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REMARKS OF REP. GERALD R. FORD (R.-MICH.)
BEFORE THE CONVENTION OF THE SEAFARERS INTERNATIONAL UNION OF NORTH AMERICA
STATLER-HILTON HOTEL, WASHINGTON, D. C., WEDNESDAY, JUNE 21, 1967

THE UNANSWERED QUESTION: WHEN A "GREAT MARITIME SOCIETY?"

The American poet, Edwin Arlington Robinson, once wrote:

"An ocean is forever asking questions
And writing them aloud along the shore."

We in the Congress have been asking: When a "great maritime society?"

I am sure this question is uppermost in the minds of the delegates to this convention of the Seafarers International Union of North America.

While other nations are experiencing a maritime renaissance, we in the United States are handicapped by an Administration which either does not care or does not appreciate the value of national seapower. Because of this Administration's attitude, we face what the eminent Naval historian, Admiral Mahan, referred to as "the rude awakening of those who have abandoned their share of the common birth-right of all people--the sea."

I am greatly disturbed by this trend, especially as it affects the American maritime industry--shipping and shipbuilding--and our fishing industry.

In his State of the Union message of January 1965, President Johnson categorically stated that he would "...recommend...a new policy for our merchant marine." Today, two-and-a-half years later, we are still awaiting this "new" policy in the Congress of the United States.

Meanwhile, our shipping and shipbuilding posture is declining at an everaccelerating rate despite this Nation's demonstrated need for a strong and viable maritime industry.

The condition of the American maritime industry today is a shocking disgrace.

That this should come to pass in this great nation is incredible, especially in the light of repeated warnings.

More than five years ago--in February 1962--the then Deputy Chief of Naval Operations (Logistics), Vice Admiral John Sylvester, observed:

"The strategic importance of ocean transportation in wartime dictates that the United States must have under its control sufficient active merchant type shipping to promptly meet our emergency sealift requirements.

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- " * * * Of utmost significance is that the interests of the United States are global, and emergencies may well arise wherein our interests would not be identical with those of our European Allies."

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Events in Cuba, Viet Nam and only recently in Nigeria and the Middle East testify to the validity of Admiral Sylvester's admonition.

Many international crises have shown that this country must have sufficient shipping capability to go it alone.

The demands in Southeast Asia have made it necessary for us to maintain one of the longest supply lines in history. It is a supply line which is being maintained in part by air but largely by sea.

All of the bulk petroleum requirements, 98% of the supplies, and two out of three American fighting men have been transported to Viet Nam by ship.

To accomplish this, it has been necessary to reactivate about 170 ships of World War II vintage from our National Defense Reserve Fleet at an average reactivation cost of about \$1/2 million per ship. This average cost is almost four times that required for the reactivation of similar ships during the Korean crisis of 1950--53 and dramatically underscores the increasing age of our merchant fleet.

In recent weeks, Eastern Nigeria broke off from the rest of the Nigerian Federation. The United States Embassy immediately made preparations for the air evacuation of 700 Americans located there, only to be frustrated when the local government rejected an airlift and shut down its airports. Alternative arrangements then were made for evacuation by sea, which was to be carried out with ships of American-subsidized operators in the area. Nigerian airports subsequently were opened to facilitate an airlift. But the incident nevertheless pointed up the need for adequate sealift capability.

Ships were the principal means used to evacuate American citizens from Arab countries during the recent Middle East crisis. The importance of ships will no doubt be underscored again as the effects of the Suez Canal closing are felt. The Navy's military sea transportation service has chartered approximately 35 tankers to meet military needs for petroleum in Viet Nam and elsewhere in the event Mideast oil continues to be denied us.

May I remind you of what occurred during the Suez crisis of 1956--57. Ship rates skyrocketed. The price of tankers, for example, shot up to more than 200% over base rates. Rates for shipping coal almost doubled. It was only because of reserve shipping capacity in the National Defense Reserve Fleet that we were able to maintain any semblance of control over freight rates.

It has been estimated, for example, that this reserve shipping capability resulted in savings of \$2½ to \$3 billion during the Korean crisis and \$500 million

during the Suez crisis of 1956.

More than ten years have passed since that crisis, and the ships of the National Defense Reserve Fleet have deteriorated.

Even if we did have the ships available, we would be limited by lack of trained maritime manpower.

The cold facts are that today we lack both the ships and manpower to respond adequately to a continuing international crisis.

As the effects of the recent Suez Canal closing are felt, these deficiencies will become more and more apparent. We will find ourselves increasingly at the mercy of rising costs involved in using foreign-flag shipping.

We also face the prospect of having our vital supply lines dependent upon unrealiable alien crews which, on some occasions in the past, have refused to transport our military cargoes to Viet Nam.

Last week, when the House considered the Department of Defense appropriation bill, it was of interest to me to note the following in the Committee report:

"The Committee is <u>not</u> convinced that the Navy is placing sufficient emphasis on the use of...larger tankers in view of the very considerable potential savings involved."

Perhaps one of the reasons for this lack of emphasis in the use of "supertankers" is the fact that it is in this area that the American Merchant Marine is most deficient.

Among the major maritime nations, the United States has one of the oldest tanker fleets. As a matter of fact, we, Argentina and Spain have the distinction of having the greatest concentration of very old tankers. Almost 65% of our tankers were built before 1956 and almost 50% were built during World War II. When you consider the fact that the United States accounts for more than 35% of the world's oil consumption, it is apparent that something must be wrong with the way we provide for the transportation of this most important commodity.

There are many lessons to be learned from the recent Middle East crisis.

Of importance to us assembled here today, the Middle East crisis sharply emphasizes the need for a strong, efficient American Merchant Marine, capable of handling our worldwide military logistics need.

If this need is not recognized by the Administration, we face the distinct possibility of being driven off the seas by the middle 1970's.

I am therefore terribly disturbed by the present Administration's head-in-thesand attitude toward this problem. This Administration is like the man who goes into a restaurant without any money, and figures on paying for his meal with the

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pearl he hopes to find in the oysters he plans to order. No matter how many oysters the problem-shuckers in this Administration shuck, I doubt whether the pearl they hope for will be forthcoming without adequate federal assistance and a reawakening of our sense of maritime values.

It is a sad commentary on the present Administration that they wanted to bury the Maritime Administration in the new Department of Transportation.

Republicans fought this move because history shows the American Merchant Marine has suffered whenever maritime affairs have been delegated to a government department or agency not directly concerned with the well-being of the merchant fleet.

What I have said about the plight of our merchant marine applies equally to our shipbuilding and fishing industries.

The U.S. shipbuilding industry has slipped to 16th place among the nations building merchant ships. Our fishing industry, because of outmoded and under-equipped vessels, simply cannot compete in the same league with the Russians and Japanese.

Fortunately, the Congress is not unmindful of these problems. We recognize the need for a rebirth and revitalizing of the maritime and fishing industries.

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