

augment the substantial investment that was being made in new sealift ships by the Navy.

Within the last several years, Congress has authorized and appropriated funds to install special defense features in new commercial vessels to be built in the shipyards of the United States. Most recently, as a result of the leadership of my colleague from Pennsylvania, Mr. WELDON, Congress included in the National Defense Authorization Act for FY 2001 a provision that would expand the Secretary of Defense's ability to fund militarily useful projects under the NDF program.

Since the NDF program was launched, Congress anticipated that our allies would recognize the mutual defense benefits of promoting the program on their trade routes with the United States. One particular project that has received attention called for ten commercial vessels to be built in the United States based on a design funded and approved by DARPA's Maritime Technology Program. These vessels would normally operate in the Japan-United States vehicle trade, which is at present entirely dominated by Japanese carriers. This project is also important to maritime labor and our new domestic shipyards, which continue to support our NDF program and to look for new, viable commercial projects.

Notwithstanding past expressions of support by senior government officials, this expectation has not been realized. Unfortunately, the Government of Japan

In view of the US role in providing security for our allies in the Far East, it hardly seems appropriate that defense concerns expressed by our government should not have been met with a more positive response by our allies in the region. Past discussions with the Japanese government have not yielded desired results, as the NDF program continues to be characterized as one with limited military value. This position has been contradicted by two US Navy reports on the NDF program. Given our past history of military cooperation with the Japanese government, the reluctance encountered on the NDF program, especially in light of its military value, has been somewhat surprising.

Unfortunately, the Japanese government's position appears to have been driven by commercial rather than governmental factors. Japan, like other nations, supports its merchant marine with financial assistance, including direct construction loans at artificially low rates of interest.

The reason our carriers are effectively being excluded from this market is the Japanese *kereitsu* system of doing business. It is not price, but rather the interwoven industrial and financial structure that closes this market, like so many other sectors of the Japanese economy, against international competition. This situation makes it quite difficult for a fleet of US built and operated ships which are commercially competitive and have significant defense value to both nations to break through the economic fence encircling the Japanese vehicle trade.

Despite this resistance, I continue to hope that the Government of Japan and the vehicle manufacturers will ultimately recognize the merits of supporting the NDF program, espe-

cially given the longstanding support of the Department of Defense. Last year, the former Secretary of Defense and the

Given past experience, these new communication channels may not prove enough. That is why today, along with my colleague from Pennsylvania, Mr. WELDON, I am introducing the National Defense Features Program Enhancement Act. Under this bill, if the Federal Maritime Commission finds that vessels built under the NDF program are unable to obtain employment in a particular trade route in the foreign commerce of the United States for which they are designed to operate, and if that sector of the trade route has been dominated historically by citizens of an allied nation, the Commission can take action to counteract the restrictive trade practices that have led to this situation.

I wish it were not necessary to introduce legislation to encourage support for a program so self-evidently in the mutual security interests of allied nations, and that through consultation between our Nation and Japan we can begin to undertake the much-needed recapitalization of our aging Ready Reserve Force. Should that not prove the case, I look forward to working with my colleagues to move forward this legislation.

NATIONAL DEFENSE FEATURES
PROGRAM ENHANCEMENT ACT
OF 2001

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 2001

Mr. WELDON of Pennsylvania. Mr. Speaker, I am pleased to join my colleague from New Jersey, Mr. FRELINGHUYSEN, in introducing the National Defense Features Program Enhancement Act of 2001, a bill we intend to push to enactment if the Government of Japan, the Japanese vehicle manufacturers, and the Japanese carriers continue to undermine our efforts to breathe life into the National Defense Features program.

We created the NDF program because we believed it would be the most cost-effective way to augment the substantial investment that is being made in new ships by the Navy. Having seen one very attractive proposal by which vessels would be built to carry cars from Japan to the United States and refrigerated products on the return leg, we authorized and appropriated funds in the mid-1990s to jump start the program. Since then, we have continued to look for ways to make the program as attractive as possible to companies to build ships in the United States for operation in the United States-Japan and other trades. Last year, for example, Congress approved as part of the National Defense Authorization Bill for FY 2001 a provision that would expand the Secretary of Defense's authority to finance appropriate projects under the NDF program.

In authorizing this program, we had hoped that the Government of Japan in particular

would find mutual defense benefits in promoting it. We have written the Prime Minister, we have met with the Ambassador, we have received expressions of support from the Vice President of the United States and our Secretary of Defense in the prior Administration, and yet nothing seems to have come of our efforts so far.

Unfortunately, we have regularly heard the same response. The Government of Japan insists that the decision to employ NDF tonnage is strictly a matter for the vehicle manufacturers and shipping companies to make since it involves a commercial matter. They in turn have argued that, since the program focuses on mutual defense, the Government should take the lead. As so often happens, no one has been willing to step forward to take the initiative.

As our colleagues can no doubt appreciate, our patience is beginning to wear thin. I understand our able Deputy Secretary of State, Rich Armitage, has recently indicated the importance of mutual defense burden sharing. Perhaps we will finally see some movement. If not, the time to legislate will have arrived.

Our bill is designed to create the necessary incentives for the Government of Japan and the vehicle and shipping interests to promote the NDF program. If the Federal Maritime Commission finds that vessels that would be built in the United States under the NDF program are not employed in the particular sector of a trade route in the foreign commerce of the United States for which they are designed to operate and if that sector of the trade route has been dominated historically by citizens of an allied nation, then the Commission shall take action to counteract the restrictive trade practices that have led to this situation.

We trust all concerned appreciate our determination to bring the NDF program to life.

TRIBUTE TO STEWART BELL, JR.
OF WINCHESTER, VA

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 2001

Mr. WOLF. Mr. Speaker, I rise today to honor a remarkable gentleman from Virginia's 10th Congressional district, Mr. Stewart Bell, Jr. known to many as "Mr. Winchester."

A fitting name indeed, for in the words of one local paper, *The Winchester Star*, "few men are as one with their hometown or its history as Stewart Bell, Jr."

Stewart's remarkable ties to Winchester, and his deep appreciation for history gave him the foresight to sound alarms when urban and commercial development threatened the historic Grimm Farm property in Winchester and Frederick county, Virginia, the site of two critical Civil War battles (The First and Second Kernstown). Mr. Bell worked successfully to educate local officials about the historical importance of the land and the need to preserve it.