

April 16, 1975

"beneficiary developing countries" (formerly called "LDC's"). Costs of manufacturing bearings in the Western European countries and in Japan are approaching the high U.S. costs. In the near term, some sizes and types of American made ball bearings can be competitive with the foreign made bearings, both in the U.S. market as well as in other countries which do not restrict or discriminate against imports, especially imports from the United States.

That competitive status will be lost by the early 1980's. The major producers will seek lower cost sources. Also, the protect-domestic-manufacturers policy of countries such as Brazil and Mexico will encourage the establishment of factories within their borders.

The U.S. market is the largest and most open market in the world. If MFN status for the Communist countries and preferential (zero) duty for the LDC's are granted, Fafnir must anticipate that the domestic market will be overwhelmed with foreign-made bearings. Already there are new Japanese bearing plants in Taiwan, South Korea and Brazil. There are new bearing plants in Eastern European countries, built with Japanese know-how. The results are predictable: A substantial loss of jobs; inability of U.S. producers to invest in additional productive capacity; and, possibly, a movement of the manufacturing and engineering technology out of the United States.

RECOMMENDATIONS

For the reasons stated above, Fafnir strongly urges that all ball bearings be removed from the list of products for possible negotiations. The injuries resulting from prior concessions have been well documented. Why should products so vital to the national security—classified by the Department of Defense as a pacing component—be sacrificed as an aid to the possible or wished-for increase in exports of some other product?

One fact must be remembered: A tariff concession, whether by the United States or by another nation, on ball bearings will not increase to any material degree the normal international trade in antifriction bearings. The only result of further tariff concessions will be a planned predatory increase in ball bearing imports. As the domestic industry proved to the ITC, only the Japan manufacturers, concentrating on a few carefully selected high volume sizes of radial ball bearings, were the real beneficiaries of prior concessions—not the U.S. industry!

It should be noted that the British and German bearing manufacturers supported the U.S. Bearing Industry before the ITC. It should also be noted that several of the E.C. member countries impose some type of effective restriction on the importation of bearings from Japan.

For many years Fafnir and the U.S. Bearing Industry have supported the concept of Fair Trade. We urge that the import restrictions imposed by Japan and a few other nations be removed. Tariff concessions by the United States in the past have not accomplished that result. No optimism can exist for the result of further bearing concessions.

The foregoing reasons for excluding antifriction bearings from the negotiations list also are reasons why, in the alternative, Sectoral Negotiations would be appropriate. True Sectoral Negotiations could lead to removal of import restrictions—whether penalty-rate-tariff or nontariff or a combination—and thus lead, on a country by country basis, to Fair Trade for antifriction bearings.

If Fafnir can be of any further assistance to the Commission or its staff, or provide any data, we would be happy to do so.

Respectfully yours,

W. E. DeCAULP,

Assistant to the President and Division General Counsel.

ROCKEFELLERS FUND MAOIST REVOLUTIONARY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 16, 1975

Mr. McDONALD of Georgia. Mr. Speaker, on April 1, one of the more diligent promoters of a new world order, the Rockefeller Foundation, announced the awarding of 34 "humanities fellowships" in a new \$600,000 program "to illuminate and assess the values of contemporary society."

I find it outrageous that one of these grants, which average at over \$15,000 for 1 year, has been awarded to H. Bruce Franklin, an award Maoist Communist revolutionary, for a study of "literature created by persons who became writers through prison experiences."

The public record of Bruce Franklin's activities indicates Howard Bruce Franklin was born February 28, 1934, in Brooklyn, N.Y. He attended Brooklyn, Friends High School where he was student body president, and Amherst College from which he graduated magna cum laude in 1955. After graduation, Franklin worked for a short time as a mate on a tug boat in New York harbor before enlisting in the U.S. Air Force. In the Air Force, Franklin was a navigator and intelligence officer in the Strategic Air Command.

Franklin left the Air Force in 1959 to study for a Ph. D. at Stanford University. Stanford hired him as an assistant professor of English as soon as he was awarded his doctorate. He retained that post for 3 years.

In 1964, Franklin moved to Johns Hopkins University in Baltimore, Md., where he held the post of assistant professor. He became involved in Democratic Party politics to the extent of serving as a precinct captain during the 1964 Presidential election. The following year, he returned to Stanford and was promoted to associate professor.

In 1966, during a sabbatical in France, Franklin states he met some Vietnamese Communists and became a Marxist-Leninist-Maoist. He commenced his career as a revolutionary on March 21, 1966, when he and 70 other demonstrators disrupted a Redwood, Calif., City Port Commission meeting at which the commissioners were considering leasing two acres to the United Technology Center for a napalm plant. After his initiation into revolutionary politics, Franklin, a specialist on the works of Herman Melville and on early science fiction switched to teaching such courses as "Literature and Revolution," and "Marxism-Leninism."

Bruce Franklin and his wife, Jane, led an escalating series of violent disruptions and confrontations on the Stanford campus. The university fired Franklin and obtained an injunction barring him from campus.

In the mid-1960's Franklin was a founding member of the Red Guard, formed in emulation of the Communist Chinese youth organization during the

Cultural Revolution. The Red Guard, later renamed and reorganized with elements of Students for a Democratic Society as the Bay Area Revolutionary Union, advocated preparation for immediate armed struggle.

In 1971, Franklin led his ultra-militant faction out of the Revolutionary Union to form the Venceremos Organization, VO. Franklin and the VO called for whites to unite with minority revolutionaries to fight a "people's war" against capitalism which was to be sparked by the outbreak of urban guerrilla warfare. The VO collected firearms and explosives.

Franklin and the VO in general exhibited a weapons fetish, filling the pages of the VO newspaper with drawings of guns, appearing at press conferences brandishing weapons, and reciting Chairman Mao's maxim—

Every Communist must grasp the truth, "Political power grows out of the barrel of a gun."

No doubt Franklin's new expertise in "literature created by persons who became writers through prison experience"—mostly degenerates and revolutionaries like George Jackson, Jean Genet, and Eldridge Cleaver—was developed after his Venceremos cadres entered the prison movement in California in 1971. For the next 2 years, VO cadres actively recruited among the more alienated and violence-prone prisoners developing shock troops for the planned revolution.

In October 1972, members of the Venceremos central committee planned and carried out the escape of a prisoner, Ronald Wayne Beaty, himself a VO recruit. Using two cars to force the vehicle transporting Beaty to a halt, in approved Tupamaros style, the VO members murdered one guard and seriously wounded the second. Four VO revolutionaries were eventually convicted for their parts in this crime.

After the Beaty attack, the Venceremos Organization came under pressure from law enforcement investigators during the legal proceedings. By the spring of 1973, VO began to collapse. At the end of summer, Bruce Franklin announced that the Venceremos Organization was "defunct."

It is of interest to note that during this period of collapse, the East Bay Venceremos collectives broke away and in conjunction with some of the revolutionary prisoners they had recruited formed the Symbionese Federation. It was from the Symbionese Federation which numbered perhaps some 50 persons that the Symbionese Liberation Army emerged on November 6, 1973, when it murdered Oakland school superintendent Marcus Foster.

In effect, tax-exemption is the equivalent of a Government subsidy and increases the tax burden on taxpayers. I am sure that the great majority of American taxpayers share my indignation at the granting of tax-exempt money to as notorious an enemy of America as Bruce Franklin. It is high time that the tax codes were overhauled to correct this and many other inequities.

Wm. J. G. after session