well deny the United States the use of Caribbean sealanes. This was the experience in World War II which led the United States to spend over $20 million on four plants in Utah, Oregon, Wyoming, and South Carolina. The Korean war caused the reopening of one of these plants—again at substantial cost to the taxpayer.

In light of the fact that private industry has presented us with the possibility of finding a domestic source for aluminum, it seems incumbent upon us to formulate a national policy which would encourage the rapid development of that resource to the fullest extent.

The possibility that a new source of aluminum has been found in conjunction with a vast energy source makes the prospect even more attractive. We know that smelters are almost always placed near cheap power sources regardless of the distance involved. Now, we are presented with the possibility of processing domestic aluminum materials near a source of domestic power. The social, economic, and employment opportunities stemming from such a possibility are indeed dramatic.

FOREIGN TRADE AND FOREIGN AID

Since the Trade Expansion Act will be subject to review by the Senate this year, it is particularly timely that we should point out the relevance of the possible development of an oil shale and aluminum industry to our foreign aid programs and to our foreign trade agreements. Before the Senate decides whether it will renew the Trade Expansion Act, I believe that we should give careful scrutiny to the following points.

The present administration has often stated its recognition, albeit in general terms, of the importance of minerals and fuels to this country. Only last September Vice President HUMPHREY, in an address to the American Mining Congress in Salt Lake City, referred to minerals and fuels as "the essance of our economic growth and the spectacular rise in our living standards"; and he went on to say:

"All of us then must be impressed with the achievements of the mineral industry in helping to lay the base for our national prosperity and our national strength."

But such broad-brush treatment frequently overlooks the grave international implications of this country's practices and unhappy lack of policy with respect to the world's mineral resources. It is paradoxical in the extreme that our Federal Government in the past few years has seemed more concerned with the development of foreign resources than of our own. The U.S. Bureau of Mines tells us that as of 1964, the total value of direct foreign investments of the United States was over $44 billion. Approximately 40 percent of this, or almost $18 billion, was in mining and smelting and petroleum, with petroleum alone being valued at over $14 billion. The petroleum industry maintains its traditional position as the largest single industrial category of U.S. investment abroad.

The impact of U.S. investment in foreign mineral and fuel producing countries is, of course, tremendous. The Eastern Hemisphere has benefited greatly from this. Its share of the non-Communist oil industry has shown the following growth:

	Percent
Proven reserve:	
1955	73
1960	77
1965	80
Crude production:	
1955	28
1960	34
1965	44
Product demand:	
1955	27
1960	34
1965	45

The income after taxes of the Eastern Hemisphere oil companies was $1,306 million in 1965. The total capacity is 14,200,000 barrels of oil per day of which 8,900,000 barrels of oil per day is produced by only seven companies.

In addition to encouraging the export of American capital to increase reserves and production abroad, the United States, operating under the mandatory oil