

his speech. Maybe I was a little too severe in what I said, but here are some of the considerations which led me to make that statement. It was impulsive; it was not planned, but it was based upon some facts which I shall now give.

In 1935 in the United States they were capable of producing enough goods and services, \$135 billion worth of them, to give every family in that country \$4,400 worth of goods and services a year. That was possible without in the slightest degree adding to their equipment. Those who desire to find authentication for that statement will find it in a first-class publication in our library called "The Chart of Plenty" by Dr. Harold Loeb, an unchallengeable authority. This book was published in 1936.

According to President Truman, in the United States in 1954 it is going to be physically possible for them to give to each family \$5,000 worth of goods and services a year. That is not in money, but in goods and services. This condition is discussed in the *Ottawa Citizen* of January 6, 1950, page one.

This is No. 1: What conceivable use has a nation like that for some of our goods, except a few such as asbestos and other things they may need, to supplement their own tremendous resources and productive power?

Secondly, the United States is a great industrial nation, as well as a great primary producing nation. One of the major blunders, in my judgment, in the thinking of men around me is that people somehow or other, both in the United States and outside it, have the idea that the United States is going to be able to import goods, just as Great Britain was able to import goods when she was the great creditor nation of the world. There is as much difference between Great Britain, almost a have-not nation, and the United States which is almost completely self-sufficient, and becoming more so every day she exists, as there is between the poles.

Until we can think clearly enough to adjust this colossal error in our thinking, we shall never be able to approach a solution of the problem which confronts us, as that problem arises out of the facts concerning the United States.

Thirdly, as a consequence the United States has an enormous urge towards exporting.

Fourth, she has a strong resistance against importing. In a publication called "The Measure of a Nation" we find at page 3 that by 1960 the United States will be able to turn out six times as much per man-hour of work as she was able to turn out in 1850. At page 90 of this book we are told that in 1944 the United States harvested 10 per cent more acres and

produced 20 per cent more crops and livestock products than she did in 1939, but with 17 per cent fewer workers.

Here is another source of serious error on the part of men who think about the United States. She is in an age of abundance in which she is likely to have unemployment, a shortage of purchasing power and a lack of home markets, which helps to explain her general attitude. It has been estimated that at the present time there are upwards of \$4 billion worth of surplus agricultural products now in the hands of the United States government.

Fifth, the United States found it necessary to lend abroad through private investors on an extensive scale right after world war I. The productive capacity of that country has vastly increased since that time, and her self-sufficiency has been enhanced. She is going to be forced to engage in a policy of foreign lending, if she is going to be able to sell her goods abroad, on a far wider scale than that which she used after world war I.

May I read two short excerpts from an excellent booklet to which I have referred, and to which other members of my group have referred but to which, strangely enough, no one from any other group has ever referred, although from time to time they have been told about it. This is a publication called "The United States in the World Economy" which was issued as a United States government document in 1943. It bears directly upon post-war conditions. At page 5 we find this:

During the four years from 1926 through 1929 the amount of dollars supplied ranged between \$7,300 million and \$7,500 million, and foreign incomes and spending habits and the international debt structure were fairly well adjusted to this level.

That indicates the extent to which the United States had found it necessary to go in her foreign lending by 1926. Then she discontinued that foreign lending policy and thereby brought on the calamitous depression. This quotation on the same page indicates the cause of the great depression:

The abrupt fall in the dollar supply by some \$5 billion, or 68 per cent, over the short space of three years, necessitated vast changes in the foreign use of dollars and in the economic systems from which the demand arose.

May I pause to comment at that point. The United States by withdrawing those \$5 billion from the European countries and from other countries forced them to put up tariff barriers of all sorts to protect their economies, forced them for example to begin to raise wheat, no matter what it cost—as happened in France and Italy. Then the important United States officials had the incredible gall to blame those