

**BOB DOLE**  
1ST DISTRICT, KANSAS

UNION HOUSE OFFICE BUILDING  
AREA CODE 202  
225-2715

COMMITTEE:  
AGRICULTURE

DISTRICT OFFICE:  
101 FEDERAL BUILDING  
GREAT BEND, KANSAS 67530  
AREA CODE 315  
SW 3-5423

-5-  
**Congress of the United States**  
**House of Representatives**  
**Washington, D.C. 20515**

BARTON	HODGEMAN	RAWLINS
CHEYENNE	JEWELL	REPUBLIC
CLARK	KEARNY	ROOKS
CLOUD	KIOWA	RUSH
DECATUR	LANE	RUSSELL
EDWARDS	LINCOLN	SALINE
ELLIS	LOGAN	SCOTT
ELLSWORTH	MEADE	SEWARD
FINNEY	MITCHELL	SHERIDAN
FORD	MORTON	SHERMAN
GOVE	NESS	SMITH
GRAHAM	NORTON	STAFFORD
GRANT	OSBORNE	STANTON
GRAY	OTTAWA	STEVENS
GREELEY	PAWNEE	THOMAS
HAMILTON	PHILLIPS	TREGO
HASKELL	PRATT	WALLACE
		WICHITA

**STATEMENT OF HONORABLE BOB DOLE BEFORE THE COMMITTEE ON WAYS AND MEANS,  
U.S. HOUSE OF REPRESENTATIVES, JULY 2, 1968**

Mr. Chairman, this Nation is drifting toward an unprecedented dependence on foreign oil. The serious economic decline of the domestic oil industry is a result of the systematic dismantling of the mandatory oil import program.

The United States is currently importing almost 3 million barrels of foreign oil per day. Options available to the Department of the Interior could increase that flow to flood-tide proportions in the months ahead.

**- Basis of Mandatory Oil Import Program was Defense -**

When the mandatory oil import program was initiated under President Eisenhower in 1955, the Congress and the Administration recognized the crucial position the domestic oil industry held in the defense of the Nation.

Since that time, international developments have documented the soundness of that reasoning. The Vietnam war, the closing of the Suez Canal, renewed pressure on Berlin, periodic Red Chinese attacks on her neighbors, the illegal seizure of the United States warship PUEBLO, the French upheaval, increased Soviet presence in the Mediterranean, and a host of other occurrences all serve to underscore the precarious political balance abroad.

A sustained United States response to all these pressures demands many things. Our response demands resolve, fortitude, military flexibility; and -- equally important -- a totally reliable petroleum supply. The domestic oil industry is the only oil industry not subject to the vicissitudes of international politics.

**- Imports Have Caused Decline at Home -**

Most regrettably, Mr. Chairman, the domestic oil industry is subject to the vicissitudes of the import policies of the Administration. This Administration's policies have created the most serious decline in the domestic oil industry since the depression. This is happening, I might point out, at a time when a reliable fuel supply was never more essential.

Let me document our decline at home. The following facts demonstrate the extent and gravity of the crisis:

---- Exploratory wells drilled in 1967 are down 35.1% from the 1957-1959 averages.

---- Employment in the domestic industry is down 18.6% from the 1957-1959 levels.

---- Crude oil prices -- in the face of gross inflation -- are down 1.4% from the 1957-59 levels.

---- Oil profits have consistently run below manufacturing industry's profit margin for over a decade.

**- Legislation is Needed -**

The guidelines of the mandatory oil import program are being ignored. Loopholes in the program are currently allowing an average of 180,000 barrels per day. Petitions for increased imports are receiving favorable consideration by the Department of the Interior with alarming frequency.

Mr. Chairman, the defense of this Nation is our first consideration. The economic health of those vast areas of the United States where the domestic oil industry is predominant is of vital concern to all of us. In my opinion, the only way to assure proper import controls -- the only way to assure proper safeguards for the defense of the Nation's fuel supplies -- is for the Congress to enact legislation pending before your committee writing the import limitation into law.

**- Dole Bill Pending -**

I have introduced H.R. 10689, now pending before your committee. This legislation would write the 12.2% of consumption import limitation into statute law. The loopholes would be closed. Hopefully, the economic revitalization of the domestic oil industry could begin.

Mr. Chairman, I urge this committee to report a bill which will assure such economic revitalization. Much of my State of Kansas is economically dependent on oil. Hundreds of counties across America are in decline because of the stagnation of this once vibrant industry.

For our economy at home, for our defense abroad, I recommend enactment of meaningful legislation to reverse these alarming trends.