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Remarks at American Mining Congress in N.Y.

Mike Mansfield 1903-2001
Extemporaneous Remarks of Honorable Mike Mansfield of Montana
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Mr. Chairman, Members of the American Mining Congress, and friends. I almost started out by saying "my fellow Democrats" - then I thought that wouldn't be right, and I almost said "my fellow Republicans" - and I knew that wouldn't be right either -- so I will say "my fellow Americans," and mean it.

You know in a sense, coming to New York to have the privilege and honor of addressing this meeting is almost like coming home. I see people here like Ed McGlone, Vice President of Anaconda; Ed and I started in December 1922 at the Colorado Mine in Butte. I see one of our distinguished delegates to the United Nations, Art Lamey from Montana, a friend of many years, whose daughter I had the privilege to teach at Montana University. I see Charlie Murray, a friend and counsellor going back for too many years to remember. I see the Under Secretary and some Assistant Secretaries from the Department of the Interior, and I want them to know that I am grateful to all of them for the cooperation they have shown in their capacities in helping to bring about the development of Montana and the Northwest.

I refer, for example, to Under Secretary Bennett and the fine job he did as the Chief of the American Delegation in bringing about an agreeable solution, we hope, to the problems of the Upper Columbia; and to Assistant Secretary Abbott, who was so courteous and considerate at the time Bill Zeckendorf, of Webb & Knapp visited the Department of the Interior to sign a contract with the Bonneville Power, which may bring about the establishment of a steel plant in the Butte-Anaconda area.

Ray mentioned the fact that I started out as a miner; that wasn't quite correct. I started out as a mucker, and eventually got to be a miner because $4.75 was a little higher than $4.25 in those days. But I have worked as a miner and a mucker in Butte, in the Coeur d'Alenes, and in Bisbee.
I learned a lot -- going down into those mines -- because I had a chance to study human nature at first hand. And much of what I have learned in the mines has been responsible for my philosophy in the years subsequent to that experience.

I also think this is a good time to publicly acknowledge the fine work being done by the representatives of the American Mining Congress in Washington, and men like Julian Conover and Harry Moffett and those who are associated with them, because they have been diligent, they have been on the job, and they have tried to look after the interests of the mining industry as a whole.

Now, I recall in my mining days, that even then as far as most mining was concerned, it was either a "feast or a famine." I am sorry to state that even today that same statement will still hold true, and I don't care what segment of the mining industry it is -- there are too many ups and there are too many downs, and sometimes, as in the coal industry, the downs are all too often most apparent.

I would hope that all of us would develop a greater understanding of foreign affairs and what it means to our country. Because I think that those of you who are engaged in mining and allied industries will have to -- whether you want to or not -- become more cognizant of what is going on in the world around us, and recognize the fact that regardless of how we may feel personally the world is shrinking and is going to shrink a lot more in the years ahead. When you think of a plane like the B-70 which can fly at a speed three times that of sound -- 2200 miles an hour -- you begin to get an idea of how distance has been shortened and, in a sense, time has been contracted.

Now I do not intend to talk about the future of mining tonight. Every person in this room knows a great deal more about mining and its ramifications than I do, but I would -- with your permission -- like to speak about foreign policy and what it may hold for all of us, no matter what industry we are in, no matter what avocation or profession we follow. The campaign is over, so we can say things now and not be accused of "playing politics", and what I would like to do is to call
to your attention some of the difficulties which confront all of us, regardless of party, in the dangerous decade ahead.

The world is not in good shape. And in my opinion, conditions are going to get worse before they get better. We are all aware of the fact that lately a mission headed by Secretary Anderson of the Treasury and including Under Secretary of State Douglas Dillon, both very capable men, has been in Europe for the purpose of doing something about the outflow of gold from this country to various countries overseas. We know that we have in Fort Knox something on the order of $18 billion worth of gold. We know also that practically all that gold at the present time is callable if the demand is made. We know, furthermore, that within the past week or so the reserve has gone below $18 billion and the prospects are that it will go lower still. Now that doesn't mean that there is any possibility in the immediate future of a devaluation of the American dollar, but it does mean that the American dollar today is not as strong as it was a year, two years, or three years ago. This gold outflow didn't happen just within the past month. We knew about this at least three years ago and maybe longer. This gold outflow is not made possible because there is an imbalance in our trade. It is made possible because of the fact that in spite of a favorable balance of trade, we are spending a good deal on foreign aid and overseas military expenditures which makes up the difference and thereby brings about a situation which must and will be met if at all possible by the present Administration in the few months it has remaining, and if not by them—then I think by the incoming Administration.

Now I do not think that Secretary Anderson and Secretary Dillon are to be castigated for what they did in Europe; I think they made a necessary effort to try to bring home to the European nations, all of which had been helped by us, the situation as it really is, and while they came back empty-handed, so to speak, I think they made an impression; an impression to an extent that in the field of foreign aid in the future we will see more and more in the way of multilateral
assistance and less and less -- I hope, as far as our own country is concerned -- in the field of unilateral assistance.

Our country has spent in excess of $70 billion since the end of the Second World War to help other countries rehabilitate themselves and to extend aid to the underdeveloped areas of the world. It is about time, in my opinion, for those countries, which we have helped, to come to our assistance -- and to help us help those countries achieving nationhood so that their people can take their place in the family of nations. I hope, sincerely, that such will be the effect in the months and the years ahead. I would hope, furthermore, that as far as our country is concerned we would be able to do something in the way of a multilateral program through the United Nations, with this proviso -- that these members of the United Nations, who vote so easily and so eagerly for new programs calling for millions, tens of millions and hundreds of millions of dollars, will themselves -- assume their proportionate share.

I speak from experience when I state that many of these countries are interested in such programs as "Sunfed", which calls for a $500 million appropriation to extend assistance to countries throughout the world which are in need. But I recall, being a delegate to the U. N. two years ago, representing this country, coming to the General Assembly with a check for something on the order of $40 million which would comprise the United States' share of a fund of $100 million which had been voted almost unanimously by the full membership of the U. N.

The $40 million was supposed to represent a certain percentage of the whole, and if the other countries did not come through with their pro-rated share, our $40 million would be reduced accordingly. At the end of the 13th General Assembly of the United Nations, the grand total authorized and put up by all the countries was something on the order of $55 million, and of that $55 million ours had been reduced from $40 to about $22 million.
That's what I mean when I say that many other countries expect us to pick up too much of the burden, financially speaking, when they vote for these appropriations. And I would hope that from now on we would be more careful in how we handle our funds; that we would operate -- and I repeat -- on a multilateral basis, and in that way bring about a sharing of the responsibility.

There is a limit to what this country can do, and I think that the American people have reached the stage where -- despite all their good heartedness -- they are aware of this fact and they expect something to be done on a multilateral basis from now on.

During the course of the campaign, there was a good deal of talk about the prestige of this country. What do we mean by "prestige"? Well, we mean the standing of a nation in the eyes of the other countries of the world. Supposedly, our prestige has declined. Frankly, I think our prestige has declined. And I think we had better face this fact and do something about it. As Mr. Conover said, there is a saying on the building which houses the Archives of the United States of America which says: "what is past is prologue." The past is prologue, so we can't look back. It doesn't do us any good to find fault. We have to live in the present and we have to prepare for the future.

Insofar as this question of prestige is concerned, I think it would behoove us to take a brief look at the map of the world and see just what the situation is in certain areas and perhaps in certain countries.

Let's go first to Western Europe. We find there that some countries are financially speaking -- in better condition than the United States is at the present time. We find there what is supposed to be a defensive shield: NATO -- the North Atlantic Treaty Organization, which was created for the purpose of holding back any Russian aggression which might occur during the period primarily when Western Europe was recovering and was being rehabilitated.

As a matter of fact, NATO has gone down over the past ten years, under the last two years of the Democratic Administration, and I think under the eight years
of the present Republican Administration. It is no longer a shield -- if it ever was one. It is more of a symbol. I dare say that today NATO could not put 21 combat-ready divisions in the field. And of those 21 -- if there are 21 -- five of them would be American divisions, which are combat-ready, and ready to go.

But what about the responsibility of the other 14 members of NATO? Where are the allocations which they were supposed to make? I think what we need there is a strengthening, not only in a military sense, but I would say also in an economic sense as well. As far as European unity is concerned -- politically speaking -- that, of course, is a desired goal; but that is the responsibility of the Europeans themselves.

Now let us go to the Middle East. What has been done there? Nothing, really. Because the basic difficulties still remain. And the basic difficulty is the differences between the Arabs and the Israelis. Of course we are trying to get by, by appropriating money through our aid programs on a proportionate basis to the Arab States on the one hand, and to Israel on the other hand. But we are not meeting the basic difficulties in that area, and until and unless we do there will be no peace in the Middle East, and if there is no peace in the Middle East there will be no peace in the world.

These are things we have to face up to. We just can't sweep them under the rug. We just can't avoid them. Because if we do so, we do it at our own peril.

What about Southeast Asia? There, of course, we have great programs under way -- to Viet Nam, to Laos, to the Philippines, to Indonesia, Taiwan, Korea, up in Northeast Asia, and elsewhere -- but what has been the effect of these huge expenditures of aid? You have seen the answer in the public prints. You have read about the Laotian situation, where, since 1953, we have put in approximately $300 million.

I was in Laos in 1953 when we had just one vice consul looking after the whole country. Today we have hundreds of Americans and we have spent -- I repeat --
something on the order of $300 million dollars. This, in a country where the per capita income does not exceed $25 per person per year.

What have we accomplished with this $300 million? The answer is: nothing. Because what you have now are four different groups striving for control there, and just about two weeks ago, the Premier of Laos, Souvanna Phouma, said that we would "accept gladly" aid which had been offered to him by the Soviet Union.

What about Japan? A country 10 thousand square miles smaller than my state of Montana, with roughly 94 million people compared to Montana's 670 thousand people. What are we going to do about Japan? Our textile people are raising the devil because they have imports coming in from that country. But did you folks know -- or do you know -- that Japan is our biggest customer in tallow, in hides, in cotton and in wheat? At the present time she ranks second or third as far as a market for exports from this country are concerned.

Japan, like England at an earlier date, is somewhat similar insofar as its outlook is concerned. The Japanese, regardless of their position, have only one basic question to ask, and that is: "Where is the next meal coming from?" Not more than 16 percent of Japan's land is arable, so the Japanese have to trade to live; anywhere, and with any country. So far they have stayed out of the Chinese Communist and Russian orbit, although there is a small amount of trade being carried on between Hokkaido and the Soviet Union.

But, I think as Americans we have to recognize that as far as the peace of the Pacific is concerned, it is dependent largely upon two countries -- Japan and ourselves. If Japan is going to live and survive, and if she is going to keep on importing your coal, for example, and other products of this country, she's got to have markets in which she can sell her finished products. They are an ingenious and a capable people, but if they can't make a living with the free world, as a matter of necessity they are going to be forced to depend on trade with China and the Soviet Union -- and the next step will be the absorption of the Japanese Empire into that particular economic bloc. Think of that! And think of what it would
mean to us, if an industrial complex like Japan, because of necessity, was forced into the bloc controlled by the Soviet Union?

What about Africa? There are mining interests there. They are not in too good a shape at the present time, although I understand that they are operating at near-capacity. You have had 14, perhaps 15, new nations come into being this year. Many of them are not prepared to operate on an independent basis, because they haven't got the cadres to put to work to run their governments. In the Congo alone, for example, in this huge area at the time of independence last July there were only 14 college graduates. I don't think the number has been increased since that time, and I don't have to tell you what the situation is there because it occupies the front pages of our papers day in and day out, and the difficulties are no closer to solution.

I would hope that as far as the states of the world are concerned, it would be possible to isolate Africa from the cold war. I would hope that this country would keep its aid programs -- unilaterally speaking -- to a minimum, and I would hope that through the United Nations we could develop a four-quarters fund; by means of which this country could contribute 25 percent, Western Europe 25 percent; the Soviet Union and its member states 25 percent and the rest of the world 25 percent, for the development of that continent which is in need of help and which may well be the determining factor in the history of our world in the years ahead.

Then, of course, we come to Latin America, where many in this room have a personal interest as well as a business interest. We have been reading about Mr. Castro and what he has done to American property. One and a half billion dollars worth of American property has been expropriated. Not one cent, or not one centavo, has been paid in return. We don't know what the future of Cuba is going to be. We do not think, on the basis of what information we have, that Mr. Castro is a Communist, but we do know that he is being influenced by people who are Communists or fellow-travelers; men like Che Guevara, men like his brother Raul and others who have been able to influence him to such an extent that at the present time what
you have is an increase in Chinese Communist and Soviet influence in that country, 90 miles from our shores.

And what Castro has done in Cuba can be duplicated in part at least in practically every other country in Latin America. And to explain that, let me put it this way. Whereas there used to be a fifth column in Spain during the time of the Spanish Civil War, in Latin America what you have today -- in my opinion, in every Latin American country -- is a Castro column. That column is achieving much in the way of headway, and do not fool yourself that its influence is not being felt and that every Latin American government is not aware of it, because they are.

In my opinion, the most important area in the world as far as our country is concerned, is Latin America. And I say that with the full recognition that every other area is important, too, and that every other area presents difficulties. I would hope that at long last we would get away from slogans in our relations with Latin America and get down to bedrock and do something -- not on a unilateral basis; not on a hit and miss Point Four basis, but on a multilateral cooperative basis. I think this Administration has at long last made the kind of a start which should have been made a long time ago -- Yes, under the Democratic Administrations too! -- when they came before the Congress this year and asked us to authorize an appropriation of $500 million to attack the problems which are most keenly felt in practically every Latin American country; problems having to do with health, housing, farm reform, sanitation and with other matters.

There are countries in which a start of that kind has been made; countries in which we have men of the caliber and stature of Pedro Beltran in Peru -- one of the great men of Latin America -- who has tried to bring about a degree of reform so that some of the people in this country who did not have land would have land to till and to grow the products which they need. He has tried to bring into being housing programs, on a small scale, and to date he has been quite successful. He has also been responsible for the encouragement of American capital coming into
Peru, and in Southern Peru at the present time you have four companies which are operating a copper development and, I believe, producing a rather sizable amount of the ore at the present time.

A man like Pedro Beltran needs help. He needs understanding, and it isn't just a case of the Export-Import Bank, it isn't just a case of private American investment, like these four companies - like Anaconda, like Cerro de Pasco and the others. It is a case of the Government as well taking an active interest, because if you do all these things together I think there will be a chance providing the Latin Americans themselves will put up their share; if they cannot because of their poverty make outright appropriations, then I think they can furnish their share in kind or in some other way.

We have to get away from the idea that unilaterally we know always what is best for Latin America. We have to recognize that there are as many smart people in those countries as there are in every country in the world, people just as smart as we are, people who have good ideas that are worth consideration. I would point to the fact that one of these good ideas comes out of Brazil, in the proposal known as "Operation Pan-America." It isn't perfect, it has defects; but on the whole it is a sound idea, because it looks forward to collective action and that is the answer as far as the Americas are concerned. Not action by us -- I repeat -- but collective action in which all these countries can have an active participation; in which all these countries can be treated on the basis of equality so that in all these countries private enterprise, private capital, almost always risk capital, could be given the kind of protection which it needs and which it deserves so that this kind of business -- and mining is predominant in this particular category -- can get away from the sudden shifts; the sudden changes; can have some degree of assurance that they can go down and participate, and invest and for a number of years or a number of decades be certain that they can be able to achieve on their investment a reasonable return.
I would like to see the Organization of the American States use the authority which it has in its charter, but which up to this time it has been afraid to use, become more active and take a greater part in the activities of this hemisphere. I would like to see all the nations of the Americas send their best men into the OAS and not somebody whom they want to appoint because they feel a place should be made for him. That is the organization in my opinion which can bring about a rectification of the situation as it exists in this hemisphere, and perhaps given the authority, the money and the time, bring order out of the chaos which exists at present.

It is time for us, as members of Congress, as members of industry, as members of organized labor, as members of the American public generally, to recognize that as times change we must change with them. The world will not stand still. The world will not give us a chance to look back over our shoulders. The world calls for great deeds, great courage, great leadership, and the stakes are high. -- Remember -- Mr. Khrushchev not so many months ago made the statement that "in his opinion our grandchildren would live to grow up under Communism." I say that Mr. Khrushchev lies. If we will exercise the leadership and the ingenuity which we as a people have always possessed, I think we can change the tide which now seems to be running against us so that perhaps Mr. Khrushchev's grandchildren will be able, God willing, to live under a system which is more democratic than the system which Mr. Khrushchev advocates at the present time.

What I am trying to say is this: That every American has a stake in foreign policy. And no American -- no American businessman -- can divorce himself from that stake. What we are engaged in is a struggle for survival. Make no mistake about that. We either win or we lose. And it doesn't make any difference whether we are Democrats or Republicans. What does make a difference is that we act as Americans; that we face up to these problems; that we make the sacrifices
necessary; and that we do it with a full heart and with wholehearted approval of whoever may be the leader of our Government at any given time. The choice isn't theirs; when you get right down to it the choice is yours. The Government of the United States is not a President, it is not a Congress, the Government of the United States is the people of the United States and don't you ever forget it! Thank you very much.