

p.c. in 1958. However, shipments of powdered, condensed and evaporated milk were 58.0 p.c. higher in value following a similar gain in 1958 and there were large increases for butter, cheese and eggs, as well as a slightly higher value for fur skins.

Imports.—The import increase in 1959 was widespread, affecting all the major commodity groups and most leading products. The iron and steel group, with imports of \$2,092,100,000, accounted for about two-thirds of the over-all import decline in 1958 and was responsible for about half the gain in 1959. Among the leading imports in this group, passenger automobiles and farm implements, the only commodities which went counter to the general downtrend in 1958, continued to increase in 1959. Passenger automobiles rose 41.0 p.c. to \$199,600,000, as against 32.8 p.c. in 1958, British and European cars accounting for most of the increase. Farm implements and machinery went up by 25.6 p.c. as compared with 8.6 p.c. in 1958. Non-farm machinery, as usual the largest import category, increased 9.8 p.c. to \$585,200,000 and recovered about half of the decline occurring in 1958. Automobile parts rose by 20 p.c. to \$288,600,000 and more than offset the 1958 decrease. Tractors and parts, which declined by 8.1 p.c. in 1958, advanced in 1959 by 46.7 p.c. to \$172,100,000. Imports of engines and boilers remained unchanged, but slight increases in cooking and heating apparatus and tools and a substantial increase in freight automobiles brought these three categories somewhat above their 1957 levels. Rolling-mill products, at \$131,300,000, continued to decline from the peak of 1956 and returned to slightly above the level of 1955, and pipes, tubes and fittings registered their second consecutive decline dropping to \$55,300,000 from the record value of \$147,700,000 reached in 1957.

The non-metallic minerals and products group, which fell in 1958 by 12.2 p.c. mainly because of a general decline in fuel imports, went up in 1959 by 3.3 p.c. to \$705,600,000. Shipments of petroleum at \$277,500,000, the third ranking import, were virtually unchanged and the same situation prevailed for gasoline. Fuel oils more than made up for a decline in 1958, but imports of bituminous and anthracite coal were lower. Largely as a result of a 12.2-p.c. increase to \$269,400,000 for electrical apparatus and a more moderate increase for bauxite and alumina, the non-ferrous metals group rose by 9.0 p.c. to \$471,300,000 but was still below the level of 1957.

The agricultural and vegetable products group, which registered little change from 1957 to 1958, rose in 1959 by 4.8 p.c. to \$683,800,000. Imports of crude rubber, with a value increase of 69.2 p.c. to \$52,100,000, contributed about two-thirds of the increase for the group as a whole. There were also gains for fruit juices and syrups, and soybeans. At \$56,600,000, imports of raw sugar were somewhat lower in value, following a 22.5-p.c. drop in 1958, and there was also a further decline for coffee. A slight decrease took place in citrus fruits, but there was little change in value of fresh vegetables imported. Imports in the animal products group increased for the fifth consecutive year, with a gain of 13.7 p.c. to \$146,600,000.

Imports in the fibres, textiles and products group went up by 8.5 p.c. to \$420,200,000, following a 5.2-p.c. decline in 1958. The largest increase of 26.4 p.c. took place in apparel, and there were moderate advances in cotton fabrics and synthetic fabrics. Imports of wool fabrics were almost unchanged and those of raw wool increased, but there were lower purchases of raw cotton. The chemicals and allied products group showed a 12.6-p.c. increase to \$327,000,000 in 1959, as against a 1.2-p.c. decrease in 1958, with gains in synthetic plastics and drugs and medicines. The wood, wood products and paper group went up at a much higher rate than in 1958, showing an increase of 15.6 p.c. to \$272,300,000. There were higher imports of paper products and logs, of timber and lumber, and of books, newspapers and magazines. In the miscellaneous products group, an almost 20-p.c. drop for aircraft was offset by gains in refrigerators and freezers, in medical, optical and dental goods and in scientific equipment.

International Background.—The international economy in the postwar years up to the outbreak of the Korean war was conditioned by problems of reconstruction and international economic disequilibrium, associated with inadequate supplies to satisfy