

1970

FRANK LA QUE
ONE NEW YORK PLAZA
NEW YORK, N. Y. 10004

December 21, 1970

Mrs. Elisabeth Mann Borgese
The Center for the Study of Democratic
Institutions
Box 4068
Santa Barbara, California 93103

Dear Elisabeth:

With the exception of a few minor details to be discussed further, the condensation of my paper on prospects for deep ocean mining is quite satisfactory.

The minor details requiring attention are:

1. Page 18, para. 5 -- The apparent reference, 34, in the third line should be deleted or corrected.
2. Page 20, para. 3 -- The first sentence should be corrected to read: "Depending on the process used, the form in which the manganese is made available, and the cost of shipping it to market the manganese in nodules might have some value (balance of sentence as it is). Underlined words have been added.
3. Page 21, para. 4 -- The apparent reference (36) should be deleted or corrected.
4. Page 21, para. 7 -- Change the figure "fifty billion dollars" to read "many billions of dollars."
5. Page 22, para. 11 -- Change the date 1985 to read "1980 to 1985."

With respect to deletion of tables X, XI, XII, XIII, you will recall the importance attached in the Malta discussions of the possible serious effect of the substitution of ocean

(continued)

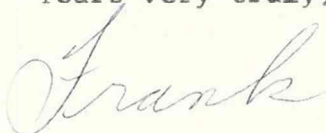
for land sources of metals on the economics of many developing countries. The tables in question provided useful data for illustrating the importance of the metals in the economics of developing countries. To deal with this I suggest that paragraph 7 on page 22 be rewritten as follows:

"In addition, a substantial portion of the world's production of manganese (23.1%) copper (41.7%) and cobalt (89.0%) comes from developing countries* While most of the nickel, etc. (continue with present wording...).

I also suggest inserting a footnote identified by an asterisk over the word countries to read as follows:

* Details of the value of metals production of developing countries in 1967 were presented in a similar paper by the author before the Marine Technology Society in Washington, D.C. in June, 1970 and to be published by this Society.

Yours very truly,



F. L. LaQue

FLL:pf

December 3, 1970

Mr. Frank L. LaQue
67 Wall Street
New York, New York
10005

Dear Frank:

We are in the last throes of editing the Pacem In Maribus anthology to be published by Dodd, Mead next Spring.

It has been an almost impossible job to condense the material to fit the limits required by the publisher. In the case of your own article the publisher suggests the cutting of a few tables with the necessary adjustments in the text referring to these tables. It would seem to me that this is a relatively unbloody operation and I hope you approve of it. I am enclosing a Xerox copy of the cut version. Please let us have your OK as quickly as possible.

All the best for the holidays, and looking forward to seeing you in Paris in January,

Cordially,

Elisabeth Mann Borgese

enc.

Copy sent EMB 9/2/70

FRANK LAQUE
67 WALL STREET
NEW YORK, N. Y. 10005

substitute in
Enterprise
Volume.

August 27, 1970

Mrs. Elisabeth Mann Borghese
The Center for the Study of
Democratic Institutions
Box 4068
Santa Barbara, California 93103

Dear Elisabeth:

Thanks very much for your kind letter of August 11.

I note that you are considering including my paper on ocean mining in the anthology to be published by Dodd and Mead.

Since preparing the draft presented at the meeting in Santa Barbara in April and published as one of the Center's occasional papers, I had occasion to prepare what I believe to be an improved version for presentation before the Marine Technology Society at their meeting in Washington in June. I am attaching a copy of the manuscript of this latest version which could be substituted for the original draft in the proposed Dodd and Mead publication.

Yours very truly,

Frank
F. L. LaQue

FLL:pf
encl.

1971

December 10, 1971

Mr. Frank L. LaQue
Claridge Drive
Verona, New Jersey
07044

Dear Frank:

Thanks very much for sending me the publication on
IDCE. I had not seen it yet and find it very help-
ful.

Looking forward to seeing you in Nice. Merry
Christmas!

We all need a good 1972.

Cordially yours,

Elisabeth Mann Borgese

P.S. We got the grant from the Ford Foundation.

November 29, 1971

Mr. Frank LaQue
Claridge Drive
Verona, New Jersey
07044

Dear Frank:

Thanks for the clipping on Deep Sea Ventures.

I look forward to seeing you in Nice.

With all good wishes,

Sincerely yours,

Elisabeth Mann Borgese
Secretary General
Pacem in Maribus

FRANK LAQUE
CLARIDGE DRIVE
VERONA, NEW JERSEY 07044

November 24, 1971

Mrs. Elizabeth Mann Borgese
P.O. Box 4068
Santa Barbara, California 93103

Dear Elizabeth:

Thanks for the reminder re the continuing Group meeting in Nice in January.

I am planning to attend. I hope to be able to combine this with another mission abroad for which someone else will pay my transportation expenses. So I shall arrange for my own tickets.

In case it escaped your attention, I am attaching a reprint of an item re the Deep Sea Ventures Manganese Nodule Project. The proposed USA legislation is what our panel in Malta hoped could be headed off by the action in the UN Sea Bed Committee which we recommended, perhaps along the lines of the proposal by Roger Revel involving the World Bank.

With best regards,

Frank

Encl :

DALHOUSIE UNIVERSITY ARCHIVES DIGITAL SEPARATION SHEET

Separation Date: June 29, 2015

Fonds Title: Elisabeth Mann Borgese

Fonds #: MS-2-744

Box-Folder Number: Box 107, Folder 10

Series: Publications, drafts, and speeches

Sub-Series: Correspondence regarding Elisabeth Mann Borgese

File: Correspondence with Frank LaQue

Description of item:

Goshorn, Howard. "Deepsea Ventures to Start Ocean Floor Mining in 1973," *The Houston Chronicle* (October 10, 1971).

Reason for separation:

Item has been removed from digital copy due to copyright concerns.

August 11, 1970.

Dr. Frank LaQue
67 Wall Street
New York, N.Y. 10065.

Dear Frank:

Thanks for your very kind letter of July 17, which was forwarded to me to Italy.

Your notes are very helpful, and let me use this occasion to thank you for your splendid cooperation all through the development of this project. Your big paper on the exploitation of mind ~~nodes~~, especially nodules, has been a very important contribution. I intend to include it also in the anthology to be published next year by Dodd and Mead. I'll get in touch with you about that later.

We are busy setting up the P.i.M. Continuing Group for Policy Research and the Interfoundation to finance it. If all goes as well as it seems, we'll have another Convocation next year. We certainly hope to keep you associated with all these efforts.

I hope you are having a good and restful summer.

Yours as ever,

Elisabeth
Elisabeth Mann Borgese
Via Thomas Mann
Forte dei Marmi (Lucca)
Italy.

FRANK LAQUE
67 WALL STREET
NEW YORK, N. Y. 10005

July 17, 1970

Mrs. Elisabeth Mann Borghese
Center for the Study of
Democratic Institutions
Box 4068
Santa Barbara, California 93103

Dear Elisabeth:

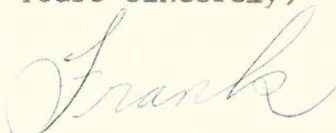
First accept my congratulations on what you managed to accomplish in Malta in the face of the magnitude of the problems which were increased rather than diminished by the difficulty in identifying the substance of so many of the issues.

I have reviewed your summary notes which I picked up at the Malta Hilton before the final banquet. I am attaching some random notes relative to your summary in the hope that you may be able to find something useful in them.

Please accept my thanks for, and this expression of my appreciation of the opportunity that you provided for me to serve on your steering committee and to participate otherwise in your Conference.

If you ever think I could be of further help in reaching your goals, please feel free to call on me.

Yours sincerely,



F. L. LaQue

FLL:pf
encl.

cc: R. M. Sherwood (w/att.)

August 4, 1970

Mr. Frank Laque
67 Wall Street
New York, New York
10005

Dear Mr. Laque:

This is to acknowledge your letter of July 17 addressed to Elisabeth Mann Borgese. She is currently in Italy, where she expects to remain until the first week of September.

I'm forwarding your letter and notes to her there, as I'm sure she will find them of great help.

With all good wishes,

Sincerely yours,

Madeline C. Marina
Assistant to Mrs. Borgese

FRANK LAQUE
67 WALL STREET
NEW YORK, N. Y. 10005

July 17, 1970

Mrs. Elisabeth Mann Borghese
Center for the Study of
Democratic Institutions
Box 4068
Santa Barbara, California 93103

Dear Elisabeth:

First accept my congratulations on what you managed to accomplish in Malta in the face of the magnitude of the problems which were increased rather than diminished by the difficulty in identifying the substance of so many of the issues.

I have reviewed your summary notes which I picked up at the Malta Hilton before the final banquet. I am attaching some random notes relative to your summary in the hope that you may be able to find something useful in them.

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Yours sincerely,



F. L. LaQue

FLL:pf
encl.
cc: R. M. Sherwood (w/att.)

September 13, 1970.

Dr. Frank Laque
67 Wall Street
New York, N.Y. 10065
U.S.A.

Dear Frank:

Thanks for your letter of August 27, which was forwarded to Zuerich. I got here yesterday from a trip to Eastern Europe. All very interesting.

I'll take care of your MS after my return to Santa Barbara the end of this month. Thanks for the substitution.

We are forging ahead, both with research and organization. I'll send you a report after my return.

With all good wishes,

Yours as ever,

Elisabeth
Elisabeth Mann Borgese
Kilchberg/Zuerich, Switzerland

SEP 13 1970

FRANK LAQUE
67 WALL STREET
NEW YORK, N. Y. 10005

August 27, 1970

Mrs. Elisabeth Mann Borghese
The Center for the Study of
Democratic Institutions
Box 4068
Santa Barbara, California 93103

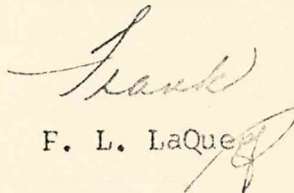
Dear Elisabeth:

Thanks very much for your kind letter of August 11.

I note that you are considering including my paper on ocean mining in the anthology to be published by Dodd and Mead.

Since preparing the draft presented at the meeting in Santa Barbara in April and published as one of the Center's occasional papers, I had occasion to prepare what I believe to be an improved version for presentation before the Marine Technology Society at their meeting in Washington in June. I am attaching a copy of the manuscript of this latest version which could be substituted for the original draft in the proposed Dodd and Mead publication.

Yours very truly,


F. L. LaQue

FLL:pf
encl.

DALHOUSIE UNIVERSITY ARCHIVES DIGITAL SEPARATION SHEET

Separation Date: June 29, 2015

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Box-Folder Number: Box 107, Folder 10

Series: Publications, drafts, and speeches

Sub-Series: Correspondence regarding Elisabeth Mann Borgese

File: Correspondence with Frank LaQue

Description of item:

An unpublished paper:

LaQue, Frank. "Prospects For and From Deep Ocean Mining."

Reason for separation:

Item has been removed from digital copy due to copyright concerns.

FRANK LAQUE
67 WALL STREET
NEW YORK, N. Y. 10005

June 11, 1970

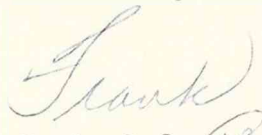
Mrs. Elisabeth Mann Borghese
Center for the Study of Democratic Institutions
Box 4068
Santa Barbara, California 93103

Dear Elisabeth:

Thanks for giving me the opportunity to review your note under the title "Malta and After". To say the least, I was surprised by the statistics on the metal resources of the ocean which you described in the second paragraph on page 2 of your note. Apparently your figures on the amounts of metals that will be reclaimed were based on the dissolved content of sea water. As noted in the paper that I prepared for your Conference in Malta, the recovery of the metals dissolved in sea water will not be economically feasible in the near future if ever. To be at all realistic it will be necessary for you to base your predictions of the recovery of the metal resources from the ocean on what can be retrieved from or below the ocean bottom and primarily the former. Your use of figures such as in the paragraph mentioned is likely to have the principal effect of undermining confidence in other details of your paper which have a better foundation.

To illustrate how fantastic are the figures that you cited I need only point out that the 15 billion tons of copper that you mentioned would take care of present world needs for about 300,000 years and the amount of silver would be sufficient for more than a trillion years.

Yours very truly,


F. L. LaQue

FLL:pf

FRANK LAQUE
67 WALL STREET
NEW YORK, N. Y. 10005

June 8, 1970

Mrs. Elizabeth Mann Borghese
Center for the Study of Democratic Institutions
Box 4068
Santa Barbara, California 93103

Dear Elizabeth:

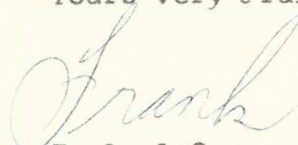
Having just returned to my desk from an extended trip, I have looked into the disposition that was made of your proposal that INCO take an advertisement in your Pacem in Maribus publication.

I regret to have to inform you that the people concerned with this sort of thing in INCO concluded that it would not be appropriate for INCO to run the advertising that you propose.

I am sorry for the delay in relaying this decision.

Best regards.

Yours very truly,


F. L. LaQue

FLL:pf

October 10, 1969

Dr. Frank L. LaQue
Vice President
The International Nickel Co., Inc.
67 Wall Street
New York, New York 10005

Dear Dr. LaQue:

For your information, I am enclosing a copy of a letter to Robert O. Anderson of the Anderson Foundation, which I think will take care of the objections raised by members of the petroleum council.

I do want to thank you for the time you gave me while I was in New York, and look forward to receiving your paper.

I have written to Neil Jacoby asking him to get in touch with Mr. Cabell again.

With all good wishes,

Sincerely yours,

Elisabeth Mann Borgese
Project Director

enc.

Forte dei Marmi, August 8, 1969.

Dr. F.L. LaQue
The International Nickel Company, Inc.
67 Wall Street
New York, N.Y. 10005

Dear Doctor LaQue:

Thanks for your note of July 22.

In the meantime you will have heard that the Ford Foundation turned us down.

I am enclosing a report on my visit to Malta. As you see, we are working hard to get things into shape -- and to reduce costs.

There seems to be great enthusiasm about our study project on the role of the multinational corporation. I am working especially on SHELL and IBM, and hope to get their intellectual as well as their material support. The decision of your Company, of course, might help to determine the decisions of several other companies.

Looking forward to seeing you in the fall (I'll be in New York on September 15), with all good wishes,

Yours sincerely,

Elisabeth Mann Borgese
Elisabeth Mann Borgese.

THE INTERNATIONAL NICKEL COMPANY, INC.

67 WALL STREET • NEW YORK, N. Y. 10005

FRANCIS L. LAQUE
VICE PRESIDENT

July 22, 1969

Mrs. Elisabeth Mann Borgese
CENTER FOR THE STUDY OF DEMOCRATIC
INSTITUTIONS
Box 4068
Santa Barbara, California 93103

Dear Mrs. Borgese:

On the basis of Mr. Adebo's letter to Mr. Swearer at the Ford Foundation, I called my friend Carl Borgmann on Mr. Bundy's staff and informed him that I would be available to give him any details regarding your project that he might wish to discuss with me.

Yours very truly,



F. L. LaQue

FLL:pf

Zuerich, August 27, 1969.

Dr. F.L. LaQue
The International Nickel Company, Inc.
67 Wall Street
New York, N.Y. 10005.

Dear Doctor LaQue:

Following up my letter of August 8, here is a new idea about the intellectual and financial cooperation with PIM, about which I should like to have your opinion before we get any deeper into it.

The idea is to get into an area linking the commercial and the scholarly sphere.

What I have in mind is a beautiful publication -- two hundred pages with about 40 pages illustrations -- whose content is entirely provided by ten or twelve multinational corporations. Each of these would provide a chapter or section. The first section would be put together by all of them. This would be beautifully illustrated and would be publicity pure and simple: machinery for ocean exploration and exploitation produced by various companies; with brief text explanations and forecasts of the use to be made of them. The next section should deal with the new relations between science and industry. IBM would be as good as any to do that job. But we could have several industries contribute to that. A third section could deal with ongoing trends towards internationalizing r & d, as exemplified by the cooperative environmental survey in the Gulf of Alaska which includes American as well as Japanese oil companies. See also President Nixon's recent statement (July 22) about the internationalization of space exploration, and a recent article by Leonid Sedov in PRAVDA, making the same point.

A fourth section, finally, would deal with the "dialogue" between industry and politics; the new legal status toward which the multinational corporation is evolving; forms of participation in decision-making, at the national and international level.

An introduction might be written -- I would hope -- by our Dean Neil Jacoby, or by some one like Richard Bells of Columbia. It should make a first-rate book.

The papers should be of such a quality that they could be used as a basis of discussion for our April preparatory conference, and then they should be readied for publication in June. We

Dr. F.L. LaQue

August 27, 1969.

should print about 200,000 copies, for distribution to all our members and to the members of the PIM Convocation -- all over the world. This is high-power publicity, even though not of a standard-type, but probably the more effective for that. I should think that each participating industry should pay something like \$50,000 -- or more.

What do you think about this plan? Do you think you could get your Company to participate in this form?

I am now studying the matter with IBM, SHELL, and a few others, but would like to have your advice before really getting started.

I'll be in Europe until September 6, then on my way back -- stoppin over in London and New York. In New York I'll be on September 14-16. Any chance of seeing you there? I'll call your office on my arrival.

With all good wishes,

Yours sincerely,

Elisabeth Mann Borgese
Alte Landstrasse 39
Kilchberg/Zuerich
Switzerland

July 11, 1969

Dr. F. L. LaQue
The International Nickel Company, Inc.
67 Wall Street
New York, New York 10005

Dear Dr. LaQue:

Here is the Adebo letter to the Ford Foundation which I mentioned. If you can back it up from your end, it certainly would be useful.

I did see Siebenhausen and it was a very good meeting. I'll talk to you in a couple of days.

Thanks for everything.

Yours very sincerely,

Elisabeth Mann Borgese

Encl.

January 20, 1969

Mr. Frank L. LaQue, Vice President
The International Nickel Company, Inc.
67 Wall Street
New York, New York 10005

Dear Mr. LaQue:

Thank you very much for your thoughtful letter of January 8. It is a valuable contribution to a dialogue that certainly will go on for many years.

It is quite clear that you approach the problem from the point of view of the technical expert, whereas we have approached it with a view to developing international law. The two approaches are, and must be complementary. From a technical and economic point of view I do not doubt that your objections are well taken. I hope I have taken your view properly into account when stating in the "comment" section of our publication: "However this may be, the question of the immediate economic profitability of the oceans seems secondary. In setting out to establish an Ocean Regime, mankind is not just building a business or organizing an industry. The task is far more comprehensive. It is political in the widest sense, a new politics that must harness technology and science, that must constitutionalize science and economy."

The publication of the report of the Commission on Marine Science, Engineering and Resources would seem to make the task of creating a regime more urgent than it was before.

It is very likely that I shall be in New York during the course of the winter, and I shall let you know in advance. It would be good indeed to see you again.

We are going ahead with plans for a major convocation on Malta in June, 1970, and in view of this it would be particularly helpful if we could discuss these matters further.

With all good wishes,

Sincerely yours,

Elisabeth Mann Borgese

cc: Mr. F.G. Blake
Mr. S. N. Futterman



CHEVRON OIL FIELD RESEARCH COMPANY

A STANDARD OIL COMPANY OF CALIFORNIA SUBSIDIARY

LA HABRA LABORATORY

P. O. BOX 446 LA HABRA CALIFORNIA 90631

January 16, 1969

Mr. F. L. LaQue, Vice President
The International Nickel Company, Inc.
67 Wall Street
New York, N. Y. 10005

Dear Frank:

Thanks for your note of the 8th, concerning Mrs. Borgese's "Statute of the International Regime for the Peaceful Uses of the High Seas and of the Sea-Bed Beyond the Limits of National Jurisdiction". I have indeed read her document. Her proposal now seems somewhat less unwieldy than the original one, but I still feel that it is not politically workable. Like you, however, I am more concerned at present with the substance of what is to be managed, rather than the mechanics of the management.

I agree generally with your remarks about the need for international cooperative projects to explore, or reconnoiter, the ocean's resources. As a matter of fact, I am currently trying to compose something on this subject for the next meeting of the International Marine Science Affairs Panel of the Committee on Oceanography of the National Academy of Sciences--or, in today's jargon, for IMSAP/NASCO. I may plagiarize your words a bit!

Like you, I look to the eventual internationalization of the ocean bottom beyond the continental margins, and to the restriction of its use to peaceful purposes. I also agree that there is no pressing need for a new regime. We in the oil industry are having enough problems in the Santa Barbara Channel without worrying about the deep ocean!

Sincerely,



F. G. Blake

FGB:ba0

cc: Mrs. E. M. Borgese
Mr. S. N. Futterman,
Dept. of State

FRANK LAQUE
67 WALL STREET
NEW YORK, N. Y. 10005

January 8, 1969

Mrs. Elisabeth Mann Borgese
Center for the Study of Democratic
Institutions
Box 4068
Santa Barbara, California 93103

Dear Mrs. Borgese:

As a participant in the discussions related to your proposed "Statute of the International Regime for the Peaceful Uses of the High Seas and of the Sea-Bed Beyond the Limits of National Jurisdiction", I was given an opportunity to read it.

I am, of course, in sympathy with your basic desire to achieve an orderly regime under which the resources of the deep seas will be exploited peacefully for the maximum benefit of mankind.

But I am afraid that the structure described in your document will be considered to be top heavy and, therefore, impractical. Its "top heaviness" derives principally from the weakness of its base rather than defects of its top, even though I feel that the latter would suffer from "over organization" in an attempt to accommodate a multitude of interests and expressions of views in sharing planning and authority.

So, putting aside any immediate discussion of how the top might be improved, let us examine the weakness of the base.

This stems from the unreality of the premise that sparked your interest and that of many others. This interest was in response to assertions and convictions that the occurrence of minerals on, or beneath, the deep sea bed represented a new resource of such tremendous value that it was imperative to take prompt action to insure that there would not be a scramble to seize these great resources with the probable result that they would either come into the hands of the most technically advanced nations or become a factor in aggravating conflicts among such nations, both contrary to the interests of the less developed nations of the world.

Against this prospect there could be two equally logical

(continued)

approaches.

You have pursued one of these on the presumption that the reality and magnitude of the new addition to the world's resources required the early establishment of a proper regime for their orderly exploitation.

If, however, the deep ocean mineral resources were to be found to have no substantial value inside of a very long period of time, an attempt to establish a regime designed primarily to deal with their exploitation loses its urgency and its likeliness of attracting enough support to favor its success. This is especially true when the proposed regime encompasses not only the uncertain new resources but, as well, all the old ones, fisheries, communication, transportation, etc. that are already being dealt with by regimes that appear to be satisfactory to everyone concerned with the existing resources.

On the basis of the facts that I presented at your meeting in which I participated last spring, I am thoroughly convinced that this second logical approach has a better foundation than the one you have pursued so ably and so enthusiastically.

In short, people are not likely to recognize or be responsive to an asserted need for a new and more complex international regime solely on the basis of the concept of an additional resource of extremely uncertain value and consequent need for attention. It is also probable that there would be resistance to the imposition of a regime covering all ocean resources to accommodate the special requirements imposed by deep ocean mineral resources even when these have achieved a substantial recognized value.

What ought to be promoted immediately are:

1. Research projects undertaken with International cooperation designed to improve the preservation and exploitation of present resources on a larger scale for the greater benefit of mankind.

2. Parallel cooperative international projects designed to define the nature, occurrence, distribution and magnitude of deep ocean mineral resources as a basis for a) the design of a regime to regulate their ultimate orderly exploitation and b) the development of techniques for their economic exploitation under an appropriate regime.

(continued)

Mrs. E. M. Borgese

-3-

January 8, 1969

3. Efforts through appropriate international agencies to restrict the use of the deep ocean bottoms for military purposes.

4. Means for minimizing pollution of the oceans.

Please understand that I am in sympathy with what you wish to accomplish. I offer these comments in an effort to be critically constructive.

Of course it would be much better if we could find an opportunity to continue this debate at first hand. If you have occasion to be in the New York City area and were to be interested in a meeting with me here, you could give me as much advance notice as practical so that we might make arrangements to get together.

Yours very truly,



F. L. LaQue

FLL:pf

cc: F. G. Blake

S. N. Futterman

FRANK LAQUE
67 WALL STREET
NEW YORK, N. Y. 10005

September 19, 1969

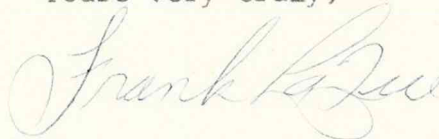
Mrs. Elisabeth Borgese
CENTER FOR THE STUDY OF DEMOCRATIC
INSTITUTIONS
Box 4068
Santa Barbara, California 93103

Dear Mrs. Borgese:

As indicated in our telephone conversation of September 18, your letter of August 27 from Zurich arrived while I was away from New York and could not be attended to sooner.

I am placing your proposal in the hands of my associates capable of giving us some expert judgment as to the wisdom and practicality of what you propose. I will let you know what comes of this in due course. Give me a call when you are next in New York city.

Yours very truly,



F. L. LaQue

FLL:pf

FRANK LAQUE
67 WALL STREET
NEW YORK, N. Y. 10005

October 14, 1970

Mrs. Elizabeth Mann Borghese
Center for the Study of
Democratic Institutions
Santa Barbara, California

Dear Elizabeth:

In case you haven't received a copy
from some other source, I'm providing herewith the
report of the Ditchley Foundation Conference on the
Resources of the Ocean Bed last September.

Yours very truly,



F. L. LaQue

FLL:ess
Enc.

DALHOUSIE UNIVERSITY ARCHIVES DIGITAL SEPARATION SHEET

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Description of item:

An unpublished paper:

LaQue, Frank. "Comments on US Senate Bill S 2801."

Reason for separation:

Item has been removed from digital copy due to copyright concerns.

... non-profit planning organization... and interpreting the activities... of the rural community or area.

The term "rural community project" means a plan for the development of a community or area in which all activities... are coordinated for the development... of the activities under... of a rural community...

The term "lending institution" means any State or State chartered bank, savings association, cooperative lending organization or legally organized lending institution within a rural community area.

The term "rural community" or "area" means any country, or any place, town, or city which is located at least 50 miles from any metropolitan statistical area as defined by the Bureau of the Census.

The provisions of this Act are supplementary to and not in place of any authority under section 701 of the Housing Act of 1954 (42 U.S.C. 1471).

Section 502 (a) The Secretary is authorized to make grants aggregating not to exceed \$200,000 in any fiscal year to rural community planning units to help finance short-range planning for rural communities.

The Secretary shall establish within the Rural Development Administration a new division through which the rural community planning assistance program authorized in section 502(a) and section 503 shall be administered.

All rural development plans financed wholly or in part with grants made under section 502 shall be submitted by the rural community planning unit to the Secretary for approval. The plans may include a comprehensive program considering short-range development goals of the project or they may be two phases with the first stage devoted to the immediate development and construction of improvements, while a second phase of planning may be included to provide long-range future population estimates within the planning area and permit completion of the plan without further or additional planning.

Section 502 (b) The Secretary is authorized to make financial assistance to rural borrowers for the implementation of the rural community project plan, or subprojects of the plan, approved under this title. In providing such assistance, the Secretary is authorized:

(1) To guarantee up to 90 per centum of all lending institutions to rural borrowers for the implementation of approved community projects or subprojects.

(2) To make grants to rural borrowers for needed projects in the case of sparsely settled areas to the extent necessary to complete improvements but not to exceed 10 per centum of the project or subproject.

(3) To pay to the lending institution an amount not to exceed 50 per centum of the interest rate paid to the lending institution and to make such amount available to the borrower as an incentive to reduce the interest rate of borrow where it is necessary to complete the financial plan of the borrower.

(4) To make any combination of assistance authorized under paragraphs (1), (2), and (3) of this section and establish such percentages within the limits of the amount to be made available to the borrower for the rural community project which in the opinion of the Secretary will be most beneficial to the farmer, rancher, or other rural dweller.

(5) To make grants for seed advice and consultation to the farmer, the rural planner, or other rural dweller which shall lead the

(b) The Secretary shall establish a financial division within the Rural Development Administration through which all matters relating to the financing of rural community projects as provided in this section shall be administered.

Section 503. The type of financial assistance authorized under section 502(a) shall be applied according to the following categories of projects:

(1) Water and sanitation systems, which shall include (a) water systems, (b) sewer systems and (c) solid waste disposal systems. These facilities shall be eligible for guaranteed loans under section 502(a)(1), grants under section 502(a)(2), and subsidized interest payments under section 503(a)(3).

(2) Community health and protection, which shall include (a) hospitals and clinic facilities and (b) fire, police, and civil defense facilities. These facilities shall be eligible for guaranteed loans under section 502(a)(1) and subsidized interest payments under section 503(a)(3).

(3) Community services which shall include (a) transportation facilities, (b) recreation facilities, and (c) industrial and economic development to expand employment. These facilities shall be eligible for guaranteed loans under section 502(a)(1).

(4) The Secretary may in his discretion authorize additional services within the foregoing categories consistent with the overall development of rural areas.

Section 503. (a) To further encourage future rural population growth, the Secretary is authorized to guarantee loans made by lending institutions to individuals who desire to purchase land with a house, land and the cost of construction of a house thereon, or construction of a house on land owned by an individual borrower, subject to the following conditions:

(1) The land shall be located in a rural area.

(2) The tract of land on which the house is located or to be located shall not exceed 20 acres in size, and

(3) The land shall not be utilized in the production of any agricultural commodity or the raising of any livestock for market or resale for the duration of the loan.

(b) The Secretary is authorized to pay one percent of the interest charge to the lending institution for the loans authorized by this section for the life of the loan. The Secretary may prescribe such terms and conditions as he deems necessary to protect the interests of the United States and to insure that the payments under this section aids in accomplishing the purposes of this title.

By Mr. METCALF (for himself, Mr. JACKSON, Mr. ALLOTT, Mr. BELLON, and Mr. STEVENS):

S. 2891. A bill to provide the Secretary of the Interior with authority to promote the conservation and orderly development of the hard mineral resources of the deep seabed, pending adoption of an international regime therefor. Referred to the Committee on Interior and Insular Affairs and Foreign Relations, by unanimous consent order.

Mr. METCALF. Mr. President, for some time I have been concerned with two aspects of national policy which, as the years pass, each have a more and more importance and ever come into closer relationship, one with the other. I refer to the need to give productive direction and impetus to the study and resolution of our national minerals policy and our deep sea oceans policy. The one concerns the foundation of the Nation's economic well-being; the other strongly

and scientific leadership in the community of nations.

As a Member of the Senate Interior and Insular Affairs Committee, which maintains a legislative overview of the administration of the Outer Continental Shelf Lands Act and of the Mining and Minerals Policy Act of 1970, and as chairman of the committee's Special Subcommittee on the Outer Continental Shelf, I have become increasingly aware of the vital interdependence between this Nation's mineral policy and its attitudes and actions in ocean affairs.

This awareness was strengthened during the hearings on September 22 and September 23, 1970, by the Committee's Subcommittee on Minerals, Materials and Fuels. These hearings specifically inquired into U.S. policy concerning the recovery of mineral resources from the continental margin and the deep seabed. At that time we heard testimony concerning the Draft United Nations Convention on the International Seabed Area submitted by the U.S. delegation as a working paper on August 2, 1970, at the U.N. Seabed Committee meetings in Geneva.

Of particular interest to the subcommittee at that time, Mr. President, were two related matters:

First, the opinion of representatives from the American Mining Congress, the American Petroleum Institute and the American Bar Association on the extent to which the workingpaper provides sufficient incentive to industry to step up its efforts in the recovery of seabed resources.

Second, the opinion of these witnesses on the adequacy of existing legal arrangements to provide such incentive during an interim period—the period prior to ratification of an international treaty.

The testimony and constructive criticism obtained from these witnesses, together with prior information gathered from a broad range of public and private opinion during hearings of the special subcommittee on the Outer Continental Shelf, led the members of that special subcommittee to the strong conviction that, while the essence of President Nixon's ocean policy statement of May 23, 1970—which preceded the workingpaper—deserved the support of the subcommittee, these two major tasks lay ahead of the committee in the further review of U.S. minerals and oceans policy:

First, to conduct a continuing extensive review of the workingpaper with a view toward seeking modification of it to conform with the subcommittee's interpretation of the President's intent and the recommendations presented in the subcommittee's report of December 21, 1970.

Second, to conduct an investigation of the special problem of an interim policy which would insure continued exploration and exploitation of the natural resources of our continental margin under present law, and would establish appropriate protection for investments related to mineral recovery by U.S. nationals in areas of the deep seabed beyond the limits of exclusive national jurisdiction.

On the second point, Mr. T. S. Atiy of the American Bar Association, in his

that U.S. industry was close to being capable of exploiting the sizable quantities of hard minerals on the seabeds beyond the continental margins, and that domestic legislation was needed. He indicated that such legislation, if adopted in substantially similar form by other nations, could, through the principle of international reciprocity, "become the basis for common rules among nations regarding freedom of development and security of tenure among—ocean—miners."

I then advised Mr. Ary that if his organization would prepare legislation which dealt with the subject matter, I would introduce it for circulation and discussion. I received a draft late last month and shared it with members of the Committee on Interior and Insular Affairs.

I have been asked if legislation is still necessary. One reason for concluding that legislation merits consideration at this time is the increasing evidence that some of the more militant nations represented on the U.N. Seabed Committee would deny U.S. industry effective access to the minerals of the deep seabed. The first evidence of this was in December 1969 when some members of the U.N. Seabed Committee offered a resolution purporting to deny any nation access to deep seabed minerals until a future seabed treaty entered into force. The sponsors of this "moratorium resolution" hoped that by rapidly assembling a paper majority, they could overturn well-established international law doctrines which form the basis for the rights upon which U.S. nationals and the nationals of all other countries, may rely in ocean mining operations.

The U.S. delegation to the U.N., in voting against this "moratorium resolution" in the General Assembly indicated the commitment of this Nation to continued, unfettered seabed resources activity by U.S. nationals. Responding to my December 23, 1969 letter of inquiry about the moratorium resolution, John B. Stevenson, legal advisor to the Department of State, responded as follows in reference to this point:

The Department does not anticipate any efforts to discourage U.S. nationals from continuing with their current exploration plans. In the event that U.S. nationals should desire to engage in commercial exploitation prior to the establishment of an internationally agreed regime, we would seek to assure that their activities are conducted in accordance with relevant principles of international law, including the freedom of the seas and that the integrity of their investments receives due protection in any subsequent international agreement.

It was partly out of his concern for the advancement of U.S. deep ocean technology and his interest in insuring that access by U.S. citizens to the minerals of the deep ocean floor remain unimpeded that our chairman, Senator Henry M. Jackson, assigned two staff members as observers to the July-August 1971 session of the U.N. Seabed Committee meeting in Geneva. The observers were Charles E. Cook, Jr., majority counsel and Merrill W. England, my administrative assistant.

They have reported to our chairman. At least one of their conclusions of fact causes some concern. It is that U.S. private enterprise seeking to move forward with the development of deep ocean technology is apparently being threatened by an international political movement.

According to the staff report:

A few militant nations expressed the view that the mineral resources of the deep seabed, beyond the limits of exclusive national jurisdiction, should be set aside for the sole use of developing nations and that an international monopoly, controlled by the developing nations, should exercise exclusive jurisdiction over the exploration, exploitation, processing and marketing of all deep seabed minerals. The power to limit production and fix prices by the regime is advanced on the theory that uncontrolled production could depress the prices of commodities produced onshore, upon which their economies depend. The Latin American countries put the above concept in more concrete form by presenting a working paper calling for an "enterprise" arrangement. The "enterprise" would constitute the organ of the international seabed authority which would be empowered "to undertake all technical, industrial or commercial activities relating to the exploration . . ." of the deep seabed "and exploitation of its resources. . . . The enterprise shall have independent legal personality. . . ." Thus, any person or corporation wishing to participate in mining the deep seabed would be forced to subject himself to the terms and conditions laid down by the officers of the "enterprise," who presumably would have the authority to refuse to allow any participation, or at best a joint venture arrangement, the terms and conditions of which would reportedly favor the "enterprise." These inferences are derived from the premise upon which the Latin American nations propounded their concept of an "enterprise." That is to say that the international agency would have the exclusive authority, as the agent for mankind, to explore and exploit the deep seabed.

The report, which I hope will be published as a committee print, contained the understandable recommendation that the committee should "develop legislation aimed at reinforcing U.S. rights to mine the deep seabed, encouraging continuation of U.S. leadership in deep sea technology and providing a climate conducive to U.S. investment in deep seabed exploration and exploitation."

Due to an apparent adverse international political climate, deep seabed mining by U.S. nationals may be in jeopardy. This possibility justifies consideration of legislation at this time.

Notwithstanding these international developments, however, whether legislation is presently appropriate must also be determined by the state of existing technology. For, if present U.S. deep ocean mining technology exists solely in the imaginations of a few engineers, legislation at this time would certainly be premature, so we take a look at the facts.

Programs to develop the techniques and equipment necessary to recover marine nodules, rich in manganese, copper, nickel, and cobalt, have been reported in the technical and general press. Commercial programs conceived and privately funded prior to announcement of the President's policy have resulted in recent and rapid increases in domestic deep ocean mining capability. Two operations

in 1970 recovered such marine resources for the purpose of testing recovery equipment necessary to later-planned commercial operations. One such effort was carried out by Deepsea Ventures, Inc., an American company, using hydraulic dredging and an airlift pump. The other was a Japanese effort using a continuous rope to which dredge buckets were attached. Both efforts satisfied the expectations of their developers who are continuing their programs.

The American firm announced in 1971 that it was operating a pilot-plant which successfully converted marine nodules to commercially salable metals with acceptable efficiency, a breakthrough which many had forecast to lie far in the future. It also announced soon after that it was prepared and eager to file an immediate claim on the minerals in a specific mid-Pacific mine site and complained that it was unable to identify any agency, national or international, which had the will or competence to grant such a claim.

In the meantime, Hughes Tool Co. and the operators of the *Glomar Challenger*, *Global Marine, Inc.*, quietly proceeded with a deep ocean mining program which, according to reports, has a 35,000-ton ocean mining ship under construction and scheduled for completion in 1973. According to Dr. V. E. McKelvey of the Department of Interior's Geological Survey, a total of some 19 organizations in five nations are actively engaged in the development of technology associated with the recovery and processing of these deep ocean ores. These operators are fully occupied with the task of surmounting major technological and natural risks and, as a result of this preoccupation, naturally wish to reduce to a minimum the risks caused by such undertakings.

As a result of these technological and international developments, the American Mining Congress submitted the Deep Seabed Hard Mineral Resources Act in response to my request. It is structured to order only the affairs of U.S. nationals vis-a-vis each other, recognizes the legitimate interests of other nations in the uses of the seabeds and international ocean, and provides for its own subordination to any subsequent international agreement on a seabeds regime accepted by the United States. I introduce the Deep Seabed Hard Mineral Resources Act, for myself, Mr. JACOBSON, Mr. ALDRICH, Mr. BULLMON, the senior minority member of the Special Subcommittee on the Outer Continental Shelf, and Mr. STAVENHAGEN, also a member of the subcommittee.

I hope that its circulation and the resulting discussion will further the diligent mission of the Senate Interior and Insular Affairs Committee to aid the executive branch in formulating positions of ocean resource and minerals policy and to oversee developments in these areas generally. While the need for legislative action at this time seems to be clear, our introduction of the legislation does not necessarily represent an endorsement of each of its provisions. The sponsors of this bill intend to press for early hearings on this bill in the light of developing U.S. seabeds minerals poli-

ley, to provide incentive for the continued exploration and exploitation of the minerals on our continental margins and on the deep seabed beyond the limits of exclusive national jurisdiction.

I ask unanimous consent that the bill and a summary be printed at this point in the Record.

There being no objection, the bill and summary were ordered to be printed in the Record, as follows:

S. 2801

A bill to provide the Secretary of the Interior with authority to promote the conservation and orderly development of the hard mineral resources of the deep seabed, pending adoption of an international regime therefor

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Deep Seabed Hard Mineral Resources Act."

SEC. 2. [Definitions]

When used in this Act—

(a) "Secretary" means the Secretary of the Interior;

(b) "deep seabed" means the seabed and subsoil vertically below lying seaward and outside the Continental Shelf of the United States and the Continental Shelves of foreign states, as defined in the 1958 Convention on the Continental Shelf;

(c) "block" means an area of the deep seabed having four boundary lines which are lines of longitude and latitude, the width of which may not be less than one-sixth the length and shall include either of two types of blocks: (i) "surface blocks" comprising not more than 40,000 square kilometers and extending downward from the seabed surface to a depth of 10 meters; (ii) "subsurface blocks" comprising not more than 500 square kilometers and extending from 10 meters below the seabed surface downward without limitation;

(d) "hard mineral" means any mineral, metalliferous mud or other nonliving substance other than oil, gas, hydrocarbons and any other substance which both naturally occurs and is normally recovered in liquid or gaseous form;

(e) "development" means any operation of exploration and exploitation, other than prospecting, having the purpose of discovery, recovery, or delivery of hard minerals from the deep seabed;

(f) "prospecting" means any operation conducted for the purpose of making geophysical or geochemical measurements, bottom samples or comparable activities so long as such operation is carried on in a manner that does not significantly alter the surface or subsurface of the deep seabed;

(g) "commercial recovery" means recovery of hard minerals at a substantial rate of production (without regard to profit or loss) for the primary purpose of marketing or commercial use and does not include recovery for any other purpose such as sampling, experimenting in recovery methods, or testing equipment or plant for recovery or treatment of hard minerals;

(h) "person" means any government or unit thereof and any juridical or natural person;

(i) "reciprocating state" means any foreign state designated by the President as a state having legislation or state practice or agreement with the United States which establishes an identical policy and practice comparable to that of the United States under this Act;

(j) "international registry clearinghouse" shall mean a recording agency or organization designated by the President in cooperation with reciprocating states;

SEC. 3. [Secretary's powers; requirement of license]

The Secretary shall administer the provisions of this Act and may prescribe such regulations as are necessary to its execution. No person subject to the jurisdiction of the United States shall directly or indirectly develop any portion of the deep seabed except as authorized by license issued pursuant to this Act or by a reciprocating state. Nothing in this Act or any regulation prescribed thereunder shall preclude, or impose any restriction upon, scientific research or prospecting by any person of any portion of the deep seabed not subject to an outstanding license issued under this Act or by any reciprocating state, or shall require any applicant for a license or any licensee to divulge any information which could prejudice its commercial position.

SEC. 4. [Exclusive licenses; limitations and conditions]

(a) The Secretary shall issue licenses pursuant to Sec. 5, recognizing rights, which shall be exclusive as against all persons subject to the jurisdiction of the United States or of any reciprocating state, to develop the block designated in such license, as follows: (i) as to each surface block, the rights shall extend to manganese-oxide nodules and all other hard minerals at the surface of the deep seabed or located vertically below to a depth not exceeding 10 meters; (ii) as to each subsurface block, the rights shall extend to all hard minerals located more than 10 meters beneath the surface of the deep seabed.

(b) Where a subsurface block leased to one person is subjacent to a surface block leased to a different person, the licensee of the subsurface block shall have the right to penetrate the surface block and the Secretary shall prescribe regulations to prevent undue interference by one with the other, giving reasonable priority to the first licensee. No license shall preclude scientific research by any person in licensed areas where such activities do not interfere with development by the licensee.

(c) Every license issued under this Act shall remain in force for 15 years and, where commercial recovery of hard minerals has been achieved from a licensed block within 15 years, such license shall remain in force so long as commercial recovery from the block continues. The Secretary shall prescribe, as conditions for every license issued pursuant to this Act, minimum annual expenditures as specified in Sec. 7, and requirements to protect the environment, prevent unreasonable interference with other ocean uses, and promote arbitral settlement of disputes. Where circumstances beyond the control of a licensee impair its ability to develop any portion of the deep seabed held under such license, the term of the license and the dates for complying with any other license condition shall be extended for an equal length of time.

SEC. 5. [Licensing procedure; clearinghouse]

(a) A license as specified in Sec. 4 shall be issued by the Secretary to the first qualified person who makes written application and tenders a fee of \$3,000 for the block specified in the application, except for portions of the deep seabed excluded from licensing pursuant to Sec. 6. A person shall be deemed qualified for a license under this Act if and only if that person is a citizen of the United States, or a corporation or other juridical entity organized under the laws of the United States, its States, territories or possessions, and meets such technical and financial requirements as the Secretary may prescribe in order to assure effective and orderly development of the licensed portion.

(b) The Secretary shall act upon each license application within 60 days of its filing, and if the license is not issued or is issued for less than the entire portion of the deep seabed sought in the application, the Secretary shall be announcing his action to the applicant state nations in writing for de-

clining to issue the license for the entire portion sought. The Secretary shall, and the applicant or licensee may, notify within 14 days the international registry clearinghouse of the filing or withdrawal of an application for a license under this Act, the issuance, denial, expiration, surrender, transfer or revocation of such license, or the relinquishment of any licensed portion of the deep seabed.

(c) The function of the international registry clearinghouse shall consist solely of keeping records of notices of applications for licenses, the issuance, denial, transfer or termination of licenses, and the relinquishment of licensed portions of the deep seabed. Its records shall be available for public inspection during the business hours of every working day. Pending designation of such clearinghouse, notice to the Secretary shall constitute notice to the international registry clearinghouse within the meaning of this Act.

SEC. 6. [Areas withdrawn from licensing; density limitations]

(a) No license shall be issued under this Act for any portion of the deep seabed (i) which has been relinquished by the applicant under license issued by any state within the prior 3 years; (ii) which is subject either to a prior application for a license or an outstanding license under this Act or from a reciprocating state, provided that notice thereof has been received by the international registry clearinghouse within 14 days of such application or license; (iii) which if licensed would result in the applicant holding under licenses issued by any State or states more than 30 percent of that area of the deep seabed which is within any circle with a diameter of 1250 kilometers where the licensed area consists of surface blocks and 125 kilometers where the licensed area consists of subsurface blocks; or (iv) which if licensed would result in the United States licensing more than 50 percent of such area.

(b) No license shall be issued or transferred under this Act, and no person subject to the jurisdiction of the United States shall have any substantial interest in any license issued by any state, which would result in any person directly or indirectly holding, controlling or having any substantial interest in licenses for any portion of the deep seabed licensed by any state which that person could not hold directly under this Act because of the limitations of items (i) and (iii).

SEC. 7. [Minimum annual expenditures]

It shall be a condition of each license issued under this Act that the licensee make or cause to be made minimum expenditures for development of each licensed block in the following amounts per block until commercial recovery from such block is first achieved:

Year	Amount per year
1	\$100,000
2-5	\$250,000
6-10	\$350,000
11-15	\$700,000

Expenditures for off-site operations, facilities, or equipment shall be included in computing required minimum expenditures where such on-site expenditures are directly related to development of the licensed block or blocks. Expenditures in any year in excess of the required minimum may be credited to later years by the licensee.

SEC. 8. [Relinquishment; transfer or loss of license]

(a) Within 10 years of the date any block is licensed under this Act and not later than the start of commercial recovery from such block, the licensee shall by written notice to the Secretary relinquish 75 percent of such block mentioned laterally. The relinquishment shall be such that the unrelinquished area conforms to the shape of a block as defined under Sec. 2(c). The licensee

shall select the area of the block to be relinquished and as many as four contiguous blocks of the same type held by the licensee may be treated as a single unit for purposes of selecting the 75 percent to be relinquished.

(b) Any license issued under this Act may be surrendered at will and, on written consent of the Secretary, transferred to any person who qualifies under Sec. 5(a) and is not precluded from holding such license by Sec. 6(b). Such license may be revoked for willful, substantial failure to comply with this Act, any regulation prescribed thereunder, or any license condition, in a proceeding in an appropriate United States District Court, provided that the Secretary has first given the licensee written notice of such violation and the licensee has failed to remedy the violation within a reasonable period of time.

Sec. 9. [Escrow fund]

A fund shall be established for assistance, as Congress may hereafter direct, to developing reciprocating states. The United States shall deposit in this fund each year an amount equivalent to 1 percent of all license fees collected during that year by the United States pursuant to Sec. 5(a) and an amount equivalent to 1 percent of all income tax revenues derived by the United States which are directly attributable to recovery of hard minerals from the deep seabed pursuant to licenses issued under this Act, provided that the amount deposited by the United States per license issued and per unrelinquished square kilometer under license shall not exceed the amount contributed for assistance to developing reciprocating states by other licensing reciprocating states (except developing states) per license issued by them and per unrelinquished square kilometer licensed by them. For the purposes of this section, "developing reciprocating state" means a reciprocating state designated by the President, taking into consideration per capita gross national product and other appropriate criteria.

Sec. 10. [Investment protection]

(a) Licenses issued under this Act may be made subject to any international regime for development of the deep seabed hereafter agreed to by the United States, provided that such regime fully recognizes and protects the exclusive rights of each licensee to develop the licensed block for the term of the license, and provided further that the United States fully reimburses the licensee for any loss of investment or increased costs of the licensee incurred within forty years after issuance of the license due to requirements or limitations imposed by the regime more burdensome than those of this Act. The United States shall bear any payment of whatever kind required of the licensee under the international regime. The Secretary shall determine in the first instance the amount owing on all claims for reimbursement under this subsection.

(b) On annual payment by any licensee of a premium of \$— per \$1,000 of insured risk of loss, the United States shall guarantee to reimburse the licensee for any loss caused through any interference by any other person (whether or not violative of international law) with development by the licensee pursuant to the license and from any loss caused by recovery by any person not authorized by the licensee of hard minerals from any block subject to such a license. The Secretary shall determine in the first instance the amount owing on all claims for reimbursement under this subsection.

Sec. 11. [Non-discriminatory treatment]

All hard minerals recovered from the deep seabed under a license issued pursuant to

this Act shall be deemed to have been recovered within the United States for purposes of the import and tax laws and regulations of the United States and such laws and regulations shall be administered so that there shall be no discrimination between hard minerals recovered from the deep seabed and comparable hard minerals recovered within the United States.

Sec. 12. [Penalties; rights of action]

(a) Any person subject to the jurisdiction of the United States may be enjoined from directly or indirectly violating this Act or any regulations prescribed thereunder, interfering with development pursuant to any license issued under this Act or by any reciprocating State, or removing without authority of the licensee any hard minerals from any block subject to such a license. Any such person who directly or indirectly commits such violation, interference, or removal, shall be liable to any person injured thereby for actual damages. Any such willful violation, interference, or removal by such person shall be a misdemeanor punishable by up to six months' imprisonment, a fine of \$2,000, or both.

(b) The United States District Courts shall have original jurisdiction to enforce subsection (a) and to revoke licenses under Sec. 8(9), and such actions may be initiated in any judicial district where the defendant resides or may be found. Any regulation prescribed by the Secretary under this Act, any issuance, denial or condition of a license under this Act by the Secretary, any consent or refusal of consent by the Secretary to the transfer of such license, and any determination of the Secretary allowing or disallowing reimbursement under Sec. 10, shall be subject to judicial review on petition of any interested person in accordance with Ch. 158 of Title 28 of the United States Code.

Sec. 13. [Enactment date; separability]

This Act shall take effect on the date of its enactment. If any provision of this Act or any application thereof is held invalid, the validity of the remainder of the Act or of any other application shall not be affected thereby.

SUMMARY—DEEP SEABED HARD MINERAL RESOURCES ACT

Section 2. Definitions.

Section 3. Vests authority in Secretary of Interior to exercise "in personam" (as opposed to territorial) jurisdiction over U.S. miners on the high seas. Requires all U.S. miners to submit to this authority or that of recognized reciprocating State.

Section 4. Grants rights enforceable against all U.S. Citizens, nationals, or juridical persons.

1. Exclusive use of mine site.
2. 15 year development period.
3. Exploitation as long as commercial recovery continues.
4. Surficial minerals 40,000 km² reducable to 10,000 km².
5. Subsurficial minerals 500 km² reducable to 125 km².

Section 5. Rights arise from domestic license (cost \$5,000). International registry is only an information clearinghouse.

Section 6. Limits State or Operator from exceeding 50% of 20% within 1250 km diameter circle. (Such a circle has an area 120 times that of a surficial claim after relinquishment.)

Section 7. Minimum expenditures to inhibit speculation and claim freezing:

- Year 1, \$100 K.
- Year 2-5, \$100 K/yr.
- Year 6-10, \$500 K/yr.
- Year 11-15, \$500 K/yr.

Amounts can be carried forward if in excess of minimum.

Section 8. Relinquish 75% of rock at start of commercial recovery or 10 years, whichever first.

escrow fund based on a % of fees and income taxes paid. Distribute as Congress may direct.

Section 10. 1. Interim licenses subject to International Regime if:

2. U.S. agrees to reimburse for increased costs or lost assets (w/140 years) due to act of Regime.

3. Provides OPIC-type insurance (at a premium) for interference originating external to Regime or prior to Regime.

Section 11. Seabed production deemed domestic production. Acts of U.S. resulting in conditions more burdensome than those imposed on land-derived minerals prohibited.

Section 12. Sets up civil and criminal jurisdiction over subject persons.

Section 13. Saving clause.

Mr. BYRD of West Virginia, Mr. President, I ask unanimous consent that a bill introduced today by the Senator from Montana (Mr. METCALF) and others relative to the development of hard mineral resources of the deep seabed, pending the development of an international regime therefor, be jointly referred to the Committee on Interior and Insular Affairs and the Committee on Foreign Relations.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. MATHIAS (for Mr. MUNDT):

S.J. Res. 171. Joint resolution to authorize and request the President to issue a proclamation designating the month of March 1972, as "Exceptional Children Month." Referred to the Committee on the Judiciary.

Mr. MATHIAS, Mr. President, the year 1972 marks the 50th anniversary of the National Council for Exceptional Children. This organization has sought with persistence and considerable success to acquaint Americans with the problems and opportunities involved in working with exceptional children.

There are an estimated 9,000,000 children in America today who come within the definition of being exceptional. Was it not for the devoted efforts of the national council and of its member organizations all across the country, many of these children would be hidden, neglected, or forgotten in some dark corner of national consciousness. As a result of their efforts, however, more and more exceptional children are being enabled to lead lives which are healthy, happy, and productive.

The national council plans to celebrate its 50th anniversary by expanding its activity. Next March it will stage a national conference aimed at focusing attention on these children and their needs. Each State will be asked to undertake programs for public education and the enlistment of support.

To assist in the publicizing of this event, and to extend the call for support of this fine work, I am pleased to introduce on behalf of the Senate, the South Dakota (Mr. MUNDT) a joint resolution to designate March of 1972 as National Exceptional Children Month.

ADDITIONAL CO-SPONSORS OF THIS AND JOINT RESOLUTION

8 2105

At the request of Mr. MATHIAS, Senator from Alaska (Mr. CHASE)