

(NOTE TO PRESS--The following excerpt from the testimony of General Lewis Walt (USMC-Ret.) on August 14, 1972, was taken in the late afternoon when most of the press had left the hearing room. Because of its subject matter, here is a transcript of that portion of the testimony.)

THE HEROIN EPIDEMIC IN VIETNAM

Excerpt of testimony of Gen. Lewis Walt before
the Senate Internal Security Subcommittee.
August 14, 1972

GENERAL WALT. In Vietnam the prime focus of our investigation was on the heroin epidemic among the American armed forces. We wanted to find out as much as we could about the epidemic itself and about the effectiveness of the counter-measure which had been instituted in the fields of detection, rehabilitation, and education.

The epidemic hit in the month of June, immediately after our Cambodian incursion had devastated the enemy sanctuaries and supply caches in the Parrot's Beak area. Almost overnight heroin of remarkable purity -- 94 to 97 percent -- became available in unlimited quantities to the American armed forces in the greater Saigon area, initially at a price of a dollar a vial, later at an average price of \$2. Within two months, the epidemic had spread to cover virtually the entire country.

Within a few months time, death from heroin overdose climbed from 2 a month to almost 70 a month. There are varying estimates as to what percentage of our forces became involved in the epidemic, but certainly it ran into many, many thousands. Naturally, it varied from unit to unit. Major Jerome Char, psychiatrist for the 101st Airborne Division located in I Corps, estimated in a statement to the Senate Juvenile Delinquency Subcommittee that 40 to 50 percent of the men in his division had either experimented with or were hooked on hard drugs. Although the overall official estimate was substantially lower, it was clear that we were confronted with a situation of catastrophic dimensions.

The heroin was sold in the streets in plastic vials of similar manufacture, and all of the heroin was of closely related appearance and purity. At wholesale level, all of it was uniformly packaged in sealed 135 gram plastic bags.

It is my information that the vials which first appeared on the streets of Saigon contained .15 grams, which is about eight times as much heroin as a New York addict takes in one injection. At a very early date, however, it began to appear on the streets in quarter gram or half gram vials. In this country, a half gram of heroin would be enough for 25 injections.

There is substantial agreement that the operation appeared to be highly coordinated and centralized. Some people or some group must have established virtually simultaneous contact with scores of Chinese ethnic entrepreneurs throughout South Vietnam and prepared them to receive large quantities of heroin--for distribution through the armies of street urchins, both boys and girls, who had up until then been merchandising marijuana for the entrepreneurs.

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Apart from the fact that this kind of explosive nationwide launching of a heroin sales promotion campaign is simply not in the pattern of criminal conduct, the pattern I have detailed here raises two very basic questions.

If the operation was organized by some Asian Mafia, it would be natural for the profit motive to predominate. Why, if the operation was criminal in origin, did they sell stuff that was 94 to 97 percent pure, when people manage to get high in New York on 10 percent heroin? Why did they sell it for \$1 or \$2 a vial on the street, when no G.I. who was hooked or who wanted to experiment with heroin would have batted an eyelash at paying \$5? It makes even less sense when one considers that in April-May, just before the epidemic broke, similar vials of opium of inferior purity were being sold for \$10 each.

The economics of the heroin epidemic call for very careful scrutiny. While estimates of the rate of profit at different stages of the market vary considerably, it would appear that the street urchins, in order to sell the vials for a dollar, were able to purchase them for 50¢. Similarly, the wholesaler, in order to sell them for 50¢, were able to purchase the heroin content for approximately 25¢. At the time the heroin epidemic broke, a kilogram of heroin in Bangkok was selling for roughly \$1,300 a kilo, or \$1.30 a gram. A half-gram, therefore, cost the master entrepreneur 65¢, while a quarter-gram cost 32¢. Whoever was selling heroin to the ethnic Chinese entrepreneurs in Vietnam at a price which permitted street sales at a dollar per vial was taking a heck of a beating financially. They probably began to make some money, however, at the point where the street price of a vial went up to \$2.

All of this just doesn't make sense from the standpoint of criminal economics.

It does make sense, however, if the operation was political in origin, because then it would only be natural for the organizers to want to hook as many G.I.'s as possible, as hard as possible, and as fast as possible - and to hook them, moreover, on a habit so expensive that they would have to engage in far more crime than the ordinary addict to feed the habit once they returned home.

The Communists had so much to gain from such an operation. First of all, it was clearly bound to have an immediate demoralizing effect on our forces in Vietnam. Second, it was bound to have a demoralizing, long-term impact on American society. Third, and perhaps most important in terms of the Vietnam war, it was bound to provide grist for the mill of the "Let's-get-out-of-Southeast Asia-immediately" propaganda. At the height of the heroin epidemic the situation was so bad that many parents who had previously backed the President's policy joined the clamor to get out of Vietnam - fearful that if we stayed there much longer all our American boys would return drug addicts.

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All of this so far is deductive. Hard evidence is difficult to come by. In Saigon, the MACV officer who briefed us told us that they had thus far found no evidence tying Hanoi or the VC to the epidemic. On this point, I would like to quote the commentary of a senior general concerned with the drug problem in Vietnam: "How the hell do you get hard proof of the V.C.'s movement of several hundred pounds of heroin into Vietnam, when for years we suspected, but could not prove, that they were moving thousands of tons of military supplies through the port Sihanoukville?"

Had the V.C. decided to organize the heroin epidemic which hit our forces in Vietnam in the summer of 1970, it stands to reason that they would not have had V.C. vendors in the streets; this they left to the street urchins and the mama sans. Nor would they have been involved with traffickers at the next level up; this they left to the ethnic Chinese entrepreneurs who are traditionally willing to lend themselves to shady undertakings which promise a profit. If they played any role at all, it would have been far, far back, on the other side of the Cambodian or Laotian frontier, operating through a handful of principals who could not clearly be tagged as Viet-Cong.

But the absence of evidence is not absolute: There are some items of definite evidentiary value.

We had occasion to examine the reports of interrogations with 3 different VC defectors who claimed to have knowledge relating to large-scale opium cultivation in North Vietnam and, in one case, of Vietcong involvement in the heroin epidemic.

One defector, who came over on August 25, 1971, said that while he was attending the COSVN Military-Political School in May of 1970, he had participated in some frank discussions on the North Vietnamese use of drugs as a direct means of undermining the morale and efficiency of U.S. forces. COSVN, I should point out, stands for the Central Office of South Vietnam. This is the secret Communist Headquarters which has been masterminding the entire war in South Vietnam.

The defector said, among other things, that North Vietnamese combat reconnaissance activities were often undetected because security forces at defense installations were visually impaired by the use of drugs. While he had no direct knowledge of how the drugs were distributed in South Vietnam, the interrogator, in a summary comment, said that the defector was cooperative and appeared sincere throughout the interrogation, and that control questions revealed no attempt to deceive the interrogator.

The two other ralliers, one of them a graduate of the advanced cadre training school in Yen Bai province, North Vietnam, claimed to have seen large-scale opium cultivation in some of the northern provinces of North Vietnam.

All the senior Vietnamese officers with whom I discussed the matter are convinced that the heroin epidemic was

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essentially political rather than criminal in origin. They are convinced, in short, that the Communists were behind it. This conviction is shared by a number of American officers of general rank who have been concerned with the drug problem. In travelling around the world, I also encountered a number of senior western officials who follow the world drug situation closely and who told me confidentially that they were convinced from the circumstances of the Vietnam epidemic that the Communists were behind it.

We were also favorably impressed by the concrete evidence of progress made by the government of Vietnam over the past year in developing its interdiction and law enforcement capabilities.

Under the French Administration, the production and sale of opium was a government monopoly operated by the Directorate General of Customs and Excise, and opium dens were legally operated under state license. One of the first steps of the Thieu government when South Vietnam became independent was to illegalize all traffic in opium and close down the dens. While some of the old-timers continued to smoke opium illegally, the problem in recent years has been limited to an estimated 50,000 addicts -- a very small number by Asian standards. Because the problem did not appear to be of pressing importance on their own scale of priorities, the South Vietnamese Government had not developed any special narcotics apparatus at the time the heroin epidemic struck in June of 1970. They were caught unprepared -- just as we were.

As I have pointed out previously, it took a number of months before we realized the magnitude of the epidemic and began to gear up to cope with it; and it took another few months before our own program began to move into high gear.

The Vietnamese did not lag very far behind us.

On May 18, 1971, by virtue of a Presidential decree, an Interministerial Committee was created under the Ministry of Justice, encharged with the responsibility of stopping the traffic in narcotics.

In the same month, the government launched a national anti-drug campaign under the code name of "Vi-Dan", or "For the People", combining a public education program with a stepped-up enforcement campaign.

In Saigon, I met with Admiral Chung Tan Cang, Special Assistant to the Prime Minister for the Eradication of Social Evils, and Colonel Cao Van Khanh, Director General of Customs. I must say that I was impressed with their dedication and record of accomplishment over the past 18 months, especially when you consider how little they had to operate with in early 1971. A few figures will help to underscore the progress they have achieved.

In 1969, they seized 109 lbs. of opium. In 1971 they seized 1073 lbs. of opium.

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In 1969, they seized 10 lbs. of heroin. In 1971, the seizures totalled 271 lbs.

In 1969, they seized 4,712 lbs. of marijuana. In 1971 seizures totalled 18,781 lbs.

In 1969, they made 2,911 drug arrests. In 1971, they made 6,474.

There is reason for hoping that the performance of the Vietnamese Police and Customs will continue to improve over the coming period.

With the help of the U.S. Customs Advisory Team, a small unit of Customs Intelligence officers has just been trained and dispatched to some of the border provinces where narcotic smuggling has been going on.

To deal with the problem of military smuggling, the Government is planning to set up a Military Customs Corps, whose function it will be to inspect and control all military men, military vehicles and warships coming from abroad.

One of the questions we asked our BNDD people was whether they could trust their South Vietnamese counterparts with narcotic intelligence, and whether they got action when they provided them with such intelligence. They replied that not only did they get affirmative action when they passed on information to the Vietnamese Police or Customs, but that the Vietnamese Police would frequently take a small case and develop it into a much bigger case. They wouldn't walk with it--they would run with it.

We also asked about the question of corruption. They replied that corruption does exist at lower and middle levels, but that they have so far found no conclusive proof pointing to the involvement of top level military or government officials. There was one general whom they ran a very careful but discreet check on because there was reason to suspect him. They found that he was involved in some other hanky-panky--but not in narcotics.

They also told me that President Thieu has given his categorical assurance that if the American narcotics or intelligence community developed hard information, about any senior government official or military officer, he would take immediate action against them, no matter how high their rank.

One final observation. The Government of Vietnam has taken the stand that the heroin epidemic was a Communist operation. Under these circumstances, a Vietnamese officer or government official would stamp himself as the worst kind of traitor in the eyes of his countrymen, if he were caught participating in the drug traffic. And this is a very powerful form of dis-incentive.

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