

Third: If we refuse to export our own raw materials to other countries, they can refuse to export their raw materials to us. As a result, we would both suffer. Certainly we would, for some of our most efficient industries - aluminium, for example - would fold up overnight if they could not import raw materials from outside of Canada.

Fourth: We would encourage war. For there is no disagreement that the manifold trade restrictions of the 1920's and the 1930's certainly conduced to World War II. Hitler's Lebensraum argument that his country had to have colonies and the like was false, but it was perhaps the incorrect exposition of a point that was quite true, namely, that to Germany raw materials were absolutely vital. Having few of her own, her industries and people would starve if they could not get them. When the rest of the world, for whatever reasons and by whatever methods, prevents that nation from getting the foreign exchange with which to pay for and import raw materials, it in effect refuses to supply the raw materials. If as in Germany's case, the raw materials are vital to the nation's survival and it cannot get them by trade, there is a great temptation to secure them some other way. Take a Canadian example: we use what would otherwise be the waste waters of the Saguenay River at Shipshaw to produce \$150 million a year worth of aluminium out of the bauxite from British Guiana and fluorspar from Greenland. If we cannot get these by foreign trade, our capital investment becomes valueless and the \$150 million per year becomes waste waters and our aluminium workers are out of a job. What then would our attitude be if we were a powerful nation and these essential raw materials were shut off arbitrarily, either directly by a ban on their export or by a refusal to provide Canada with foreign exchange by buying Canadian goods? And aluminium is not an isolated case. Our resources are substantial, but they are in no sense complete, and some of them are by no means inexhaustible. For many years, the importation of coal, oil, iron ore, bauxite, wool, cotton, rubber and a variety of essential exotic food-stuffs, to name only a few of our imports, were all essential to the maintenance of Canada's production. We, therefore, are of the opinion that for Canadians the end result of any policy of quotas and restrictions can only be impoverishment, not only of our own country, but of the world at large. This was certainly its effect in the period between World War I and World War II. Our Government, therefore, has always resolutely followed the opposite policy of encouraging multilateral foreign trade. With other countries, particularly since World War II, we have laboured, with a considerable measure of success, at international trade conferences and elsewhere, by loosening restrictions upon, to enlarge multilateral world trade. Our aim has always been to provide expanding markets, not only for our own products, but for those of other nations. For they also need markets in which to sell their produce for the moneys with which they buy our products from us. This policy has been successful, and its success is the basis of a large part of Canada's present economic activity and prosperity. Thus, when friendly critics, or critical friends, or sometimes critics who are not friends, suggest it would improve Canada's position to join this group or that bloc of nations and let the rest of the world go by, our reply is that none of these groups or blocs seemed to have worked very satisfactorily; and that in any case, it