

of organized crime. For the record, would you tell us what the other two are?

Mr. CLARK. Yes, sir.

Historically—there are some shifts now—the greatest source of income of organized crime has been illegal gambling. And then surprisingly, as a major contender in recent years, there has emerged loan sharking. And the third, not necessarily in that order, although gambling is number one, is narcotics.

Mr. HOLIFIELD. And the inference of your testimony is that organized crime draws a tremendous financial support from the narcotic and drug racket?

Mr. CLARK. That is absolutely correct. It finances from this source, other criminal activities as well.

Mr. HOLIFIELD. Has there been any estimate of what the take of organized crime is in the field of narcotics and dangerous drugs, or is it possible to do so?

Mr. CLARK. There have been a good number of estimates. I am quite skeptical of them, personally. I just don't believe we know.

Mr. HOLIFIELD. But you do feel—

Mr. CLARK. I can't say really. There have been estimates allocated strictly to narcotics. There have been estimates of the total take.

Mr. HOLIFIELD. But it does run into the hundreds of millions of dollars in take a year, would you say?

Mr. GIORDANO. Yes.

We have estimated, and it is very rough, what it would cost for the addicts in this country, over a period of one year, to support their habits. That figure is about \$350 million.

Of course, as you know, the drug moves through so many hands, and although it may start over in the Middle East at a rather nominal price, when heroin gets into the United States, it is selling now for about \$30,000 for one kilogram of the pure substance.

In France, it can be bought for about \$6,000. There is that increase from France to the United States.

Then, of course, when it moves through the traffic down to the addict, each person takes his cut.

Mr. HOLIFIELD. Thank you.

Chairman BLATNIK. If there are no further questions, Mr. Attorney General, we thank you very, very much for your testimony and your patience in being with us all morning.

We may have a rollcall vote.

We have some unfinished interrogation by Mr. Edwards of Mr. Hughes.

We appreciate your coming back this morning.

And Mr. Hendrick, thank you for waiting since yesterday. May we wait until this afternoon, until 2 o'clock, and then we can start you right off and have your entire testimony in full and the interrogation in proper sequence.

We appreciate that very much.

The hearings for this morning are recessed. We will resume hearings at 2 o'clock this afternoon.

(Whereupon, at 12:30 p.m., the hearings were recessed, to resume at 2 p.m. the same day.)