



THE JOINT CHIEFS OF STAFF
WASHINGTON 25, D. C.

18 January 1954

Dear Senator Ferguson:

This is in response to your inquiry requesting my views on the national security aspects of S. 2150, a bill which provides for the creation of the Saint Lawrence Seaway Development Corporation to construct part of the Saint Lawrence Seaway in U. S. territory, authorizes the corporation to consummate certain arrangements with the Saint Lawrence Seaway Authority of Canada relative to construction and operation of the seaway, and empowers the corporation to finance the U. S. share of the seaway cost on a self-liquidating basis and to establish cooperation with Canada in the control and operation of the Saint Lawrence Seaway.

The Joint Chiefs of Staff have carefully considered S. 2150 and have especially noted that, in contrast to previous bills in connection with the Saint Lawrence Seaway, the dams and power works which have been included as an integral part of former proposals, although still a condition precedent to our participation in the navigation works, will be financed separately by the Saint Lawrence Seaway Authority of Canada and an entity designated by the State of New York at no cost to the United States Government. Also for the first time, the deepening of the connecting channels in the upper Great Lakes is not included as part of this bill. United States participation under S. 2150 is therefore limited to the construction of deep-water navigation works including two canals and three locks in the International Rapids section, together with necessary dredging in the Thousand Islands section. It was noted in the Report of the Committee on Foreign Relations on S. 2150 that the total estimated cost to the United States for its part in the construction of the Saint Lawrence Seaway is \$105,000,000. It was further noted that the Saint Lawrence Development Corporation, which would be created by this bill, is to be self-liquidating.

The construction of this seaway would afford access of a relatively protected route to additional sources of high-grade iron ore. It is well-known that our own reserves of high-grade iron ore were materially depleted in World War II, and as a result we must increasingly rely in the future on alternative sources of supply. With every passing year, the depletion of these reserves in the Mesabi Range continues and the urgency of our need for a dependable, low-cost transportation link to the iron ore deposits in Quebec and Labrador increases. Construction of the seaway would afford the necessary access to these additional sources of high-grade iron ore. Furthermore, the rich iron ore deposits in Southern Newfoundland could also be profitably reached by this seaway. The importance of the project increases as accelerated exploration of the areas surrounding the

mouth of the Saint Lawrence results in discovery of other needed metals. There are rich coal deposits in Nova Scotia and important finds of lead and zinc have been made in Northern New Brunswick. Significant deposits of copper are located in Quebec and an important find of titanium has been made in Southern Labrador. Labrador also has recently revealed a find of manganese.

It is our understanding that Canada desires, and has made it increasingly clear that she intends, to proceed, unilaterally if necessary, without United States participation. Failure of the U. S. to participate at this time in the navigation features of the seaway would result in the construction of all the locks on the Canadian side of the Saint Lawrence River wholly outside U. S. territory. As a result, no part of the seaway locks and lateral canals would ever be under the control of the United States. The United States would not have a voice in the control of the traffic through the seaway on an equal basis with Canada. The United States would then necessarily have to depend upon Canada to evaluate and take steps necessary to protect its interest in the matter of the operation of the seaway, not only in relation to toll charges and priority of transportation in times of emergencies, but also in relation to the physical security and control of the seaway. Although the Joint Chiefs of Staff can hardly conceive of a war in which we would be involved with Canada remaining neutral, from a national security viewpoint we cannot ignore the possibility of such an eventuality. Since it is not customary for neutral nations to permit the use of their inland waters to belligerents, its use could possibly be denied to us at the very time we needed it most by a failure on our part to participate jointly with Canada in the construction of the waterway, thereby insuring joint control to the United States. The concept of unilateral control by a foreign government, however cordial our relations may be, of an inland waterway touching the borders of the United States is inconceivable to the Joint Chiefs of Staff from a defense standpoint. Therefore, from our viewpoint, U. S. participation in its construction which, in effect, would give us equal control, is just as important from the national security aspect as the seaway itself.

In amplification of the need for a protected route to additional sources of high-grade iron ore, I need hardly remind you of the difficulties we experienced in World War II in shipping needed oil and bauxite from Gulf Coast ports and from South America to the Eastern Seaboard. Should war ever be forced upon us again, our estimate is that the submarine threat will not be any the less but, on the contrary, present indications are that it will be greater.

This is more clearly illustrated by the fact that Germany entered World War II with a total of only about 50 submarines, and at the present time Russia possesses over 300 submarines. It is our understanding that the only alternative sources of rich iron ore in the Western Hemisphere are located in the Quebec-Labrador area and in Venezuela. In view of the potential threat of the Russian submarine, it would be an unacceptable military risk to rely solely on our ability to safely supply our tremendous steel mills with iron ore from Venezuela.

In addition to assuring the United States, in time of emergency, the full benefits of joint participation in a shorter, more protected overseas route to the British Isles and Europe for transportation of military cargo, our joint participation in the construction of the seaway would also afford access to additional shipbuilding and repair facilities, and would partially relieve our present dependence upon ore delivery through the locks at Sault Sainte Marie. Should we fail to participate jointly with Canada, then admission of foreign ships to American waters would be solely in the hands of, albeit a friendly one, a foreign nation. Defense of the seaway from sabotage and military action would be beyond U.S. responsibility. Should capacity of space of the seaway become a critical factor, then Canada would have control over priorities on the seaway use and various ships and cargoes in wartime, as well as in peacetime.

The mutual interdependence between Canada and the United States from a strategic standpoint is becoming increasingly more important every day. All of our plans for defense of the Western Hemisphere against the threat of a possible air attack are closely intertwined with those of Canada. Realistic plans for the continental defense of the United States rely heavily on the continued mutual cooperation between the U.S. and Canada. Although our views in favor of joint participation are based primarily on the military necessity of the seaway as an essential element of our continental transport system, we cannot fail to appreciate the added spirit of mutual friendship and cooperation which joint participation in the construction and operation of the seaway will undoubtedly promote.

In view of the above, the Joint Chiefs of Staff consider the joint participation in the construction and operation of the Saint Lawrence Seaway as necessary in the interests of national security, and strongly recommend the enactment of the bill now under consideration in the Senate, S. 2150.

Sincerely yours,

(Sgd) Arthur Radford

Honorable Homer Ferguson

United States Senate