

*External Affairs*

tariff restrictions in their campaign of 1945, at Bretton Woods conference and in other situations—to blame those tariff restrictions on a desire on the part of western Europeans to fight against the United States economy.

If there ever was fabricated and propagated a more colossal falsehood than that, I must say it has never come to my attention. Yet hon. members have risen in this House of Commons consistently and participated in that fantastic falsehood.

No. 6: The need to lend abroad is even greater now; but there is this difficulty, that today such loans cost the nation money. The United States, in order to advance those loans nationally, must either increase her tax structure or increase her debt, something which the people of the United States are not going to be disposed to do, and which they are going to resist with more and more determination as the days go by.

So that the device of foreign lending for the United States as a means of mitigating the discomfort she will feel because of her need to export is going to become decreasingly available to the United States government. That is a solemn fact, and cannot be disregarded by anyone who is careful in his estimate of the situation.

The question arises: So what? That is what we ought to be talking about in this House of Commons, instead of a lot of foolish froth about recognizing this, that and the other nation, fighting communism and all the rest of it, which, when all taken together, does not amount to a teaspoon of concentrate. That is the sum total of what we have listened to in two debates; it is just so much froth. It has no meaning at all, having regard to the real problem which faces the nation.

What are the trends in the United States? Does it look as though she is going to change her ways? In the first place she has become more self-sufficient through synthetic industries. To all people who come in contact with this statement, I recommend a fine article in the *Reader's Digest* of December, 1949. This article is called "No wonder the world is short of dollars" and is written by C. Lester Walker. He names a large number of essential commodities which the United States at one time was obliged to import, and which she no longer needs to import because she has discovered synthetic processes by the use of which she can produce these various commodities in her own land.

Cryolite is the first one named; it is used in the manufacture of aluminum. The United States imported from Greenland 11,000 tons in 1939; but the United States developed synthetic cryolite in world war II, and will

[Mr. Blackmore.]

manufacture 27,000 tons in 1950. The United States is therefore going to have cryolite to sell abroad. Greenland, a colony of Denmark, will send a mere few thousand pounds. What does that mean? That means that Denmark and Greenland at least will be denied access to United States dollars to the extent of the cryolite not exported.

Then as to rubber, which she used to buy from such countries as Malaya, for example, from which Canada used to buy hers mainly, I am informed. In 1940 the United States imported 1·8 billion pounds of rubber. In 1944 United States plants were turning out 2 billion pounds of synthetic rubber. Where did the United States dollars go for those countries that used to supply that rubber? They evaporated. Can they ever be brought back? Of course they cannot. Does anyone pretend that the United States would be so egregiously stupid as to begin to buy her rubber abroad and to discontinue her manufacture of synthetic rubber? Do you think that we would do that? Would we dismantle the Sarnia rubber plant? Not a member of this house would vote for such nonsensical behaviour. Well, so many United States dollars are gone!

Then as to mica. In 1939 the United States imported from India 95 per cent of what she used. But the United States armies captured from the Germans the process for making synthetic mica; and so good-bye to the mica source of United States dollars and India's share therein, with all the possibilities of Britain's trading goods to India for United States dollars which she got for India mica, thus rendering moneys convertible.

Then as to camphor. Before 1933 the United States imported camphor from Formosa. Since 1933 the United States has come to produce more camphor than she can use, so she has camphor for sale on the world market. Probably she will send it in to Formosa and compete with Formosa's camphor. Who knows?

Those four commodities are merely examples of what has been going on in the United States economy during the last thirty years. At page 36 of the *Reader's Digest* Mr. Walker states:

That country has now developed an almost fantastic economic self-sufficiency. No other people in history has anywhere near equalled it. The United States, always rich in many basic materials like coal and iron, has become almost literally the Colossus of Everything.

May I just say this, Mr. Speaker. As we sit here in the House of Commons, if the people of the country could just look down now upon our Conservative friends, the very