

2. To detect and close down illicit laboratories;
3. To detect and eliminate the counterfeiting of controlled drugs; and
4. To keep these illicit dangerous drugs away from potential users by acting swiftly against all street and illegal sellers.

To combat the first problem area, BDAC has developed a program of records accountability investigations. Under this program, agents check the inventories and records of purchases and sales of registered legitimate drug establishments to insure that the records are accurate and that these firms are not, either willfully or unknowingly, having their drugs diverted into illicit channels. Our experience has shown that approximately 95 percent of all dangerous drugs, other than the hallucinogens, sold illegally, were legally produced in this country. One can see, therefore, how important these investigations are as a law-enforcement tool. It should be noted that the physical problem of surveilling the number of legitimate handlers of controlled drugs is staggering. There are 1,300 firms registered as manufacturers of controlled drugs, 460 registered as both jobbers and manufacturers, and an additional 3,500 registered as jobbers, wholesalers, or repackers of controlled drugs. Add to this number approximately 55,000 retail pharmacies, 10,000-odd hospitals, clinics, and research laboratories, and an estimated 15,000 dispensing physicians, and you see the scope of the problem confronting us. To monitor all these firms, the Bureau has 299 agents, who can only devote approximately 40 percent of their time to accountability investigations, the remainder being spent on the other three above objectives. We have conducted about 1,000 record accountability investigations, resulting in seizures of over 600 million dosage units controlled drugs.

During the Bureau's year and a half of fully active operation, over 2,200 criminal investigations have been conducted, resulting in 1,333 arrests. Some of these are in conjunction with State enforcement officers. Of this total of 1,333, approximately 60 percent were involved in hallucinogenic drugs. We have found and seized 43 clandestine laboratories and have removed 21½ million hallucinogenic drug units with an illicit value of \$6,761,269 from the market.

What does this profile show? It points out that confronting us are young, highly intelligent, well educated criminals, who apparently have entered into what looks to be a highly lucrative criminal activity. To complicate the problem, the abuse of dangerous drugs is not confined to city slums or a recognizable socioeconomic group—it seems to cut across all segments of our society. Add to this the fact that these drugs are sometimes sold by the milligram, and even by micrograms. They are easily concealable and the investigation and apprehensive of the criminals involved often becomes more difficult than in the case of more routine criminal cases. I feel that the agent force of the Bureau has done an extremely good job of ferreting out and destroying a number of the big operators involved in the illicit drug traffic. However, we have only begun to scratch the surface of what appears to be a criminal and a social problem of greater dimensions than originally anticipated.

By placing the Bureau, together with the Bureau of Narcotics, in the Department of Justice, I feel that the law enforcement objectives of this Government can be met more effectively, especially in closer coordinative efforts with the fine work of the Bureau of Narcotics.