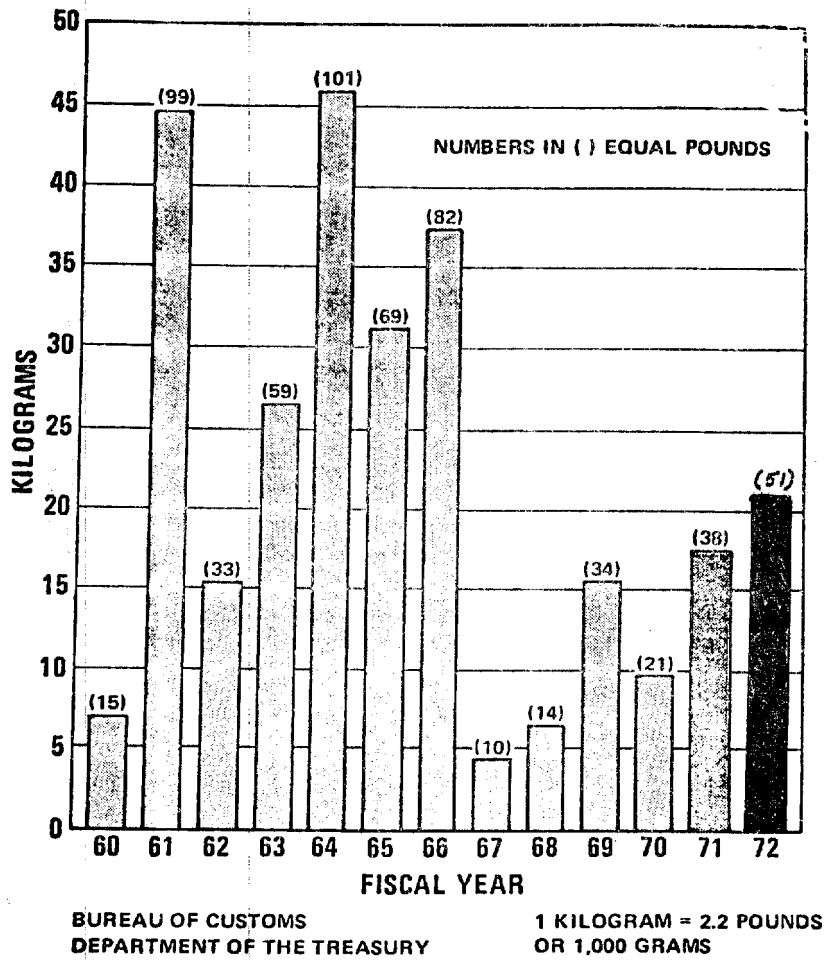
COCAINE (and other narcotics, drugs) SEIZURES



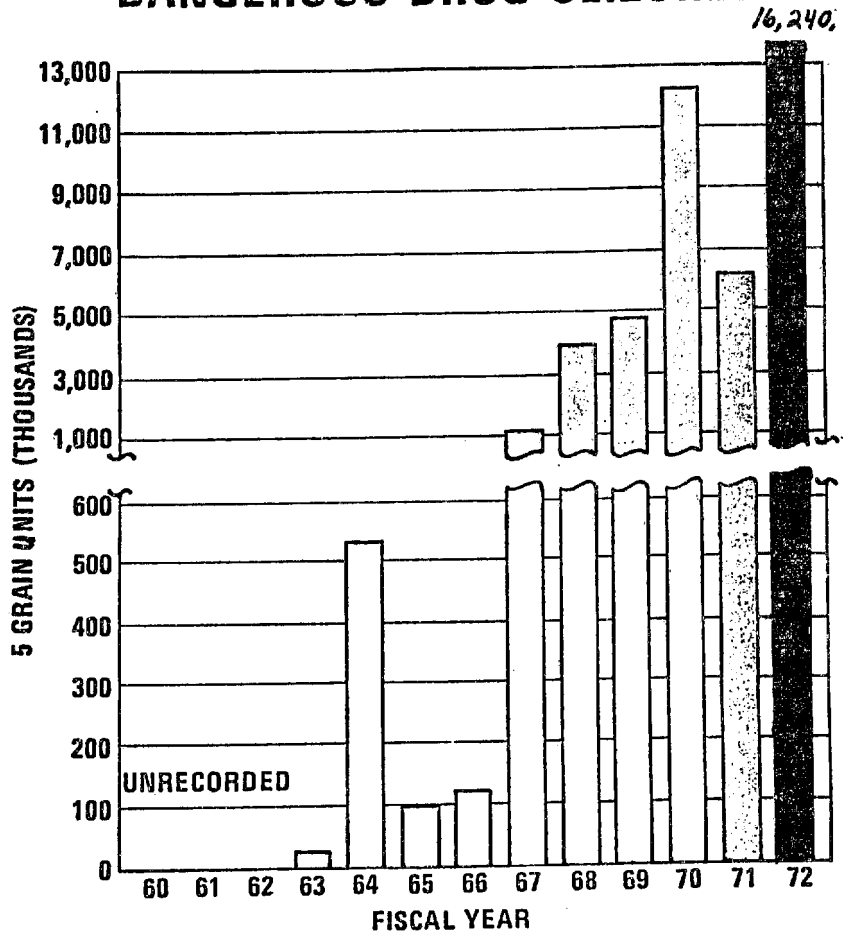
BUREAU OF CUSTOMS
DEPARTMENT OF THE TREASURY

1 KILOGRAM = 2.2 POUNDS
OR 1,000 GRAMS

OPIUM SEIZURES



DANGEROUS DRUG SEIZURES



BUREAU OF CUSTOMS
DEPARTMENT OF THE TREASURY

TABLE I

State	Metropolitan areas	Targets	Completed investigations
Alabama.....	Mobile.....	2
Alaska.....	Anchorage.....	1
Arizona.....	Phoenix-Tucson-Yuma.....	38	4
Arkansas.....	Little Rock.....	2
California.....	Los Angeles-San Diego.....	45	11
	San Francisco-Oakland.....	39	5
Colorado.....	Denver.....	8
Connecticut.....	Hartford.....	13	5
Delaware.....	Wilmington.....	1
District of Columbia.....	Washington.....	22	5
Florida.....	Miami-Tampa-Jacksonville.....	74	17
Hawaii.....	Honolulu.....	10	2
Georgia.....	Atlanta.....	28	8
Illinois.....	Chicago, Springfield.....	45	7
Indiana.....	Indianapolis-Gary.....	9	2

TABLE I—Continued

State	Metropolitan areas	Targets	Completed investigations
Kentucky	Louisville-Covington-Newport	5	
Louisiana	New Orleans	13	4
Maine	Bangor	1	
Maryland	Baltimore	10	1
Massachusetts	Boston	21	2
Michigan	Detroit	58	6
Minnesota	St. Paul-Minneapolis	2	
Mississippi	Gulfport	1	
Missouri	St. Louis-Kansas City	17	2
Nevada	Las Vegas	3	
New Hampshire	Portsmouth	3	1
New Jersey	Newark-Camden	61	8
New Mexico	Albuquerque	11	2
New York	Albany	10	6
	Buffalo-Rochester	12	35
	New York City and suburbs	138	1
North Carolina	Greensboro-Charlotte	17	
Ohio	Cincinnati-Dayton	13	
	Cleveland	8	
Oklahoma	Oklahoma City	3	
Oregon	Portland	12	1
Pennsylvania	Philadelphia	41	1
	Pittsburgh	16	5
Rhode Island	Providence	1	
South Carolina	Columbia	5	1
Tennessee	Nashville-Memphis	6	
Texas	Austin-Houston-El Paso	43	12
	Dallas	4	1
Utah	Salt Lake City	2	
Virginia	Richmond-Norfolk-Arlington-Alexandria	26	
Washington	Seattle	16	5
West Virginia	Parkersburg	1	
Wisconsin	Milwaukee	2	
Total		919	160

Source: Treasury Department, Office of Law Enforcement, Sept. 1, 1972

TABLE II

	Number	Amount
Major target assessments:		
Regular assessments	60	\$7,710,730
Jeopardy assessments ¹	23	18,862,460
Tax-year termination ²	33	8,642,629
Total	116	35,215,819
Minor target assessments: ³		
Jeopardy assessments	58	2,273,352
Tax-year terminations	740	28,705,629
Total	798	30,978,981
Total assessments involving narcotic traffickers		66,194,800

SEIZURES INVOLVING NARCOTIC TRAFFICKERS

	Major targets	Minor targets
Currency	\$1,990,126	\$7,351,258
Property	87,238	1,549,174
Total dollars seized		10,977,796
Cases recommended for prosecution		49
Criminal tax cases in U.S. courts awaiting trial		23
Criminal tax convictions		8

¹ Jeopardy assessments are assessments of taxes made where a return has been filed or should have been filed, but where circumstances exist under which delay might jeopardize the collection of the revenue.
² Termination of tax year is a computation of the tax due and assessment made where the time for filing the return has not become due where circumstances exist which delay might jeopardize the revenue.
³ These are assessments made as a result of seizures by other law-enforcement agencies of cash or other assets against current income of narcotic traffickers where delay might jeopardize collection of the revenue.

Source: Treasury Department, Office of Law Enforcement, Sept. 1, 1972.

TABLE III

New York City :	
Major targets-----	138
Major target assessments (45)-----	\$7, 406, 046
Minor target assessments ¹ (70)-----	5, 337, 046
Total assessments involving narcotic traffickers-----	<u>12, 743, 764</u>
Seizures involving Narcotic Traffickers :	
Currency -----	4, 188, 051
Property -----	168, 171
Total dollars seized-----	<u>4, 356, 222</u>
Cases recommended for prosecution-----	10
Criminal tax cases in U.S. Courts awaiting trial-----	1
Criminal tax convictions-----	0
Washington, D.C. :	
Major targets-----	22
Major target assessments (8)-----	\$1, 238, 685
Minor target assessments ¹ (2)-----	238, 834
Total assessments involving narcotic traffickers-----	<u>1, 477, 519</u>
Seizures involving narcotics traffickers :	
Currency -----	44, 879
Property -----	0
Total dollars seized-----	<u>44, 879</u>
Cases recommended for prosecution-----	2
Criminal tax cases in U.S. Courts awaiting trial-----	2
Criminal tax convictions-----	1
Austin-Houston-El Paso :	
Major targets-----	43
Major target assessments (13)-----	\$1, 576, 515
Minor target assessments ¹ (61)-----	1, 131, 116
Total assessments involving narcotic traffickers-----	<u>2, 707, 631</u>
Seizures involving narcotics traffickers :	
Currency -----	647, 374
Property -----	46, 505
Total dollars seized-----	<u>693, 879</u>
Cases recommended for prosecution-----	3
Criminal tax cases in U.S. Courts awaiting trial-----	0
Criminal tax convictions-----	0
Boston :	
Major targets-----	21
Major target assessments (4)-----	5, 517, 147
Minor target assessments ¹ (56)-----	1, 786, 218
Total assessments involving narcotic traffickers-----	<u>7, 303, 365</u>
Seizures involving narcotics traffickers :	
Currency -----	373, 710
Property -----	116, 000
Total dollars seized-----	<u>489, 710</u>

Footnotes at end of table.

Boston—Continued	
Cases recommended for prosecution.....	1
Criminal tax cases in U.S. courts awaiting trial.....	1
Criminal tax convictions.....	0
Chicago-Springfield:	
Major targets.....	45
Major target assessments (5).....	\$221,076
Minor target assessments ¹ (37).....	\$989,211
Total assessments involving narcotic traffickers.....	\$1,210,287
Seizures involving narcotic traffickers:	
Currency.....	\$78,909
Property.....	0
Total dollars seized.....	\$78,909
Cases recommended for prosecution.....	1
Criminal tax cases in U.S. Courts awaiting trial.....	2
Criminal tax convictions.....	0
Detroit:	
Major targets.....	58
Major target assessments (11).....	\$957,178
Minor target assessments ¹ (45).....	\$1,058,506
Total assessments involving narcotic traffickers.....	\$2,015,684
Seizures involving narcotic traffickers:	
Currency.....	\$110,370
Property.....	\$85,859
Total dollars seized.....	\$196,229
Cases recommended for prosecution.....	3
Criminal tax cases in U.S. Courts awaiting trial.....	4
Criminal tax convictions.....	0
Hartford:	
Major targets.....	18
Major target assessments.....	0
Minor target assessments ¹ (10).....	\$224,539
Total assessments involving narcotic traffickers.....	224,539
Seizures involving narcotics traffickers:	
Currency.....	14,555
Property.....	17,000
Total dollars seized.....	31,555
Cases recommended for prosecution.....	1
Criminal tax cases in U.S. courts awaiting trial.....	0
Criminal tax convictions.....	0
Los Angeles-San Diego:	
Major targets.....	45
Major target assessments (18).....	\$844,179
Minor target assessments ¹ (107).....	7,104,504
Total assessments involving narcotic traffickers.....	7,948,683

Footnotes at end of table.

Los Angeles-San Diego—Continued	
Seizures involving narcotic traffickers :	
Currency -----	892, 829
Property -----	86, 025
Total dollars seized -----	<u>978, 854</u>
Cases recommended for prosecution -----	5
Criminal tax cases in U.S. courts awaiting trial -----	1
Criminal tax convictions -----	0
Miami-Tampa-Jacksonville :	
Major targets -----	<u>74</u>
Major target assessments (26) -----	\$9, 864, 190
Minor target assessments ¹ (27) -----	<u>430, 237</u>
Total assessments involving narcotic traffickers -----	<u>10, 294, 427</u>
Seizures involving narcotic traffickers :	
Currency -----	146, 552
Property -----	292, 544
Total dollars seized -----	<u>439, 096</u>
Cases recommended for prosecution -----	1
Criminal tax cases in U.S. Courts awaiting trial -----	6
Criminal tax convictions -----	3
Newark-Camden :	
Major targets -----	<u>61</u>
Major target assessments (6) -----	\$3, 702, 427
Minor target assessments ¹ (20) -----	<u>1, 022, 115</u>
Total assessments involving narcotic traffickers -----	<u>5, 703, 396</u>
Seizures involving narcotic traffickers :	
Currency -----	270, 190
Property -----	235, 000
Total dollars seized -----	<u>505, 190</u>
Cases recommended for prosecution -----	1
Criminal tax cases in U.S. Courts awaiting trial -----	0
Criminal tax convictions -----	0
Philadelphia :	
Major targets -----	<u>41</u>
Major target assessments (6) -----	\$161, 772
Minor target assessments ¹ (21) -----	<u>427, 154</u>
Total assessments involving narcotic traffickers -----	<u>588, 926</u>
Seizure involving narcotic traffickers :	
Currency -----	226, 621
Property -----	24, 725
Total dollars seized -----	<u>291, 346</u>
Cases recommended for prosecution -----	0
Criminal tax cases in U.S. Courts awaiting trial -----	0
Criminal tax convictions -----	0
Phoenix-Tucson-Yuma :	
Major targets -----	<u>38</u>

Footnotes at end of table.

Phoenix-Tucson-Yuma—Continued	
Major target assessments (6).....	115, 897
Minor target assessments ¹ (32).....	1, 161, 263
Total assessments involving narcotic traffickers.....	1, 177, 160
Seizures involving narcotic traffickers:	
Currency	178, 955
Property	62, 000
Total dollars seized.....	240, 955
Case recommended for prosecution.....	3
Criminal tax cases in U.S. Courts awaiting trial.....	0
Criminal tax convictions.....	0
San Francisco-Oakland:	
Major targets.....	39
Major target assessments (9).....	608, 425
Minor target assessments ¹ (42).....	2, 320, 250
Total assessments involving narcotic traffickers.....	2, 928, 675
Seizures involving narcotic traffickers:	
Currency	327, 666
Property	171, 485
Total dollars seized.....	499, 151
Cases recommended for prosecution.....	3
Criminal tax cases in U.S. Courts awaiting trial.....	2
Criminal tax convictions.....	0

¹ See footnote 3 on table II.

Source: Treasury Department, Office of Law Enforcement, Sept. 1, 1972.

STOPPING ILLICIT NARCOTICS TRAFFIC

Arrests and type	Number	Increase over 1971 (percent)
BNDD/Federal.....	4, 579	107
BNDD/State/local.....	2, 588	15
BNDD/foreign.....	504	79

DRUGS REMOVED

Substance	Quantity (pounds)	Street value (millions)	Percent change over 1971
Heroin/equivalent.....	5, 107	\$998	+62
Cocaine.....	675	74	-2
Marihuana.....	154, 609	41	+272
Hashish.....	8, 257	36	-31
Dangerous drugs (dosage units).....	207, 094, 395	420	+1, 410

Total street value removed by BNDD, \$1,570 million in fiscal year 1972 compared to \$755 million in fiscal year 1971.

"For each dollar appropriated, twenty-five dollars was removed from the illicit trade."

Conviction rate:	
Federal	96
State	98

AVERAGE SENTENCE IN MONTHS

	Federal court	State court
Narcotics.....	61.3	70.2
Marihuana.....	41.8	34.1
Dangerous drugs.....	34.1	55.0

MONEY SEIZED

\$3,572,235 was seized and recovered and returned to the United States Treasury.

DANGEROUS DRUGS (STIMULANTS, DEPRESSANTS, HALLUCINOGENS)

Seized 207 million dosage units.
 Seized 43 clandestine labs with capacity to produce millions of dosage units of illicit tablets.
 Registered 516,298 legitimate drug handlers.
 Collected \$2.7 million for deposit to U.S. Treasury.
 Arrested 22 violators as a result of compliance investigations.
 Disqualified 120 drug handlers by taking certificate or registration.
 Placed amphetamines in Schedule II with stringent controls and reduced authorized production quota.

FOREIGN OPERATIONS

Opened 8 new offices, 6 of which were in additional countries, increased agents 48 to 94.
 Provided productive intelligence to BNDD domestic.
 Regions and Customs Bureau resulting in record seizures in United States.
 Assisted foreign police in Europe, Central and South America and Far East in 504 arrests of major traffickers (including roundup of 43 in France).
 Seized with foreign police over 2 tons of heroin or its equivalent that never reached U.S.
 Worked with U.S. Ambassadors on variety of country problems aimed at interdicting international flow of illicit narcotics.

ASSISTANCE TO OTHERS

STATE AND LOCAL

Conducted 55 training schools for 3,977 police officers.
 Analyzed 20,591 evidence exhibits for state and local police.
 Assisted 13 states and 1 territory in passing Model Drug Abuse Act and assisted 15 other states with Bill pending.

PUBLIC ASSISTANCE

Answered over 370,000 inquiries.
 Distributed over 4.0 million publications.
 Showed over 8,500 films.
 Assisted 20 communities in establishing drug abuse education programs.

I N D E X

(NOTE.—The Senate Internal Security Subcommittee attaches no significance to the mere fact of the appearance of the name of an individual or organization in this index.)

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