

The original documents are located in Box 10, folder “Drug Abuse (2)” of the James M. Cannon Files at the Gerald R. Ford Presidential Library.

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Box

MARIHUANA

*Drugs -
Policy
Outline*

Question

There have been reports that the Domestic Council may recommend the decriminalization of simple possession of marihuana. Is that so, and do you have any plans to accept such a recommendation?

Answer:

Because of my deep concern about the overall drug abuse problem -- a tragedy which affects hundreds of thousands of Americans, and which costs billions of dollars in treatment costs, criminal justice costs and theft -- I established a high-level Domestic Council Task Force to thoroughly examine the Federal drug program and to make recommendations for change. I asked for a candid appraisal of the extent of the problem and for strong recommendations to improve our ability to deal with it. Their report is due in mid-September. While I am sure that the report will deal with marihuana, among other drugs, I do not know what the recommendation will be.

Background

Recent research indicates that marihuana is far from harmless and that chronic use causes adverse psychological and physical effects. Therefore, we believe that its use should continue to be discouraged.

The current debate over decriminalization really is a debate about whether use of the criminal law in simple possession cases is too severe a tool to use as a deterrent. This is largely a State and local question, since very few cases of simple possession are prosecuted under Federal law. Those Federal charges involving small amounts of marihuana which are brought generally are in instances where a small amount is seized incidental to an arrest involving a more significant violation.

The penalty for simple possession in the Federal law has been gradually reduced over the years. The Controlled Substances Act of 1970 makes simple possession for personal use a misdemeanor. In first offense cases, the court can place the defendant on probation and expunge the conviction at the end of a year if no condition of probation is violated. The Criminal Justice Reform Act now before Congress reduces possession penalties even further, to a maximum of thirty days.

Richard D. Parsons
August 15, 1975



Review gp - Drug Abuse

THE WHITE HOUSE
WASHINGTON

September 19, 1975

MEMORANDUM FOR: DICK PARSONS
FROM: JIM CANNON *Jm*
SUBJECT: Drugs

Tex McCrory, a friend of Charlie Rangel, gave me
this comment about drug enforcement.

Would you look it over and give me your reaction?

Attachment



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June 24, 1975

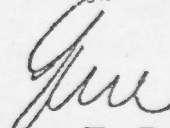
The Honorable
Nelson A. Rockefeller
The Vice President
The White House
Washington, D. C. 20501

Dear Mr. Vice President:

I am enclosing a copy of a letter and memorandum which I submitted to Attorney General Saxbe in May of last year in which I set forth the reasons-why Reorganization Plan No. 2 of 1973 creating the Drug Enforcement Administration (DEA) was a serious mistake which has resulted in weaker drug enforcement at a waste of over \$100,000,000 of taxpayers' money on an annual basis.

I believe the points discussed are pertinent to the current review of drug enforcement matters.

Sincerely,


Eugene T. Rossides

Enclosure



1666 K Street, N.W.
Washington, D.C. 20006
May 20, 1974

The Honorable
William B. Saxbe
Attorney General
Department of Justice
Washington, D.C. 20530

Dear Mr. Attorney General:

Thank you for your response to my letter of February 22, 1974, in which I set forth the reasons why Reorganization Plan No. 2 of 1973 creating the Drug Enforcement Administration (DEA) was a serious mistake which has resulted in weaker drug enforcement.

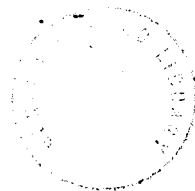
I would like to add some further thoughts to my original comments.

I have now examined in detail the DEA appropriation request for FY 1975--the amount of taxpayer money currently being wasted for weaker drug enforcement is over \$100,000,000 on an annual basis. In the Government's effort to reduce Federal spending in the fight against inflation, this item deserves priority attention.

I have also reviewed the alternatives in my recommendation as to who should handle the major domestic narcotics conspiracy cases and recommend that that function go to the FBI.

The reorganization which I now recommend for consideration calls for the transfer of DEA authority as follows:

1. Return of anti-drug smuggling responsibilities, including related intelligence collection, to the U.S. Customs Service (450 positions--a saving of over 270 positions from the 720 transferred from Customs to DEA);
2. Return to the Food & Drug Administration (FDA) of those responsibilities presently in DEA for the control of pills and similar dangerous drugs (450 positions);



3. Assigning the investigation of major domestic interstate narcotics conspiracies to the FBI (250 positions, although perhaps no additional positions are needed as the FBI's authorized positions are over 20,000 and these cases would be handled as part of the FBI's program against organized crime).

This proposal will clearly result in stronger drug enforcement because (1) there is no way that DEA can duplicate Customs' proven anti-smuggling expertise and capabilities; (2) it will more effectively control trafficking in pills and similar dangerous drugs; (3) it will get the FBI fully involved.

The proposal is also based on the inescapable fact that the primary responsibility under our Federal-state system for domestic internal drug enforcement is with the states and localities and their over 400,000 enforcement personnel, and that nothing should be done to weaken that responsibility or shift it to the Federal Government.

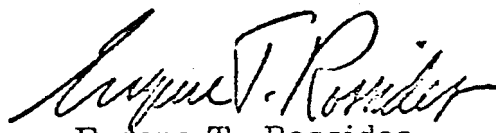
In view of the comments in your letter, I would stress that no matter how well DEA is administered (and I understand it is encountering a number of difficulties), it will do a poorer drug enforcement job, with an annual waste of over \$100,000,000, than the organizational structure I have recommended.

There is simply no need for a separate enforcement agency on drugs.

The attached memorandum discusses in detail the recommended reorganization of drug enforcement responsibilities for stronger drug enforcement and how it can save the taxpayer over \$100,000,000 on an annual basis.

If you have any questions or desire additional information, please let me know.

Sincerely,


Eugene T. Rossides

Attachment



MEMORANDUM

A PROPOSAL FOR STRONGER DRUG ENFORCEMENT
WITH A SAVING OF OVER \$100,000,000 A YEAR

Reorganization Plan No. 2 of 1973 creating the Drug Enforcement Administration (DEA) was a serious mistake which has resulted in a weakening of drug enforcement and the annual waste of over \$100,000,000 in taxpayers' money. It raises the spectre of a national police force, is inconsistent with federalism and revenue sharing, and violates a basic tenet of American criminal justice--the separation of the investigating function and the prosecuting function.

The proposal which I recommend calls for the transfer of DEA authority as follows:

1. Return of anti-drug smuggling responsibilities, including related intelligence collection, to the U.S. Customs Service (450 positions--a saving of over 270 positions from the 720 transferred from Customs to DEA);
2. Return to the Food & Drug Administration of those responsibilities presently in DEA for the control of pills and similar dangerous drugs (450 positions);
3. Assigning the investigation of major domestic interstate narcotics conspiracies to the FBI (250 positions, although perhaps no additional positions needed as the FBI's authorized positions are over 20,000 and these cases would be handled as part of the FBI's organized crime program).

This proposal will clearly result in stronger drug enforcement because (1) there is no way that the DEA can duplicate Customs' proven anti-smuggling expertise and capabilities; (2) it will more effectively control trafficking in pills and similar dangerous drugs; (3) it will get the FBI fully involved.

It is also based on the inescapable fact that the primary responsibility under our Federal-state system for domestic internal drug enforcement is with the states and localities and their over 400,000 enforcement personnel, and that nothing should be done to weaken that responsibility or shift it to the Federal Government.

Furthermore, it recognizes that the State Department has the primary responsibility for enlisting the support of foreign governments in the worldwide campaign against illicit drug traffic.

It will save the taxpayer over \$100,000,000 on an annual basis.

The reasons that the creation of DEA was a serious mistake are:

1. It has actually weakened Federal drug enforcement by transferring Customs anti-drug smuggling and intelligence-gathering responsibilities to DEA.

Since all hard narcotics and most marijuana are produced outside this country, a priority mission of Federal drug enforcement must be to prevent the smuggling of drugs into the United States.

The Customs Service demonstrated during the first four years of this Administration that, even though denied virtually all access to overseas smuggling intelligence, it could employ its historic expertise effectively to interdict drug smuggling and to seize bulk quantities of uncut high-purity hard narcotics destined for the U.S. market. A scrutiny of the record of the period will reveal that almost without exception the major cases against key figures were drug smuggling conspiracy cases initiated and developed by Customs.

In early 1973, over the Treasury Department's objections, OMB produced its simplistic Reorganization Plan to shut Customs out of all anti-drug smuggling investigative and intelligence-gathering functions.

In one stroke, the most effective instrument for accomplishing the anti-drug smuggling mission was wiped out, together with its carefully constructed force of interdiction equipment and its unique authority to search and seize without warrant or probable cause. DEA has not and cannot replace this capability.

To separate the anti-drug smuggling investigative and intelligence-gathering responsibilities from Customs border inspection and interdiction responsibilities and Customs general smuggling responsibilities wastes resources and is totally illogical.

2. Reorganization Plan No. 2 of 1973 stemmed from basic misconceptions of our drug enforcement interests abroad.

The U.S. interests outside our borders are:

a. Diplomatic--to stimulate other governments to meet their international responsibilities.

b. Enforcement--to gather and exchange intelligence regarding smuggling of drugs into the U.S.



A key achievement of this Administration was making drug enforcement a foreign policy issue of the highest priority and placing on our ambassadors the responsibility to do everything possible to convince those nations from which illicit drugs emanate to meet their international responsibilities. The objective was to have those nations control drug production and trafficking within their own borders, not to have them host teams of BNDD or DEA agents who endeavor to clean up those countries by participating in local investigations, seizures, and arrests, and thus Americanize the total world drug abuse problem. (For DEA to use statistics on foreign seizures as evidence of accomplishment is deceptive.)

Technical aid missions and training projects are a useful part of the overseas enforcement effort. Customs-to-Customs training is especially well received because it produces improved revenue collection for the foreign host country as well as drug enforcement. Customs has a unique fraternal relationship with other Customs services of the world which it can use to combat the drug traffic, but which no other agency can exploit. This relationship has been institutionalized in the Customs Cooperation Council which has over 70 member nations. The U.S. Customs Service has played a leading role in this Council which, primarily because of U.S. Customs urging, has promoted an active program to suppress drug smuggling.

Customs-to-Customs cooperation is an essential element of an effective anti-drug smuggling program. DEA is not capable of substituting for Customs in this role.

Our operational enforcement activities overseas basically should be limited to (1) the gathering of intelligence to prevent the smuggling of drugs into the U.S. and (2) the exchange of intelligence about drug traffickers with foreign enforcement agencies. Despite DEA's views to the contrary, cases within the jurisdiction of foreign countries are not the U.S.'s business. They are the responsibility of each nation's own law enforcement officers. We certainly would not tolerate foreign agents working cases in the United States. (Are we suggesting that French agents can do a better job?)

3. It also badly misconceived the Federal drug enforcement role within the United States.

Internal enforcement must deal with (1) illicit drugs after they have been successfully smuggled into the U.S.; (2) the illegal domestic manufacture and diversion of pills; and (3) removing the capital and the profits from the major drug trafficking business. These are distinct and separate types of enforcement problems from smuggling.



(1) The primary domestic enforcement role against the illicit drug traffic lies with the 400,000 state and local police, not the 2,000 agents presently in DEA. Federal enforcement should concentrate on major interstate conspiracy cases and the furnishing of assistance and coordination for state and local police. It should not be involved in street-level drug work, making buys from, or arrests of, small-time and medium-level dealers. That is not a Federal enforcement function. The DALE program was aimed at street-level work. It was ill-conceived, alienated local enforcement officials, and was counterproductive.

Use of the FBI for this domestic function would ensure full use of FBI capabilities, economy of effort by combining it with the FBI's program against organized crime, and a proper avoidance of entanglement in purely local cases. There is simply no need for a separate enforcement agency on narcotics.

(2) Internal enforcement must also deal with the illegal manufacture and diversion of pills. The Food & Drug Administration regulates the drug industry. It is axiomatic that enforcement is more efficient when under the same authority as the regulators. The separation of this authority in the 1968 reorganization set back effective Federal enforcement regarding pills, and has been one of the causes of pills being a key drug abuse item today.

This control program has never received the attention it deserves. The internal enforcement problem regarding pills is different from internal heroin and cocaine enforcement. Determinations of dangerous drugs manufactured in the U.S., and the control of pill and other drug production, including criminal enforcement, should be the responsibility of the Food & Drug Administration and should be returned to them.

(3) The Achilles heel of drug trafficking is its financing and its illegal profits. Initiated by this Administration, the Treasury/IRS Narcotics Trafficker Program (NTP), designed to take the profit out of drug trafficking and to disrupt the distribution system, has proved to be one of the most successful enforcement efforts in Federal history. It has paid for itself in monies collected; it has put drug dealers out of business. IRS has found tax deficiencies totaling \$200 million and has initiated full tax investigations of over 1,800 upper- and middle-level drug dealers. The criminal and civil sections of the IRS Code have been used against major distributors and drug financiers who are often insulated from the traffic and, therefore, in effect, immune from prosecution under the drug laws. In addition, the program attacks the local dealer quickly and at little expense; working closely with state and local police, IRS makes spontaneous assessments against dealers arrested on drug charges and seizes the large sums of cash,



jewelry, luxury automobiles and other assets they are frequently found to possess. Such action has been taken on over 3,300 local dealers and pushers.

This NTP, through its target selection system, developed for the first time in U.S. history a nationwide list of truly major traffickers and dealers--over 1,800--gathering information from BNDD, Customs, the Internal Revenue Service, the Bureau of Alcohol, Tobacco and Firearms, and state and local police. The state and local police have welcomed this program because it helps them get immediate results for their efforts while not encroaching on their jurisdictions.

4. Reorganization Plan No. 2 of 1973 violated the fundamental American criminal justice concept of separation of the investigating function and the prosecuting function.

A basic tenet of our criminal justice system is the separation of the investigating function and the prosecuting function. Consolidating these vast powers destroys traditional checks and balances. Prosecutors develop proprietary interests in particular cases or targets and tend to exercise undue control over activities of the investigators. There is a great danger that, as prosecutors become involved in the investigative stages, they will lose the objectivity so essential to their review responsibility. When the prosecutor assumes the investigative function, the end result is to reduce the professionalism of the enforcement agents, making them mere aides or clerks to the prosecuting attorney.

This is comparable to a State Attorney General's having direct control of the state police department or a District Attorney's having control of the local police department. It has ominous implications for the future of law enforcement in the United States and subverts the role of the Department of Justice.

This issue has received too little attention in recent years as we have seen prosecutors more and more involving themselves in the early stages of investigations. Cooperation between prosecutor and investigator is necessary, but the power inherent in the office of the prosecutor is sufficient to insure this.

5. It raises the spectre of a national police force by adding yet another investigative arm to the Department of Justice, the law department of the United States.

An essential strength of Federal enforcement is its decentralized



nature in specialized agencies throughout the Executive Branch. Moreover, enforcement is generally strengthened by being associated with regulatory functions. Thus, it is inconsistent that, at a time when the nation was examining the question of centralizing excessive power in the Department of Justice, additional investigative authority was placed there. Even now, incredible as it may seem, DEA is seeking to obtain, through delegation or by statute, the authority for its agents to make searches and seizures without warrant anywhere in the U.S.

6. The DEA is costing the taxpayer an estimated \$100,000,000 more on an annual basis for weaker enforcement.

The growth of BNDD/DEA funding has been extraordinary:

	<u>FY 68</u>		<u>FY 74</u>		<u>Requested FY 75</u>	
	<u>Positions</u>	<u>\$mil.</u>	<u>Positions</u>	<u>\$mil.</u>	<u>Positions</u>	<u>\$mil.</u>
BNDD/DEA	948	14	3,978	112	4,186	141

For FY 1975, DEA is requesting \$141 million and 4,186 positions, including funds to establish a new training facility. This is 3,000 more DEA personnel (1,250 agents and 1,750 support) than necessary.

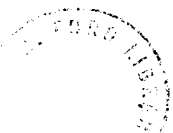
Under the suggested reorganization plan, the anti-drug smuggling effort requires about 450 positions; pill and dangerous drug enforcement, about 450 positions; investigation of major domestic interstate narcotics conspiracies, a maximum of 250 man years for the FBI.

The funds for a new training facility are unnecessary; drug enforcement agents should participate in the Consolidated Federal Law Enforcement Training Center (CFLETC), which was established by Congress to prevent such proliferation of Federal enforcement training facilities.

In the Government's effort to reduce Federal spending in the fight against inflation, this item deserves priority attention.

7. Reorganization Plan No. 2 of 1973 is inconsistent with concepts of federalism and revenue sharing of this Administration and the Congress.

The over 400,000 state and local law enforcement officials are the first line of defense against internal drug trafficking. The Federal effort should induce and assist their discharge of this responsibility and not seek to override, control, or supplant them. Yet, the 1973 Reorganization Plan



tends to dominate and displace the local effort. It runs directly counter to the bipartisan revenue sharing and LEAA programs designed to strengthen the capabilities of state and local authorities in these areas.

8. It removes an important barrier against corruption.

Drug enforcement is fraught with greater potential for corruption than any other police activity. When there are two or more agencies which interface and must coordinate their investigative activities, any agent inclined to collaborate with a trafficker faces a serious risk of discovery. This important check against collusion has now been removed. The proposed reorganization would reestablish this safeguard.

9. Reorganization Plan No. 2 of 1973 does not and cannot, as it purports to do, centralize all drug enforcement in one agency. Nor would such centralization be more efficient.

Of necessity, many agencies contribute to the drug enforcement mission. Customs still has the responsibility for the interdiction of narcotics at our ports of entry and along our land and sea borders. IRS must still investigate tax violations by traffickers. The Bureau of Alcohol, Tobacco & Firearms must still investigate gun violations by traffickers. State and local enforcement officials must still make the majority of domestic seizures and arrests. Our ambassadors must still consider drugs a foreign policy issue.

So Reorganization Plan No. 2 merely shifted the points of interface and further obscured the lines of coordination needed to connect activities of the various agencies and departments. Actually, the points of interface should be chosen based on the function which each agency or level of government is best able to perform. This, not centralization, will achieve maximum efficiency and effectiveness.

It is interesting to note that the 1973 Reorganization Plan was submitted on March 28, 1973, three days before reorganization authority lapsed and was not based on any serious management study. The plan was actually staffed out after its presentation and I understand it is still being worked on by OMB.

Strong opposition to the 1973 Reorganization Plan developed from two sources--those opposed to fragmenting Customs' drug smuggling responsibility and the Immigration and Naturalization Service inspectors



(900 inspectors were to be transferred to Customs), who stimulated broad union opposition. To overcome union opposition to the plan, OMB entered into a written agreement in which the INS union explicitly agreed to withdraw its opposition if OMB would introduce a bill repealing Section 2 of the Reorganization Plan. Some observers have questioned the wisdom and legality of OMB's action on the basis that reorganization plans are to be voted as a package without amendments. In effect, OMB bargained with the union for an amendment in the future.

A clear illustration of the desirability of the proposed apportionment of responsibility is the fact that, as soon as the Reorganization Plan passed, DEA, with OMB support, requested that Customs designate all DEA officers as Customs Officers so DEA would have Customs' unique authority to search and seize without a warrant or probable cause. This was the same capability which proponents of the reorganization plan sought to minimize when Customs argued for retention of its drug enforcement mission.

I understand that it is the legal position of the Treasury Department that the Customs Officer designation for DEA officers is of dubious legality. If the decision to go forward with the designation is not reversed, a challenge to the legality of the delegated authority could result in cases being thrown out (see the recent Supreme Court decision declaring certain wiretap orders invalid) and in limiting this important and sensitive authority for all Customs officers.

The transfer of DEA's functions along the lines recommended would, I am convinced, be well received by the Congress, the public, the law enforcement community, the bar associations and law schools, and most of the lawyers in the Department of Justice. It would demonstrate a belief in federalism in law enforcement. It would symbolize that the Department of Justice is a lawyer's department. It would recognize the growing public concern regarding concentration in the Department of Justice of still more enforcement authority. It would result in far stronger drug enforcement. It would save the taxpayers an estimated \$100,000,000 annually.

THE WHITE HOUSE

WASHINGTON

September 26, 1975

MEMORANDUM FOR: JIM CANNON

FROM: PETE ROUSSEL *PR*

SUBJECT: Domestic Council Drug Abuse Report

Forrest Boyd of Mutual Radio was in to interview Don Rumsfeld on Thursday, September 25th. At the close of the interview, he expressed interest in the forthcoming Domestic Council Report on Drug Abuse and mentioned he had heard that it would contain "a whitewash of the Drug Enforcement Administration". Boyd also wanted to know the timetable for the release of the report.

Can you please give Don some guidance on this. Boyd is a good guy, and Don promised to respond, pending a check with you.

Thanks.

Review Group-Drug
Abuse

THE WHITE HOUSE

WASHINGTON

September 29, 1975

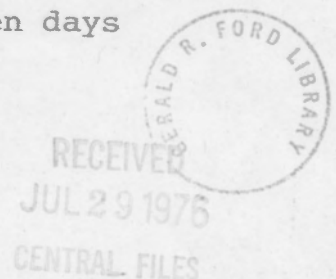
MEMORANDUM FOR: DON RUMSFELD
FROM: JIM CANNON
SUBJECT: Domestic Council Drug Abuse Report

This memorandum provides guidance with respect to the questions raised by Forrest Boyd last week.

1. The White Paper on Drug Abuse being prepared by the Domestic Council Drug Abuse Task Force will not contain a whitewash of the Drug Enforcement Administration.

As you know, allegations of widespread corruption in the Drug Enforcement Administration have been investigated by the Justice Department, are currently the subject of a Senate investigation, and have attracted wide media attention. However, the Drug Abuse Task Force had no authority to investigate these allegations, nor will its report to the President dwell on them. Rather, the Task Force's report assesses the current extent of drug abuse in America and the effectiveness of Federal programs dealing with the problem, and suggests a number of ways for improving the Federal response.

2. The Task Force's report is being put into final draft today.
3. We sent the President a summary last week, and we expect to send him a final draft of the full report tomorrow. Subsequently, we expect to send the report to the Government Printing Office, for there is wide public and Congressional interest in the report.
4. The GPO estimates it would take seven to ten days to print it. It could then be released.



Review Groups - Drug Abuse

THE WHITE HOUSE

WASHINGTON

September 30, 1975

MEMORANDUM FOR:

PHIL BUCHEN
ROBERT T. HARTMANN
JACK MARSH
BILL SEIDMAN
MAX FRIEDERSDORF
JIM LYNN
BRENT SCOWCROFT

FROM:

JIM CANNON *Jim*

SUBJECT:

Domestic Council Drug Abuse Report

Attached is a copy of the final draft of the Report of the Domestic Council Drug Abuse Task Force for your review and information.

Attachment



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November 11, 1975

Dear Mr. Hughes:

Your recent editorial, "Marihuana: Undermining the Law," is receiving close and thoughtful assessment among Domestic Council members responsible for publication of the White Paper on Drug Abuse. Our consensus is this: your editorial misinterprets the white paper's balanced and moderate statements on marihuana. The white paper says:

"A great deal of controversy exists about marihuana policy. On the one hand, recent research indicates that marihuana is far from harmless, and that chronic use can produce adverse psychological and physiological effects. Therefore, its use should be strongly discouraged as a matter of national policy.

"However, in light of the widespread recreational use -- and the relatively low social cost associated with this type of use -- the Federal Government has been deemphasizing simple possession and use of marihuana in its law enforcement effort for several years. For example, very few persons are arrested by Federal agents for simple possession and use; those who are charged with this offense normally are also being charged with some other, more serious offense as well. However, vigorous law enforcement aimed at major traffickers has been and should continue to be undertaken at the Federal level.

"The task force endorses this moderate view"

Simply put, the magnitude of the drug problem and the fact of budget and manpower constraints force us to attempt to utilize limited resources in a way which has the greatest impact on reducing the social cost of drug abuse. All drugs are not equally dangerous and all drug use is not equally destructive. Common sense would seem to dictate that we give priority in our law enforcement and treatment efforts to those drugs which pose the greater risk to society and to individual users. Based on current knowledge and use patterns, heroin, amphetamines and barbiturates appear to be the highest risk drugs.

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This does not mean that all efforts should be devoted to high priority drugs and none to the others. You may rest assured that the Federal Government has no thought of abandoning marihuana control efforts. Federal law enforcement will continue to focus on major traffickers of all drugs, including marihuana. Such enforcement efforts are and will continue to be augmented by States and municipalities. Treatment and rehabilitation projects will remain open to compulsive marihuana abusers. Research teams will continue to seek confirmation of indications, preliminary as of now, that marihuana does indeed cause serious health consequences for abusers.

It is our hope that the CHRISTIAN SCIENCE MONITOR will join us in the "serious thought and discussion" your editorial calls for in dealing with the marihuana problem. To that end, and in the thought that it might be of interest to you, I enclose a copy of the White Paper on Drug Abuse for your personal perusal.

Sincerely,

Richard D. Parsons
Associate Director and Counsel
Domestic Council

Mr. John Hughes
Editor
CHRISTIAN SCIENCE MONITOR
One Norway Street
Boston, Massachusetts 02115

Enclosure

bcc: The Vice President
Jim Cannon
John Carlson
Ed Johnson



November 11, 1975

File

Dear Mr. Sterne:

As Chairman of the Domestic Council Drug Abuse Task Force, and as a citizen sharing your concern and that of your readers over drug abuse, I feel a need to comment on your October 16 editorial, "A Mushy Report on Drug Abuse."

Certainly, all of us who participated in producing the White Paper on Drug Abuse were heartened by your endorsement of one of the study's key points: that the limited resources of the Federal anti-drug effort should be used primarily to attack the kind of drug abuse which has the highest social cost. However, I am disturbed by your conclusion that the report is wrong "in its recommendation that Federal drug enforcement continue much as it has under the Drug Enforcement Administration," and "in its imbalanced emphasis on law enforcement as opposed to medical treatment for addicts." I believe a careful reading of the white paper will indicate that both statements are misinterpretations of its conclusions.

As you may know, the white paper endorsed the concept of an integrated drug law enforcement agency charged with lead responsibility. The DEA is that lead agency, and it has made considerable progress in its two-year existence. The white paper goes on to state, however, that the concept of "lead agency" does not denigrate in any way the vital roles played by other agencies in the drug law enforcement effort, and it specifically notes that opportunities exist to more fully utilize the resources of the U. S. Customs Service, the Federal Bureau of Investigation and the Internal Revenue Service within an integrated Federal law enforcement program.

Moreover, none of us is totally satisfied with DEA's performance. Accordingly, the white paper contains numerous specific recommendations regarding DEA policy, organization and operation. For example, it recommends greater use of the conspiracy technique and less attention to "street level" activities; it recommends greater attention to developing strategic intelligence in international activities; it seeks upgrading and expansion of the regulatory function; and it calls for modified policies for selecting, training and rewarding individual agents.



At the same time, it would be an injustice to the brave and dedicated efforts of the more than two thousand DEA agents to focus entirely on agency shortcomings while failing to recognize their accomplishments.

On the allegation of imbalance between law enforcement and treatment, I fail to understand how you reached that conclusion. The white paper calls the concept of balance between law enforcement and treatment "the cornerstone of the Federal strategy" and approximately one-half of the white paper is devoted to demand reduction activities. But the real proof that the conclusion in your editorial is plainly wrong is mirrored in the Federal budget, where the ratio of treatment and prevention expenditures to law enforcement activities has been approximately one-and-one-half to one for several years. In FY 1976, for example, approximately \$466 million has been earmarked for demand reduction (mostly treatment), compared to \$305 million for supply reduction. What better evidence could there be of our commitment to offer a balanced program?

We appreciate that the BALTIMORE SUN shares our concern that every effective means be employed to control drug abuse. I hope this letter and the accompanying full text of the White Paper on Drug Abuse help to improve your understanding of the Federal effort to deal with this destructive problem which affects so many citizens.

Sincerely,

Richard D. Parsons
Associate Director and Counsel
Domestic Council

Mr. Joseph Sterne
Editor
BALTIMORE SUN
Baltimore, Maryland 21203

Enclosure

bcc: The Vice President
Jim Cannon
John Callison
Ed Johnson



UNITED STATES GOVERNMENT

Memorandum

TO : Principal Field Offices
(U.S. Customs Service/Drug Enforcement Administration)

DATE: 12/11/75

FROM : Commissioner of Customs/Acting Administrator,
Drug Enforcement Administration

SUBJECT: Memorandum of Understanding Between U.S. Customs Service/Drug
Enforcement Administration

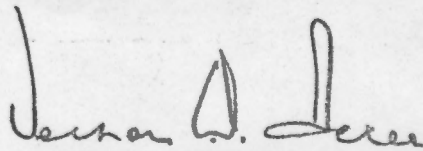
As the Commissioner of Customs and the Acting Administrator, Drug Enforcement Administration, we wish to assure all personnel of both agencies that this Memorandum of Understanding was signed in good faith by both parties and it is our intention to insure that the relationships between our agencies are conducted according to these operational guidelines in both a coordinated and professional manner.

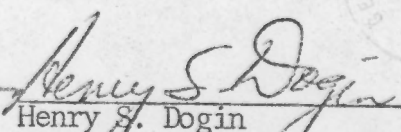
It is of the utmost importance that the U.S. Customs Service and the U.S. Drug Enforcement Administration work together in an atmosphere of harmony and efficiency in combating the illegal importation and trafficking in illicit drugs. It is essential that each agency complement and support the other in fulfilling their respective obligations.

The attached policy guidelines have been established between the Drug Enforcement Administration and the U.S. Customs Service for the purpose of clarifying the respective operations of each agency in regard to drug related enforcement activities. It is anticipated that the guidance established in this agreement will promote and insure that the inter-agency relationships are in the best interests of the United States and will result in effective and efficient law enforcement.

A copy of this memorandum and the attached Memorandum of Understanding is being sent directly to all field offices of both agencies so that all personnel will be immediately aware of the agreed upon operational guidelines. We expect all principal field offices to insure that meetings are arranged at the earliest date between U.S. Customs Service and Drug Enforcement Administration counterparts at the various managerial and working levels to develop the closest possible working relationships within these operating guidelines.

Attachment


Vernon D. Acree
Commissioner of Customs


Henry S. Dogin
Acting Administrator
Drug Enforcement Administration

12/11/75



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MEMORANDUM OF UNDERSTANDING

Between

The Customs Service and the Drug Enforcement Administration on Operating Guidelines

The purpose of this memorandum is to emphasize and clarify the roles and the need for cooperation between the respective agencies. Under the broad guidelines of Reorganization Plan No. 2, the Drug Enforcement Administration has been assigned the primary responsibility for "....intelligence, investigative and law enforcement functions....which relate to the suppression of illicit traffic in narcotics, dangerous drugs or marihuana...." Under the plan and delegations, Customs retains and continues to perform those functions "....to the extent that they relate to searches and seizures of illicit narcotics, dangerous drugs, marihuana or to the apprehension or detention of persons in connection therewith at regular inspection locations at ports-of-entry or anywhere along the land or water borders of the United States..." However, Customs is required to turn over to DEA "any illicit narcotics, dangerous drugs, marihuana or related evidence seized and any person apprehended or detained...."

Both agencies have vital roles to perform within the Federal drug enforcement program. Customs, as part of its overall responsibility for interdicting the smuggling of contraband, retains the full responsibility for searching, detecting, seizing smuggled narcotics, and arresting suspected smugglers of any contraband. DEA has the full responsibility for any narcotic-related follow-up investigation as well as for providing Customs with information related to narcotics interdiction. Clearly, for the Federal effort to accomplish its enforcement goals related to reducing narcotics trafficking, both agencies must cooperate and provide appropriate mutual assistance in performing their respective functions. It is mutually agreed that an employee who willfully violates the intent and conditions of this agreement will be subject to firm disciplinary action.

To implement the above, the Commissioner of Customs and the Administrator of the Drug Enforcement Administration jointly approve the following guidelines for dealing with specific operational problems.

1) Operational Roles of Customs and DEA

- Customs is the agency with primary responsibility for interdiction of all contraband, including all drugs at the land, sea, and air borders of the United States.
- DEA is the agency with primary responsibility for investigation and intelligence gathering related to drug smuggling and trafficking.
- The Drug Enforcement Administration will notify the U.S. Customs Service of information from its narcotic investigations which



indicates that a smuggling attempt is anticipated at or between an established port-of-entry as soon as possible after the information is received. Such information may result in a cooperative joint interdiction effort but shall in no case result in uncoordinated unilateral action.

- Within the limitations of its resources, Customs will cooperate when requested to support DEA operations and ongoing investigations, including interception of aircraft suspected of drug smuggling and convoys.
- For purposes of this agreement an ongoing investigation includes only those cases in which information indicates a seizure and/or arrest should not occur at the initial point of contact in the United States, but should continue as a convoy to the final delivery point. The mere fact that a suspect or vehicle is known to DEA does not constitute an ongoing investigation.

2) Law Enforcement Coordination

- Whenever Customs has information on any person, aircraft, vessel, etc., that is involved in or suspected of being involved in drug smuggling or trafficking, DEA will be the first agency contacted by Customs. DEA will then have primary responsibility for the coordination of all investigative efforts.
- Whenever DEA has information on any person, aircraft, vessel, etc., that is involved in or suspected of being involved in the smuggling of contraband, Customs will be the first agency contacted by DEA. Customs will then have primary responsibility for interdiction if a seizure or arrest is to occur at the initial point of contact in the United States except in those cases under the control of DEA.

3) Placing of Transponders on Aircraft and Transponder Alerts

- Transponders will not be utilized by Customs in drugs related activity without prior advice to DEA of the aircraft's identity and suspects involved. If DEA has an ongoing investigation, DEA will make the tactical decision as to the course of action to be taken.
- Both agencies will expeditiously advise each other of all transponders placed on aircraft, and immediately upon receiving signals therefrom.
- Customs will normally respond to all specially coded transponder alerts crossing the border. DEA will be given immediate notification whenever Customs responds to a drug-related transponder alert.



4) Combined Seizures of Narcotics and Other General Contraband

- Where both narcotics and general contraband are seized in the same case, the Customs Office of Investigations is to be notified and they will coordinate with DEA on a joint investigation.
- Investigative efforts will be dependent upon the magnitude of the violation and/or the value of the general merchandise seized.

5) Violations to be Reported to the U.S. Attorney

- DEA case reports will include any customs reports related to the drug violation. Customs will furnish their reports to DEA in an expeditious manner. DEA will present the violations to the concerned prosecutor for determination of charges.

6) International and Domestic Drug Intelligence Gathering, Coordination

- DEA is the agency with primary responsibility for gathering intelligence on drug smuggling and trafficking, including air trafficking.
- Customs has primary responsibility for intelligence gathering of smuggling activities and also a supportive role to DEA in drug smuggling and trafficking. Nothing in this agreement precludes Customs from gathering information from the air and marine community related to the smuggling of contraband. Customs will continue to maintain liaison and gather information from foreign Customs services on all smuggling activities.
- Customs will expeditiously furnish all drug-related information to DEA. DEA will expeditiously furnish drug smuggling intelligence to Customs. Unless immediate action is required, such drug smuggling intelligence collected will not be subjected to enforcement action prior to coordination between Customs and DEA.
- DEA and Customs will refrain from offering or lending support to any derogatory remarks regarding the other agency. When dealing with other law enforcement agencies, Federal, state and local officials should not be misled as to DEA and Customs respective responsibilities.
- Neither Customs nor DEA will discourage potential sources of information from working for the other agency. The promising of rewards to informants for intelligence shall not be competitively used to increase the price of information and knowingly encourage the source of information to "Agency Shop."



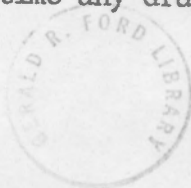
- Under no circumstances will Customs officers employ a participating informant for drug-related matters unless prior agreement and concurrence is obtained from DEA. Both agencies recognize that the identity of an informant may have to be revealed in court and that the informant may have to testify.
- In those drug smuggling cases involving a DEA confidential source, Customs will be promptly notified of the role of the informants so that the safety of the cooperating individual is not jeopardized. Customs officers will not attempt to debrief DEA informants.
- None of the foregoing is intended to limit total resource utilization of DEA and Customs law enforcement capabilities, but rather to insure coordination, elimination of duplication of effort, and prevention of counter-productive or potentially dangerous enforcement activities.
- At the field level, Customs and DEA offices will identify specific persons or organizational units for the purpose of information referral and to coordinate enforcement matters.

7) Procedures to be Followed When DEA has Information that an Aircraft, Vehicle, Vessel, Person, etc., will Transit the Border Carrying Narcotics

- For criminal case development purposes, DEA may request that such persons or conveyances be permitted to enter the United States without enforcement intervention at that time. These requests will be made by DEA supervisory agents at the ARD level or above to District Directors or their designated representative. Such requests will be rare and made only when DEA intends to exploit investigations of major traffickers.
- Customs officers will participate in the enforcement actions until the initial seizure and arrest. The number of Customs personnel and equipment needed will be decided by the Customs supervisor with input from the DEA Case Agent, subject to the limitations of available Customs resources, not to exceed the number recommended by the DEA Case Agent.
- On drug-related joint enforcement actions, no press releases will be made by Customs or DEA without the concurrence of each other.

8) Drug Seizure Procedures

- Customs responsibility for interdiction of contraband, including illegal drugs, remains unchanged. Using every enforcement aid and technique available to them, Customs officers will continue to search for illicit drugs. Each time any drugs are discovered, they will be



seized and the nearest DEA office will be immediately notified unless otherwise locally agreed upon. Questioning of arrested violators will be limited to obtaining personal history and seizure information for Customs forms. Further questioning is the responsibility of DEA. Chain of custody forms or receipts are required for transfers of all seized items.

- Customs will take every step possible to preserve all evidentiary material and not remove suspected drugs from original containers when such action compromises evidentiary and investigative potential.
- In those instances where DEA will not accept custody of detained persons or seizure of drugs due to U.S. Attorney prosecutive policy, DEA will notify local enforcement authorities for prosecutive consideration. Otherwise DEA will request Customs to notify these authorities. When local enforcement authority declines, Customs will proceed to assess administrative and civil penalties, as appropriate. Otherwise, administrative and civil penalties should be held in abeyance until local prosecution is completed.

9) Convoy Operations After Customs Seizures

- In those instances where DEA decides to convoy the contraband seized by Customs to the ultimate consignee, Customs personnel will fully cooperate, and will withhold publicity. All seized vehicles or conveyances will be included in a chain of custody receipt.
- The weighing of the contraband may be waived when the method of concealment makes it impractical. At the termination of the convoy, an accurate weight will be supplied by DEA to the originating district director, and the chain of custody will be annotated with the correct weight. Customs officers will not normally participate in this type of convoy operation.
- At the termination of this type convoy operation, involved vehicle or conveyance shall be released to the custody of the nearest district director of Customs.

10) Disposition of Vehicles, Vessels, Aircraft and Seizures in Joint Enforcement

- All vehicles, vessels, and aircraft involved in joint smuggling cases will be seized and forfeited by Customs. Final disposition of the conveyance will be determined by a joint Headquarters review board comprised of Customs and DEA personnel. Guidelines governing disposition will be developed.
- Upon prior DEA request in writing, Customs will not administratively dispose of seized aircraft or other conveyances until it is no longer

required for evidence by the courts or termination of DEA investigation.

11) Referral to Other Agencies (Chain of Custody and Laboratory Sampling)

- Customs will continue, in the case of seized heroin and cocaine, weighing two ounces or more, to take samples not to exceed 7 grams. However, the Customs laboratory will not perform the quantitative and qualitative analysis until completion of the prosecutive action, except for special contingencies.

12) DEA Access to Customs Personnel and Controlled Areas

- Designated Customs areas are not normally accessible to others. Access to Customs controlled areas and Customs personnel on an as needed basis will be obtained from the officer-in-charge of the Customs facility in each instance. Customs will honor such requests, provided that DEA personnel in no way interfere in examination and inspection processes.

13) Procedures When Discovery of Drugs is Made Before Actual Violators Have Been Identified and Goods or Conveyances are Still in Customs Custody

- When Customs officers discover the presence of concealed drugs in imported goods, and the goods or conveyances are still under Customs custody or control, and they have not been claimed by a consignee or reached their ultimate destination, Customs shall maintain control of the drugs, but DEA will be notified immediately. Customs officers will cooperate with DEA and be guided by DEA's tactical decisions regarding investigative development, arrest and seizure.

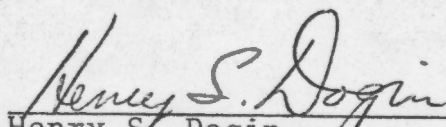
- 14) Any representation made to Federal, state or local prosecutors for mitigation of sentence or other consideration on behalf of a defendant who has cooperated in narcotic cases or investigations will be made by DEA. DEA will bring to the attention of the appropriate prosecutor cooperation by a narcotic defendant who has assisted Customs.

There are existing DEA/Customs agreements not covered in this document that pertain to cross-designation of DEA agents, mail parcel drug interdiction and other matters. DEA and Customs mutually agree to review each of these and amend where appropriate for consistency with the cooperative intent of this agreement.

No guidelines are all encompassing and definitive for all occasions. Therefore, the appropriate field management of both agencies are

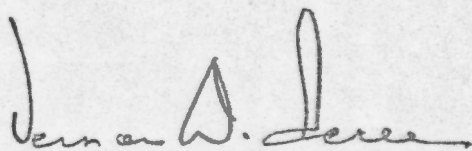


directed to establish communication with their respective counterparts to better coordinate their respective operations. Similar cooperation and harmonious working relationships should be implemented at all subordinate levels. It must be recognized that good faith as well as mutual respect for the statutory responsibilities of our agencies and for the employees are the cornerstones upon which full cooperation must be established. To this end, Customs and DEA personnel must take the appropriate affirmative actions to minimize conflict and develop a combined program which adequately serves the interests of the United States of America and its citizenry.



Henry S. Dogin
Acting Administrator
Drug Enforcement Administration

12/11/75



Vernon D. Acree
Commissioner
U.S. Customs Service

Talk to
P. H. H.

Drugs

THE WHITE HOUSE
WASHINGTON

INFORMATION

~~December 17, 1975~~

MEMORANDUM FOR THE PRESIDENT

FROM: Jim Cannon

SUBJECT: DEA/Customs Memorandum of Understanding

The U. S. Customs Service and the Drug Enforcement Administration, in an attempt to resolve long-standing disagreements and conflicts, signed a detailed "Memorandum of Understanding on Operating Guidelines" on December 11, 1975. The memorandum specifies fourteen areas of agreement which, in essence, call for greater cooperation, improved exchange of intelligence information, more prompt notification of the other agency in cases involving overlapping jurisdictions, and more precisely defined joint procedures.

In accordance with the initial reorganization plan, DEA is recognized as having "primary" responsibility for collecting intelligence and conducting investigations in drug cases, while Customs is recognized as having "primary" responsibility for interdiction of all contraband at U. S. borders. Customs also appears to have secured DEA's recognition for a supporting intelligence role, although its extent is undefined.

The signing of the agreement is a significant event, and it should help to enhance our narcotics law enforcement efforts. If the two agencies adhere to it in a spirit of good faith and cooperation, the major jurisdictional disputes which have existed between them will have been resolved.

We will follow progress closely and attempt to keep the pressure on to make this agreement work.



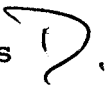
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MEMORANDUM

THE WHITE HOUSE

WASHINGTON

December 17, 1975

MEMORANDUM FOR: Jim Cannon
FROM: Dick Parsons 
SUBJECT: DEA/Customs Memorandum of Understanding

The U. S. Customs Service and the Drug Enforcement Administration, in an attempt to resolve long-standing disagreements and conflicts, signed a detailed "Memorandum of Understanding on Operating Guidelines" on December 11, 1975. The memorandum specifies fourteen areas of agreement which, in essence, call for greater cooperation, improved exchange of intelligence information, more prompt notification of the other agency in cases involving overlapping jurisdictions, and more precisely defined joint procedures.

In accordance with the initial reorganization plan, DEA is recognized as having "primary" responsibility for collecting intelligence and conducting investigations in drug cases, while Customs is recognized as having "primary" responsibility for interdiction of all contraband at U. S. borders.* Customs also appears to have secured DEA's recognition for a supporting intelligence role, although its extent is undefined.

Signing the agreement is a significant event, despite the fact that it doesn't resolve all issues, and despite the fact that it contains the sort of definitional ambiguity and loopholes which have caused similar agreements to break down in the past. If the two agencies adhere to it in a spirit of good faith and cooperation, it will "solve" the major jurisdictional disputes.

I will follow progress closely and attempt to keep the pressure on to make this agreement stick. I believe the attached letters of commendation to Messrs. Dogin and Acree will help in this regard. Also attached is an INFORMATION memorandum for the President.

* This is the ambiguity which has led to jurisdictional disputes in the past.



THE WHITE HOUSE

WASHINGTON

December 17, 1975

Dear Hank:

The President has asked me to personally congratulate you and Mike Acree for laying the framework for improved future relations between DEA and Customs. I recognize that the negotiation was not easy and required considerable diplomatic skills from both of you. The result graphically illustrates the good will both of you demonstrated.

I sincerely hope and expect that the spirit exhibited in this agreement signals a new era of cooperation and improved drug law enforcement.

Again, my thanks and congratulations.

Sincerely,

James M. Cannon
Assistant to the President
for Domestic Affairs

Mr. Henry S. Dogin
Acting Administrator
Drug Enforcement Administration
Washington, D. C. 20537

THE WHITE HOUSE

WASHINGTON

December 17, 1975

Dear Mike:

The President has asked me to personally congratulate you and Hank Dogin for laying the framework for improved future relations between Customs and DEA. I recognize that the negotiation was not easy and required considerable diplomatic skills from both of you. The result graphically illustrates the good will both of you demonstrated.

I sincerely hope and expect that the spirit exhibited in this agreement signals a new era of cooperation and improved drug law enforcement.

Again, my thanks and congratulations.

Sincerely,

James M. Cannon
Assistant to the President
for Domestic Affairs

The Honorable Vernon D. Acree
Commissioner of Customs
Department of the Treasury
Washington, D. C. 20229

894
Drugs

THE WHITE HOUSE

WASHINGTON

December 17, 1975

Dear Senator Percy:

I am sorry that our schedules have thus far prevented a personal meeting, and I still hope we will soon be able to sit down and exchange views on the drug program. However, rather than risk letting more time slip by, this letter contains some preliminary reactions to your letter of October 30 which I will elaborate on when we meet.

First, as regards the DEA/Customs dispute: the two agencies, and their respective Cabinet departments, have been meeting continually since mid-October in an attempt to resolve the remaining differences which have impeded effective narcotics law enforcement. I am pleased to inform you that these efforts have been successful and I am enclosing for your information a copy of the operating agreement signed December 11, 1975. Of course, we in the White House and you and your colleagues in the Congress will have to continue to monitor the performance of these two agencies to ensure continuing cooperation, but the conclusion of this agreement is certainly a hopeful step.

The issue of White House drug program leadership is far more complicated and our positions are farther apart. Simply put, we do not believe that the influence and effectiveness of a small drug oversight unit within the Executive Office is impaired by establishing it administratively and by relying on the Director of NIDA, the Administrator of DEA and the Senior Adviser to the Secretary of State to serve as Administration spokesmen. In fact, and paradoxically, real influence of such an oversight organization may actually be diminished if as a result of a high profile its leader is forced by public and constituent pressure to act in an advocacy role.

In short, the real influence and effectiveness of such a unit is determined by its ability to act as an unbiased and trusted adviser to the President, not by its organizational position. I am convinced that the package of program management recommendations contained in Chapter 5 of the White Paper on Drug Abuse will give the drug program the improved management it requires.



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Please be assured that the President shares your concern about the problem of drug abuse and that he is equally committed to improving intra-agency management and inter-agency coordination.

Best personal wishes.

Sincerely,

James M. Cannon
Assistant to the President
for Domestic Affairs

The Honorable Charles H. Percy
United States Senate
Washington, D. C. 20510

Enclosure



ABRAHAM RIBICOFF, CONN., CHAIRMAN
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WILLIAM V. ROTH, JR., DEL.
BILL BROCK, TENN.
LOWELL P. WEICKER, JR., CONN.

RICHARD A. WEGMAN
CHIEF COUNSEL AND STAFF DIRECTOR

United States Senate

COMMITTEE ON
GOVERNMENT OPERATIONS
SENATE PERMANENT SUBCOMMITTEE
ON INVESTIGATIONS

(PURSUANT TO SEC. 4, S. RES. 48, 94TH CONGRESS)

WASHINGTON, D.C. 20510

894

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WILLIAM V. ROTH, JR., DEL.
BILL BROCK, TENN.

HOWARD J. FELDMAN
CHIEF COUNSEL
STUART M. STATLER
CHIEF COUNSEL TO THE MINORITY

BY HAND

October 30, 1975

Mr. James M. Cannon
Assistant to the President
for Domestic Affairs
The White House
Washington, D.C. 20500

Dear Jim:

I appreciate having your recent letter relating to the upcoming conference to take place concerning S. 2017. I have now had an opportunity to review the Domestic Council White Paper on Drug Abuse, and to consider its bearing on the pending legislation.

Many of the factual discussions in the White Paper are very much to the point. I believe, however, on the basis of personal knowledge, that the festering DEA - Customs dispute is woefully understated and can only be resolved, once and for all, by direct intervention on the part of the President.

While I concur in many of the recommendations, I disagree in one significant respect with the proposed stature intended for an ongoing unit to coordinate drug law enforcement, prevention, and treatment responsibilities. The White Paper, as I see it, intends that any ongoing function be one of staff assistance to the President and the Domestic Council, and management assistance to the relevant agencies within the Executive branch. It is my firm belief that there is absent now, and critically so, the needed presence and stature so designated within the White House not only to perform these needed functions, but also to take a lead in overseeing on a day to day basis national policy and planning direction in the drug abuse area.

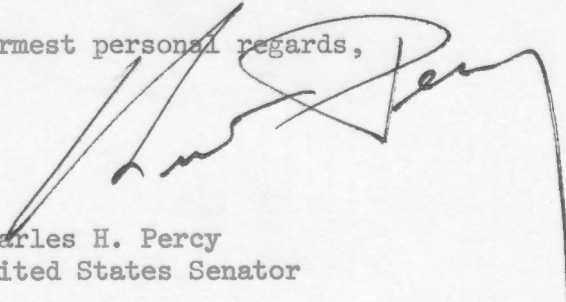


Page Two

In my own mind, there is no reason why those functions could not be performed by a high-level White House unit or by you yourself together with a handful of staff specifically designated to assist. I believe, however, that whoever heads up this important function -- and it should be someone who has the ear of the President -- that person should be subject to the Senate confirmation process and accountable to the Congress as well as to the President.

Although conferees have not yet been selected with respect to the legislation in issue, from soundings taken of other Senators likely to be participating in the Conference, it is precisely in this direction that the conference is likely to proceed. I will, at your request, make known the views reflected in your letter, although I cannot espouse them in view of the foregoing. If the thinking of the Administration changes in this respect, however, I would be happy to sit down with you and review reasonable alternatives which could result in legislation acceptable to the Congress and to the President as to this most important matter.

Warmest personal regards,



Charles H. Percy
United States Senator



CHP:rll

United States Senate

COMMITTEE ON
GOVERNMENT OPERATIONS

WASHINGTON, D.C. 20510

OFFICIAL BUSINESS

Charles H. Percy
U.S.S.

Mr. James M. Cannon
Assistant to the President
for Domestic Affairs
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

BY HAND

1975 OCT 31 AM 10
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THE WHITE HOUSE
WASHINGTON



THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE
WASHINGTON, D.C. 20201

DEC 18 1975

MEMORANDUM FOR THE HONORABLE JAMES M. CANNON

This memorandum is in response to your requests of October 16 and November 4, 1975, regarding the Department's implementation of the recommendations in the September 1975 White Paper on Drug Abuse. We have reviewed the White Paper and wish to commend the Task Force for providing the clearest, most comprehensive statement to date on the Federal Government's overall program to reduce drug abuse.

Because of the recognized critical nature of this problem, we urge the Administration to move swiftly on those recommendations that require further action. This is particularly important if we are to reduce the stimulus for Congressional action to establish an Office of Drug Abuse Policy in the Executive Office of the President.

As you are aware, Dr. Theodore Cooper, Assistant Secretary for Health, commented on the draft White Paper received earlier. I have again asked Dr. Cooper to take the lead in preparing the Department's response to the final version. The report, which I endorse, is attached.

There are two points which I wish to highlight.

First, the White Paper calls for the coordination of many activities. Some, such as the Cabinet Committee recommendations, cannot be fully implemented until such time as the Committee is designated. Others may be beyond the authority of the Department. Many, however, are fully within our authority, and can be implemented without delay. In this category, for those which we support, I am prepared to take immediate action. For example, the Department plans to promptly establish a Department Ad Hoc Prevention Group and intends to extend invitations to other Departments and Agencies to participate in this group.

Second, no discussion of the programmatic response to the White Paper can take place without discussing resources. Clearly, implementing these ambitious undertakings requires more resources than are presently identified within the Department's budget. The total budgetary impact of many of the recommendations is still not clear to the Department.



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The report that follows in the attachment reflects our position and implementation plans on those areas reflected in your November 4 memorandum, as well as on other recommendations of particular relevance to the Department.

In your November 4 memorandum several of the recommendations listed referred to the "Department of Health." In the attached report we have used the title, "Public Health Service," as the term "Department of Health" is a misnomer. In addition, we have corrected the recommendation dealing with the ad hoc prevention group (see page 4 of attachment) to reflect the fact that the Social and Rehabilitation Service is an Agency within the Department.

The Department stands firmly behind the Administration's program initiatives in the drug abuse prevention area. We have already been actively involved in many of the issues raised in the Paper and intend to intensify that activity.

/s/David Mathews

Secretary

Attachment

RMartini/SStephens/LScholnick/OPDP/DHCS/12/12/75 32630
Revised: 12/19/75 (2nd page)



cc: Dick Parsons

File

CENTRAL INTELLIGENCE AGENCY
WASHINGTON, D.C. 20505

19 December 1975

Mr. James M. Cannon
The Assistant to the President
for Domestic Affairs
The White House
Washington, D.C. 20500

Dear Mr. Cannon:

I am pleased to have this opportunity to respond to the Domestic Council's White Paper on Drug Abuse, and extend my congratulations to you and your staff for the fine work that has been done in preparing this important study. I am certain the White Paper will make a significant contribution toward strengthening our Government's ability to attack the narcotics problem more effectively in the future.

The Central Intelligence Agency generally endorses both the main thrust and the more specific recommendations contained in the White Paper. The lead agency concept placing the Drug Enforcement Administration in the vanguard of international anti-narcotics programs and operations is, in our opinion, a correct stance. The CIA will continue to support the DEA in the foreign area and continue its active participation in the Cabinet Committee on International Narcotics Control (CCINC). This support to the government's narcotics program is conditioned by the statutory mandate that the Agency have no law-enforcement powers.

The CIA fully supports the concept that DEA is the lead agency with regard to narcotics control, and it is worth noting that DEA has made commendable strides in developing its capability to operate in foreign countries. In 1969, when CIA was first directed to mobilize its resources against the flow of illicit international narcotics, DEA (then BNDD) had only 25 agents abroad. By 1975, the number of DEA agents serving abroad had increased dramatically and DEA's rapid expansion has been built on a basis of expertise that has enabled it to

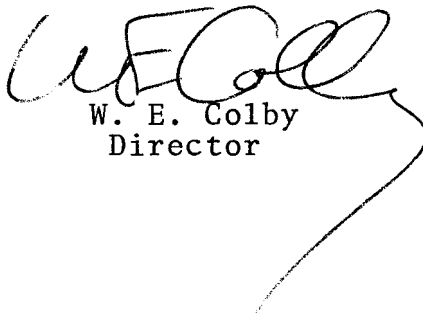
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develop long-range intelligence and enforcement programs. This expansion of DEA's professionalism and expertise must be taken into account when considering what CIA's role in international narcotics control should be. As DEA's overseas capability increases, it would appear possible to redefine CIA's own anti-narcotics commitment, both to economize in view of budgetary demands and to minimize the possibly adverse results stemming from participation by a clandestine intelligence organization in a program that is largely governed by constitutional and legal requirements for openness.

Sincerely,



W. E. Colby
Director



cc: Parsons

Not for casual reading -
But definitely
ACTION



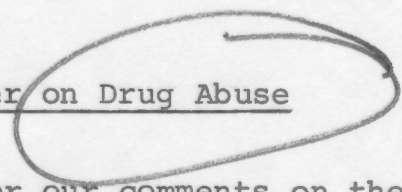
EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

DEC 22 1975

Parsons

MEMORANDUM FOR JAMES M. CANNON

SUBJECT: Comments on White Paper on Drug Abuse



File

This responds to your request for our comments on the White Paper on Drug Abuse's recommendations which impact directly on the Office of Management and Budget (OMB). The attachment to this memorandum contains our comments and recommendations on the issues of concern to us.

For the most part, we have concurred with the major recommendations in the White Paper and have made budget recommendations to the President consistent with the Paper both on the demand and the supply side. During the course of the year, we will work closely with the involved agencies to assure that the President's Budget recommendations to address the drug abuse situation are implemented fully.

White Paper Recommendation: An OMB Drug Unit

"The task force recommends continuing a small Executive Office staff, located in the Office of Management and Budget, to provide assistance and advice to the White House staff, the Strategy Council, and OMB. The task force recommends that the responsibilities of the Office gradually be shifted to the departments, agencies, and Cabinet Committees."

Comment: OMB has expanded the existing Federal Drug Management Office to include three professional staff members in response to this recommendation.

White Paper Recommendation: Evaluation of Morphine Substitutes in the Production of Codeine

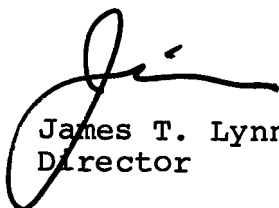
"The task force recommends that the Opium Policy Task Force accelerate its evaluation of papaver bracteatum as a substitute for morphine-based papaver somniferum in the production of codeine."



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While this issue is highly complex and controversial, the Opium Policy Task Force is moving forward as fast as practically feasible. The Opium Policy Task Force is currently evaluating the entire bracteatum issue including: domestic and world-wide supply and demand, economic trade-offs, abuse potential, and the international ramifications of limited domestic production. The current, accelerated schedule plans for a preliminary assessment to be completed by mid-December 1975, and a formal policy options memorandum by mid-January 1976.

Recommendation: We recommend that the Opium Policy Task Force proceed in accordance with its accelerated plan.


James T. Lynn
Director

Attachment



Supply Reduction: Chapter 3White Paper Recommendation: Enforcement

"The task force recommends continuation and expansion of LEAA and DEA activities aimed at strengthening State and local law enforcement agencies."

Comment: Generally, there is concurrence with this recommendation. However, before LEAA and DEA expand current programs or initiate new ones, we believe an evaluation should be conducted to determine if those programs are productive. Further, both LEAA and DEA should be initiating only those programs that State and local enforcement agencies can eventually sponsor with minimum direct Federal involvement.

Recommendation: Continue on-going State and local programs at the current level and consider expansion after a thorough evaluation.

White Paper Recommendation: Enforcement

"The task force recommends that the Internal Revenue Service reemphasize its program of prosecuting drug traffickers for violation of income tax laws under strict guidelines and procedures."

Comment: The special IRS tax fraud investigation effort targeted against major drug traffickers was never a success in either convictions achieved or tax revenues recouped. Furthermore, the program suffered from bad publicity for allegedly violating the civil rights of the subjects, and the effort was terminated for this reason by the IRS Commissioner at the end of FY 1975. A better investment of the resources expended on the IRS tax activity would have been to apply the funds to expand direct Federal drug investigations. This is not to say, however, that IRS should not assign a high priority to investigations of drug traffickers in concert with an overall Federal inquiry, such as conducted by organized crime strike forces, but only that the special earmarked program conducted in the early 1970's was not considered successful and should not be reactivated. The President's initial 1977 Budget decision concurred with the above.

White Paper Recommendation: Intelligence

"The task force recommends an analysis of the four automatic data processing systems involved in intelligence activities, with an eye to either integrating or better coordinating them."

Comment: We concur with this recommendation. However, it is also important that DEA includes in its analysis alternatives which take into consideration the possibility of interfacing with comparable systems operated by the Customs Service.

Recommendation: We recommend that additional resources to augment on-going systems be deferred until an analysis or evaluation is concluded by DEA.

White Paper Recommendation: Intelligence

"The task force recommends that DEA devote more resources to the analysis of intelligence, both strategic and tactical."

Comment: We concur with this recommendation. In fact, during the 1977 budget review, additional resources were added to DEA to implement the above recommendation. Now, we need to follow through from our vantage point to insure that these resources are utilized in the manner that they are intended and that DEA begins to target investigations based on intelligence.

White Paper Recommendation: Regulatory and Compliance

"The task force recommends a major effort to upgrade the regulatory capabilities of States regarding retail diversion of drugs ... [and] a program to improve the prescribing practices of physicians ... [and] development by LEAA of pilot programs designed to curb pharmacy thefts."

Comment: Generally, we concur with the three recommendations above. However, we are concerned that these recommendations, when implemented, will serve to increase Federal involvement in areas where States clearly have the lead. It is important that the Federal Government avoid new initiatives in areas where States can act. For example, upgrading the States' capabilities regarding retail diversion of drugs should not

be narrowly construed to mean increasing the number of federally financed Diversion Investigative Units (DIUs). Moreover, we are opposed to LEAA initiating a categorical program designed to curb pharmacy thefts. If States want to use LEAA funds for that purpose, then we should encourage it. However, if States choose not to utilize their funds to curb pharmacy thefts, we do not recommend earmarking funds to initiate the program.

Demand Reduction: Chapter 4

White Paper Recommendation: Treatment Priority

"The task force recommends that agencies involved in drug abuse treatment give priority to abusers of the following high-risk categories of drugs: heroin, barbiturates ..., and amphetamines Priority should also be given to compulsive users of drugs of any kind."

Comment: The Administration's treatment priority has been heroin abusers with a policy of letting non-heroin abusers utilize federally funded treatment capacity for which there is no demand by heroin abusers. The original Federal commitment was to help develop treatment capacity to assure access to treatment for all heroin addicts who seek it. The Federal Government, especially in this time of fiscal restraint, should not expand its commitment beyond its past policies. An exception to this is Veterans Administration (VA) treatment. The VA is required by law to treat eligible veterans. Thus, the VA has and should continue to emphasize the above three categories as they are required to support the VA mission.

Recommendation: We recommend--except for the VA--that heroin continue to be the Federal priority and that barbiturate and amphetamine abusers be a secondary treatment priority within remaining treatment capacity.

White Paper Recommendation: Changing Treatment Modalities

"The task force recommends that the use of outpatient drug free treatment for compulsive users of high-risk drugs be restricted, and these people treated in a more structured environment. The use of outpatient drug-free treatment for casual users of lower-risk drugs should also be restricted, and the funds thus freed used to provide more effective services for high priority drug users."

Comment: Generally, there is concurrence with this recommendation. However, before agencies decide to undertake any large scale conversion of less costly outpatient treatment slots to more expensive residential and day care treatment modalities, i.e., "more structured environment" for "compulsive users of high-risk drugs," the efficacy of residential and day care treatment should be better assessed.

In the case of the Veterans Administration (VA), the treatment modalities offered should be based largely upon determination of veteran needs and available resources for quality care at VA locations. The validity of drug-free outpatient care should be scrutinized. Residential care, as a treatment option, is a valid area for examination by the VA. However, prior to implementation of the recommendation, the case for providing residential care should be considered in the context of overall VA mission and priorities. The VA's drug treatment program must be made flexible through use of community and other programs to provide those types of care which the VA cannot provide in view of the broader VA mission needs and resources constraints.

Recommendation: We recommend that the full implications of changing treatment modalities be further studied before implementation.

White Paper Recommendation: Expanded Paraprofessional Training

"The task force recommends that training courses to increase skills of paraprofessionals be expanded."

Comment: The general Administration policy as reflected in the 1976 budget and past budgets has been to phase out Federal support of health related professional and paraprofessional training. It is inequitable to single out certain professions for special training subsidies and general education financing is available through Office of Education programs. In addition, the States can utilize their Federal drug abuse formula grant funds to support paraprofessional training courses.

Recommendation: We recommend that the phase out policy of training be continued. However, we have no objection to the continuation of the curriculum development and evaluation activities conducted by the National Drug Abuse Training Center because the research of and one time development of new curriculums, e.g., new paraprofessional skills, appears to be an appropriate Federal role.

White Paper Recommendation: Stabilized Categorical Funding

"The task force recommends that categorical funding for drug treatment programs be stabilized so that cost sharing is at a maximum rate of 60 percent Federal and 40 percent local until local governments or community organizations are able to assume fiscal responsibility above this level."

Comment: We recognize that there are limitations to third party reimbursements for services provided by drug abuse treatment programs and treatment programs may be finding it difficult to obtain local matching requirements. Nevertheless, the Federal Government should not have to indefinitely maintain a 60 percent match solely because drug abuse treatment programs are not a high enough priority that local governments and private donors are not able to assume greater fiscal responsibility. A Federal commitment to maintain its share at 60 percent will decrease the incentive for treatment programs to capture more third party and other sources of funding.

Recommendation: We recommend that the 60/40 percent match be maintained in 1977 to assure maintenance of current treatment capacity. However, for future years, the appropriate Federal and local shares should be reassessed in the annual budgetary process.