

## Book Review

# Plumptre's three decades

By Arthur Blanchette

Wynne Plumptre's *Three Decades of Decision: Canada and the World Monetary System, 1944-75* is a jewel of a book. Written in a crisp, attractive style, it studies a group of complex subjects such as foreign exchange, the balance of payments and related international financial problems with clarity, even elegance.

In his introduction, Plumptre raises the question "whether it is really possible to produce, on a subject that is often considered to be recondite and obscure, a book that will be useful". He has more than succeeded. His book can be commended to expert and layman alike, both of whom will derive pleasure and profit from its pages. (Considering the problems facing the Canadian dollar today, the work is most timely.)

*Three Decades of Decision* concentrates on two main subjects, each of which is closely intertwined with the other. The first is a history of the evolution of the Canadian dollar since the 1930's, with good clear explanations of its upward and downward movements over the decades. The titles of his chapters about the dollar marshal its vicissitudes in an order both coherent and easy to remember: "The Search for a Defensible Dollar, 1945-1949"; "A Floating Dollar, Buoyant Years: 1950-1956"; "A Floating Dollar, Cross Purposes: 1957-1962"; "A Fixed Rate Revisited, 1962-1970, including the New Float of 1970". This side of the book also provides an excellent account of the international economic climate in which the Canadian dollar evolved, in particular Canada's financial relations with Britain and the United States. As a result, his volume encapsulates much of Canada's international economic policy since the Second World War.

His treatment of the United States is extremely knowledgeable. He served in Washington for many years and knew his way around its financial corridors. His analyses of United States policies often benefit from this insider's point of view. While he does not take a pro-American line as such in his treatment of Canadian relations with the United States, his views on Canada's early postwar relations with the United States, which did much to set the pattern of the future, can hardly be called revisionist. In his own words:

It is true, and it was true at the time, that the new international institutions, largely fashioned in Washington, were designed to serve the international interests of the United States. The charge that they could in many respects be considered as the creatures of American "capitalist imperialism" can in a sense be accepted. It does not follow, however, that their establishment and operation were contrary to Canadian interests as perceived at the time or subsequently by Canadian Governments or Canadians generally. The kind of postwar world the Americans, in collaboration with the British, were attempting to build was one that was in large measure well adapted to Canadian requirements, and as a result of Canadian efforts the adaptation was improved.

In this connection it is interesting to note that he agrees in part (p. 84) with the views of Professors Granatstein and Cuff on the pattern of "exemptionalism" formalized during the Second World War, though he does not accept the substance of their interpretation.

The second subject on which he concentrates is the International Monetary Fund and other international financial or economic institutions such as the Organization for Economic Co-operation and Development - their origins and evolution, the conditions out of which they emerged and that they were designed to correct, the many financial problems they

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