

Mr. GIORDANO. Yes; definitely.

Mr. ROUSH (continuing). For potential users.

Mr. GIORDANO. Yes.

Mr. ROUSH. Do you have any studies whatsoever to show this to be true or to verify this? I am not questioning your judgment. I am merely trying to build a record.

Mr. GIORDANO. Let me say, as to studies, the first study where material was furnished that was very well covered was in the 1951 hearings that Congressman Boggs held here at this time which centered around the problem of narcotics and the penalties. In 1956 it was Congressman Boggs who had a subcommittee of the Ways and Means Committee, and former Senator Daniels in a Senate committee—both committees toured the country—during which time this question of were penalties a deterrent and were they helpful was brought up.

We have a chart which I think may be available which will indicate the effect of penalties on the narcotic traffic as such. I am separating that now from the marihuana traffic to show the containment of the narcotic traffic and addiction; reducing the ratio of addiction in the United States.

(The chart referred to appears on p. 65.)

Mr. GIORDANO. Also we have evidence of the effect of penalties on the heroin that is available in the United States. The purity of heroin today is down to about 3 to 5 percent when it's on the street; whereas in the past they were able to get 30-, 40-, 50-percent heroin on the street level. The price of heroin has gone up. In 1956 and 1957 it was about between \$8,000 and \$12,000 a kilo. It's now up to \$30,000. All of this is evidence of the results of the penalty.

We also have learned in the course of our operations through our undercover men, shortly after the 1956 Control Act, which was the one which increased the penalties the last time, people engaged in the traffic were leaving the traffic because of the severity of the penalty and moving into other types of crime, saying in effect, this is too rough. We can earn a dishonest dollar a lot easier than being subject to these penalties. This was also developed during the course of the McClellan hearings on organized crime. In the testimony of Joseph Valachi as to what the action of the Mafia was as a result of the penalties, and the word went out, "get out of the narcotic traffic."

Well, I think this sort of summarizes what we feel points out the benefits of severe penalties.

Another thing is, insofar as the narcotic addiction is concerned, it's rare to find a narcotic addict when he is either hospitalized or arrested that suffers any type of severe withdrawal. The hospital officials at Lexington say they haven't seen what they refer to as classic withdrawal symptoms for the last 5 or 6 years. We feel that is another indication of what the penalties have done.

We are not saying that penalties alone cure the problem. This certainly is not enough. You have to have good enforcement. You have to have penalties. You have to have an educational program. You have to have treatment.

Mr. ROUSH. Does the existence of a criminal penalty for possession make it easier for your agency to trace the drug back to the supplier?

Mr. GIORDANO. Well, the existence of a criminal penalty makes it easier in that you can't always develop a sale case. The sale case is the