

WORLD HORIZONS

By GARDNER HARDING

The story of World Trade as dramatized in the Exhibit –
World Horizons – of General Motors Overseas Operations in
the General Motors Building at the New York World's Fair

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WORLD HORIZONS

When George Washington was inaugurated the first President of the United States, our entire population was less than the number of people who live in the single state of New Jersey today. Four million Americans, a poor nation, a fourth-rate power, embarked on a destiny little regarded by the rest of the world. It was twenty-five years before we doubled those meager numbers and equaled the modern population of New York City.

In the 150 years that have succeeded since those beginnings, we have achieved a greatness that makes comparisons seem almost unreal. At the New York World's Fair of 1939 the entire Continental Army, at its full strength, could be brought through the gates in less than fifteen minutes. The amount of money being spent for their exhibits at the Fair by sixty foreign nations — \$25,000,000 — exceeds the entire budget of our Government during Washington's first four-year term of office.

The New York World's Fair, and the Golden Gate International Exposition no less, focus our imagination on the continuance of this amazing growth into the World of Tomorrow. The commanding perspective it reveals today is that of a World Horizon. The United States has come to be the most highly developed industrial and productive community on earth and has taken its place, as the wealthiest of all nations. In achieving this growth we have sacrificed forever the privilege of living exclusively to ourselves. Every rivet that set up this great Fair; every rail that brings visitors to it; every component of its color, its light, its dynamic architecture, testifies to the part that all the nations of the earth play in America's greatness. The Fair shows us clearly that our future inevitably demands more and more international commerce in the World of Tomorrow, as the surest guarantee for our future peace and progress.

Isolationists tell us that world trade is a spent force. They ask why we Americans, the most nearly self-sufficient people in the world, should try to scale the barriers raised against our exports, and should let down our tariff fences to admit more imports. With America welcoming the world to two great international Fairs in 1939, it is incumbent upon us to recognize that world trade is *not* a spent force. The fact is that in 1938, in spite of all the obstacles to trade and all the threats of war, commerce among nations amounted to 90 per cent of its 1929 volume. Our own international trade has followed this powerful impulse: our national production in 1938 was 80 per cent of its 1929 volume, and our exports were likewise almost exactly 80 per cent of the volume we exported ten years ago.

Exports and American Prosperity

In other words, the \$3,100,000,000 of American products which we sold to other nations in 1938 again approach very nearly the traditional ten per cent of our production which held steadily for more than a generation before the depression. Prices are lower than they used to be; let's not be confused by that.

The point to remember is that the share in our productive industry which so often guarantees a fair profit—the bloom on the peach, the cream in the coffee—still comes from the sale of our commodities abroad.

Other nations are on the job. We handle scarcely 14 per cent of the world's exports today, compared with an all-time high of 15½ per cent in the miraculous year of 1929. But during the last three years in succession we have carried our export volume forward at a substantially better rate than the world average. We, too, are moving.

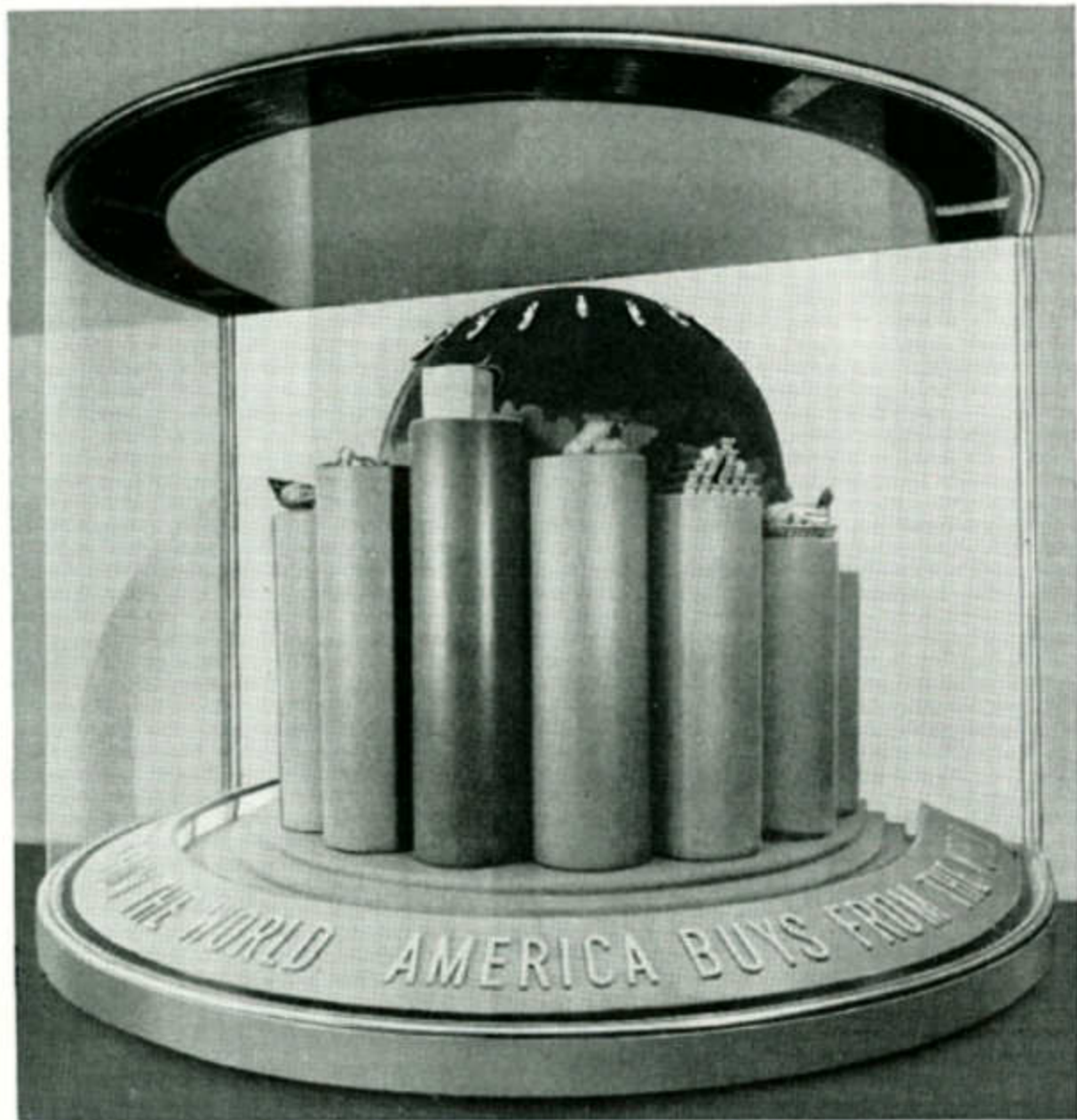
Our foreign trade has a stubborn vitality. How else can we account for an expansion in America's export sales by 52 per cent in the past five years?

Imports and American Prosperity

A diminished foreign trade means a diminished America. It means a reduction of our sales by the export-margin of profit. It means, similarly, a decreased ability to participate in the abundant wealth that the rest of the world has to offer to us. Our curve of imports, no less than our curve of exports, has followed faithfully the rise and fall of our do-

**AMERICA
BUYS
FROM THE WORLD**

This exhibit shows the principal imports which contribute to America's standard of living, in their approximate and relative proportions. The movement of light and shadows indicates the flow of products to the United States.





**AMERICA
BUYS
FROM THE WORLD**

Here the bars have turned around to show the dollar volume of these essential imports and the countries of their origin.

mestic activity ever since we became an industrial nation. Industrial employment has always been highest when imports were highest, and lowest when imports were lowest.

Exports, obviously, cannot exist alone. Imports are the other leg on which a profitable foreign trade must travel, and if you examine what these imports are, you will understand why it is that the United States would come to grief without them.

Tropical Treasures

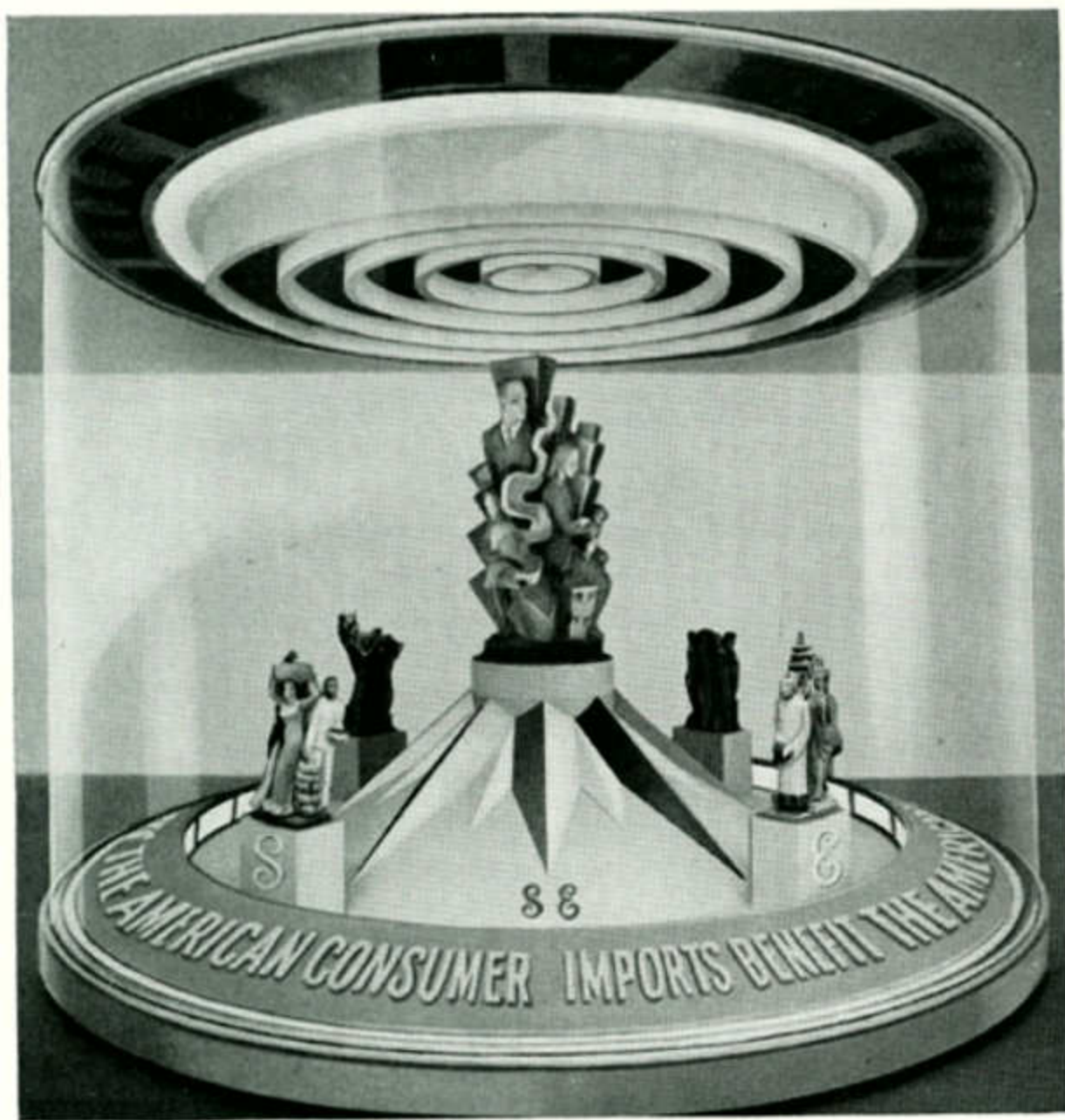
At the pinnacle of our imports stands rubber, that natural product of the terrific solar energy of the tropics which will defy man-made substitutes for many years to come. In the steaming forests of Malaya and the East Indies, thousands of brown men work that each one of us may use ten pounds of rubber every year—for, besides reclaiming half of the precious material as it is used up, we import annually more than a billion pounds. We drink two-thirds of the coffee of the world, most of it from Brazil; the tropical highlands are its only home. Tea from Asia and cocoa from Africa and South America complete our tropical breakfast, and we find, before we lay

aside our napkins, that we have paid the equatorial regions close to a quarter of a billion dollars a year for the bounties they provide for our comfort and convenience.

Nor must we forget silk—still a hundred million dollar import, and used for many industrial purposes where rayon has not yet been made to serve. Tropical fruits from Central America, tin from the Dutch East Indies and Malaya, newsprint and wood pulp from the forests of Canada, industrial diamonds from Brazil, jute for our burlap bags from India—these continue the list of our essential imports. Twenty such natural products as these constitute 50 per cent of our entire annual volume of imports.

But the farmer by his silo and the worker at his bench do not visualize the significance of these imports even yet. The important thing to the individual American is not the fact of the imports themselves; it is, rather, the complexity with which they enter into every phase of modern civilized life.

Take the most familiar and most useful piece of really complicated mechanism we have—the automobile. Suppose you really meant it when you said, "Buy American,"



**IMPORTS
BENEFIT
THE AMERICAN CONSUMER**

The American standard of living and its dependence upon the importation of goods from other lands is typified by a sculptured family group, while at the four corners of the compass are seen colorful figures symbolic of the peoples of the North, East, South and West and the products they contribute to the American Consumer. This sculpture is the work of the noted ceramic artist, Weylande Gregory.

and insisted upon a motor car made 100 per cent in the United States. Do you know what it would be like? It would not approach in quality the 1890 model we used to know, with its high wooden wheels and little motor under the seat and brass-plated carriage lamps, with motor-veil for the ladies and handle-bar moustaches for the gentlemen, all complete. It would not even look like this ancient vintage of motor vehicle, which we find comical today, for it would not exist at all!

300 Imports in the 1939 Car

The modern automobile that we now take for granted, owes its existence to almost 300 vital materials which must be imported from 56 foreign countries. It is a modern product of an America profoundly committed to international trade—yet it is none the less a typical American product.

If you ever think of insisting upon an American automobile built exclusively of American materials, you might as well stop right now. The immediate obstacle to your ambition is the tires the car needs to ride on; for tires, as you know, could not be made without rubber.

But on these tires, you will say, there is a steel body which is certainly all-American, if anything could answer that description. But is it? As many as 20 of the basic elements which are essential to modern steel-making are not available in sufficient quantity in the United States. Nickel is a principal alloy, for example, of steel used for gears, piston pins and in steering gear parts, and nickel comes almost entirely from Canada and Peru. Chromium is the element that insures rustless, stainless quality. Besides providing a decorative metal for your radiator and hardware, its great strength, when added to steel in combination with nickel, makes your gears and axles durable. And chromium ore comes entirely from South Africa and the Near East.

An essential material of the modern steel age, is manganese which comes from American mines in only ten per cent of the quantity we need; the rest we bring in from Brazil, India and Russia. Vanadium is used with chromium for leaf springs, transmission and rear axle gears and steering gear parts; vanadium comes from Peru to the extent of 60 per cent of our needs. Tungsten is needed for the high-speed cutting tools with which the automobile



**297 PRODUCTS
FROM 56 COUNTRIES OVERSEAS
ARE ESSENTIAL TO THE
MANUFACTURE OF A MOTOR CAR**

The principal domestic and overseas sources of materials essential to the manufacture of motor cars are located on a map of the world in the ceiling of this display. From these points, wires symbolizing the flow of these products converge into a composite factory of the automotive and allied industries. Lights flash on and off in the factory and cars and trucks roll from the four exits.

is produced. United States has two-thirds of the tungsten it requires; the rest comes from China. So much for all-American steel!

Now raise the hood and look at the less obvious parts beneath. Tin is used in a dozen places—notably in the soldering, in plating on the pistons and as a component of the babbitt metal used to line the connecting rods and main bearings—and there is not a tin mine in all the United States! Aluminum, the ideal modern metal for lightness and strength, is right there in your pistons and many other places—and half the bauxite ore that produces it comes from British Guiana.

An International Product

Where would you be without Canadian asbestos in your brake linings; kapok from Sumatra and sisal from Mexico for your cushions, and the coarse wool of Argentina for almost all your car upholstery?

To make your lights safe at night they are dipped in a substance known as kryolite, which prevents dimming and blackening; and the only place in the world this can be found is *Greenland!* Brazilian thorium is allied with Chinese tungsten for your filaments. One of

the essential elements of non-shatterable glass is acetate resin from Canada; and asphalt, largely from Trinidad, helps to provide insulation from heat and cold.

Diamonds for Precision

Imported talc is dusted on your inner tubes to prevent friction. In the paint so carefully applied by the modern spray methods are ingredients from a dozen countries; tung oil from China, lac and copal from the Indian Ocean, kauri from New Zealand, and half our linseed oil from the Argentine. That exquisite precision in the fine parts of your car is possible because the tools which made it were equipped with diamond drills—and Brazil has most of the world's industrial diamonds.

So there is your car, bound to foreign trade as firmly as the linen thread (100 per cent imported) sews together the cushions, or as the foreign-alloyed bolts and weldings hold frame to chassis. Certainly, the motor car is not made on the "isolationist" principle—but neither are most of the other things that enter so vitally into your every day existence.

The farmer, who is often the strongest exponent of the "Buy American" principle, from



**GENERAL MOTORS
BUYS
FROM THE WORLD**

The two-way flow of America's foreign trade is demonstrated in these two dramatizations of the worldwide buying and selling activities of General Motors. Raw materials necessary for the manufacture of the products of this Company are drawn, not only from the United States, but from all over the world—the finished product flow-

**GENERAL MOTORS
SELLS
TO THE WORLD**

*ing to the world's markets is
a composite of materials
from many lands.*

*The spiral on the left, ro-
tating clockwise, appears
to feed the raw materials
into the domestic plants on
a never-ending belt.*

*The spiral on the right,
rotating in the opposite di-
rection, gives the illusion of
the finished product bound
for overseas markets.*



the best possible motives, has recently been told by the Department of Agriculture that the three most potent insecticides in all the armory of his perpetual battle against nature are pyrethrum from China, cube root from Peru, and derris, one of the rotenones, from Sumatra. Derris exceeds the efficiency of ordinary Bordeaux mixture for some of its commonest uses by a potency of more than thirty fold, and is harmless to warm-blooded animals. So American agriculture itself is wedded to the ends of the earth, although not one farmer in a thousand knows when or how.

The farmer grew his biggest crops in recent years with the aid of fifty million dollars worth of imported fertilizers, to supplement our own industrial and chemical resources. He uses cotton all he can, but the best and cheapest bagging material is Indian jute; and his annual bill from the Indian peasant is another fifty million dollars. A pound of twine is a lot of twine, but American farmers use 300,000 pounds of Mexican sisal for binder in raising a bumper crop of wheat.

Counting the foreign ingredients in the paint on his house, the steel alloys in his tools and machinery, the very food he eats and the

automobile he drives, the American farmer cannot leave his own barnyard with any pretensions to efficiency unless he is willing to have the whole world help him on his way.

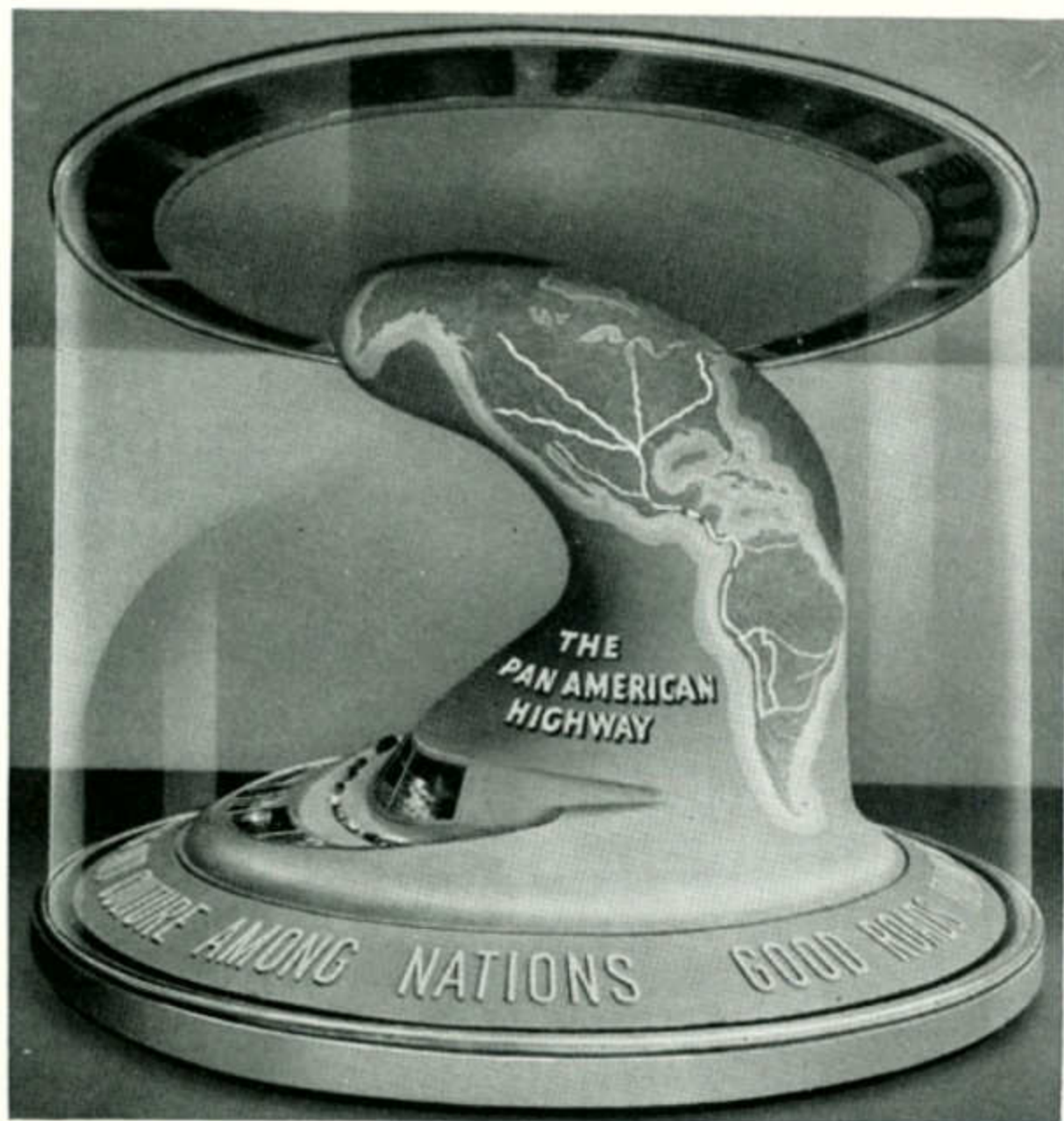
Not only the farmer, but every man, woman and child in the United States is directly dependent upon imports for the drugs they need to maintain their health or cure their ills; quinine, camphor, iodine, radium, cocaine, caffeine and the anodynes are only a few of the medicinal essentials for which America must look to the rest of the world.

The Profit Margin of Exports

From a national standpoint, the only justification for exports is that they provide the means of payment for the acquisition of the infinite variety of imports this country needs. In an individual sense, however, exports are directly beneficial both to the American farmer and to the American worker; they provide an outlet for productive agricultural surpluses and they furnish work in factories beyond the requirements of domestic consumption. In addition, from the standpoint of the American consumer, exports help to reduce the cost of production. Last year, for example, one auto-

**THE
PAN AMERICAN
HIGHWAY**

The Pan American Highway, when completed, will link 19 nations of the Americas. This modern thoroughfare dramatizes motor progress and widens the cultural horizon of the Americas, as new travel and new trade follow each stage of the road.





**THE
PAN AMERICAN
HIGHWAY**

This side of the display shows traffic of the future traveling the Pan American Highway, and reveals the romance and colorful individuality of our neighbors to the South. As the cars roll along the road, lights illuminate typical scenes in each of the countries joined by the Highway.

*"Good Roads—
Good Neighbors."*

mobile out of every five manufactured in the United States found its buyer in a foreign market; every minute of the working year *three cars or trucks* were shipped abroad.

If the world markets were not open to American producers—not only for automobiles but for radios, electric home equipment, sewing machines, typewriters and general office equipment, and a score of other things that figure in the American standard of living—the products themselves would cost the American consumer more than they cost him today. There are 50 of these important items, with export proportions ranging from ten to 50 per cent of the total output. The manufacturer profits from the fact that they are exported, and the worker profits in full proportion; but it is also true that the American consumer reaps much of the benefit in his own right.

In the agricultural sphere, our leading export is cotton, which, though now suffering from a glutted world market, has sold an average of 52 per cent per year for the past 12 years to foreign buyers. Flue-cured tobacco has sold more than 40 per cent in export; wheat about 15 per cent; apples 11 per cent; and lard more than 20 per cent. Last year,

consumers in other countries purchased 42 per cent of our prunes, 29 per cent of our raisins, and 22 per cent of our entire pack of canned fruits. In spite of the fluctuations in our agricultural production, the vitality of the export market is such that one row out of every nine the farmer hoes is for consumption abroad. Another important export product is oil in all its forms—for the motive power, lighting and lubrication of the world. Still others are our lumber products, for construction work from China to Peru; industrial and electrical machinery, in which no other nation approaches our trade; and iron, steel and copper manufactures running into hundreds of separate items, many of them made exclusively for the export demand existing.

American Exports Spur World Progress

In one phase or another, close to five million families of Americans depend for their livelihood upon a going export trade.

But we Americans could not be in the export business if our products did not render service wherever they go. The modern bus line which runs across the Arabian Desert from Beirut to Baghdad takes three days, in American-made

vehicles, to make a trip which used to take three weeks by camel caravan. This is one dynamic example of hundreds where the American automobile, by far our largest single export product, has revolutionized the transportation of the world.

Good Roads — Good Neighbors

American cars bring new roads wherever they go, and very largely due to their influence the highway mileage of the world comprises ten million miles, from Portuguese Timor in Africa, with its grand total of 600 miles on which 64 automobiles run, to Australia, where the roads are so good that the Commonwealth has 700,000 cars, or one to every ten Australians—very close to our own proud rate of one to every five Americans. Road building means road-construction machinery; and America exports one-tenth of all the road-construction machinery it builds for use overseas. Good roads and good transportation carry crops to market; and one American tractor out of every nine goes abroad to help grow those crops. Good roads stimulate business activity; one American office appliance out of every four we make goes abroad.

Essentially, it is the increase of world trade, and our own most particularly, which brings to the practical service of mankind such vital arteries of travel as the steadily growing Pan-American Highway. Non-existent in 1928, *half its length* is now regularly open for motor traffic in the first great leg of the journey between the United States border and the Panama Canal. Colombia, Chile, Peru and Argentina have all completed substantial sections southward within the past three years. In January, 1939, one of the most vital links of all was thrown open to traffic with the completion in Peru of the bridges of Maipes and Ocona, providing north-south transit across Peru and definitely connecting it with the road system of Chile.

The Pan American Highway

The Laredo - Mexico City stretch has been in full operation since July 1, 1936: Guatemala, El Salvador and Costa Rica are building their sections, and Panama's is almost completed northward. Thus, unrolls the magic ribbon of roadway from far north to far south in the Americas, an historic link of trade

**EXPORTS BENEFIT
THE AMERICAN WORKER
AND
THE AMERICAN FARMER**

The dependence of American labor and American agriculture on exports is shown in these striking sculptures by Waylande Gregory, celebrated ceramic artist. A farmer and an industrial worker stand back-to-back, strong and secure in the benefit they derive from the sale abroad of the surplus commodities symbolized in the groups around the central figures.



and culture that in a few years will trace an all but inconceivable design of inter-communication among the Americas.

So it is that our exports add a consistent stimulus to living enterprises which bring closer contact and better understanding with other nations. The export phase of our foreign trade is vital because it meets real wants that no other nation can supply as well as we can ourselves. It is a fundamental instrument of our prosperity, for, having an appeal in so many markets scattered around the world, it carries us over seasons when trade is slack at home, supplies other countries where trade is good when our own is off the peak, and thus provides a leveling and stabilizing influence on business which is worth far more than the share it produces of the profits.

Maintaining American Economy

Besides being indispensable to our stability and prosperity, our exports are fundamentally essential to the maintenance of our whole American economy—for without them we would not be able to pay for the imports our industries and our consumers so vitally need. Exports are, from the national stand-

point, the coin with which our bills are paid.

Like many other American business organizations, the General Motors Corporation has believed for many years in international commerce as a constructive force in American life. It has given expression to this conviction through the maintenance and development of a large foreign business of its own, carried on under the direction of General Motors Overseas Operations. One car out of every five manufactured in the United States last year was sold abroad, and General Motors accounted for more than 40 per cent of all shipments made from this American source.

World Trade is Live Cargo

Including its exports of automotive accessories, electrical refrigerators, heating equipment and other items, and its local activities in the plants it has established around the world, the business done by the General Motors Overseas Operations in the foreign markets approximates a million dollars a day, or close to 360 million dollars in a calendar year. The ship carrying live cargo to market, and bringing back products vital to the economy of the United States, is a symbol of foreign

**AMERICA
SELLS
TO THE WORLD**

Here are the principal exports of the United States, portrayed by nine semi-elliptical columns forming a half circle around a raised section of the globe. Animated "light shadows" in the globe give a vivid impression of the movement of these American products to the markets of the world.





**AMERICA
SELLS
TO THE WORLD**

Here the symmetrically-graded columns have rotated, and show, on their reverse surfaces, the source by States and the dollar value of these exports.

trade vision. Like all dynamic things, our foreign trade is constantly in flux. An essentially realistic quality must determine the thinking and action behind the policy governing this activity. Hence, in recent years, American business leaders of all schools of thought have welcomed the Reciprocal Trade Agreements program fostered by Secretary of State Cordell Hull. The 20 trade agreements which have so far been consummated under the authority, wisely conferred upon the State Department, have enormously benefited our international business. Their carefully drawn provisions over the period of the last two years have brought gains to the United States of approximately 40 per cent in the instance of those nations with which trade agreements have been negotiated; while corresponding gains in non-agreement countries have been only 26 per cent.

At present, nearly two-thirds of our entire foreign trade is being conducted with nations with which trade agreements have been completed. The export gains attributable to these agreements, it is wholly fair to say, account very largely for the fact that during the past three years the United States has consider-

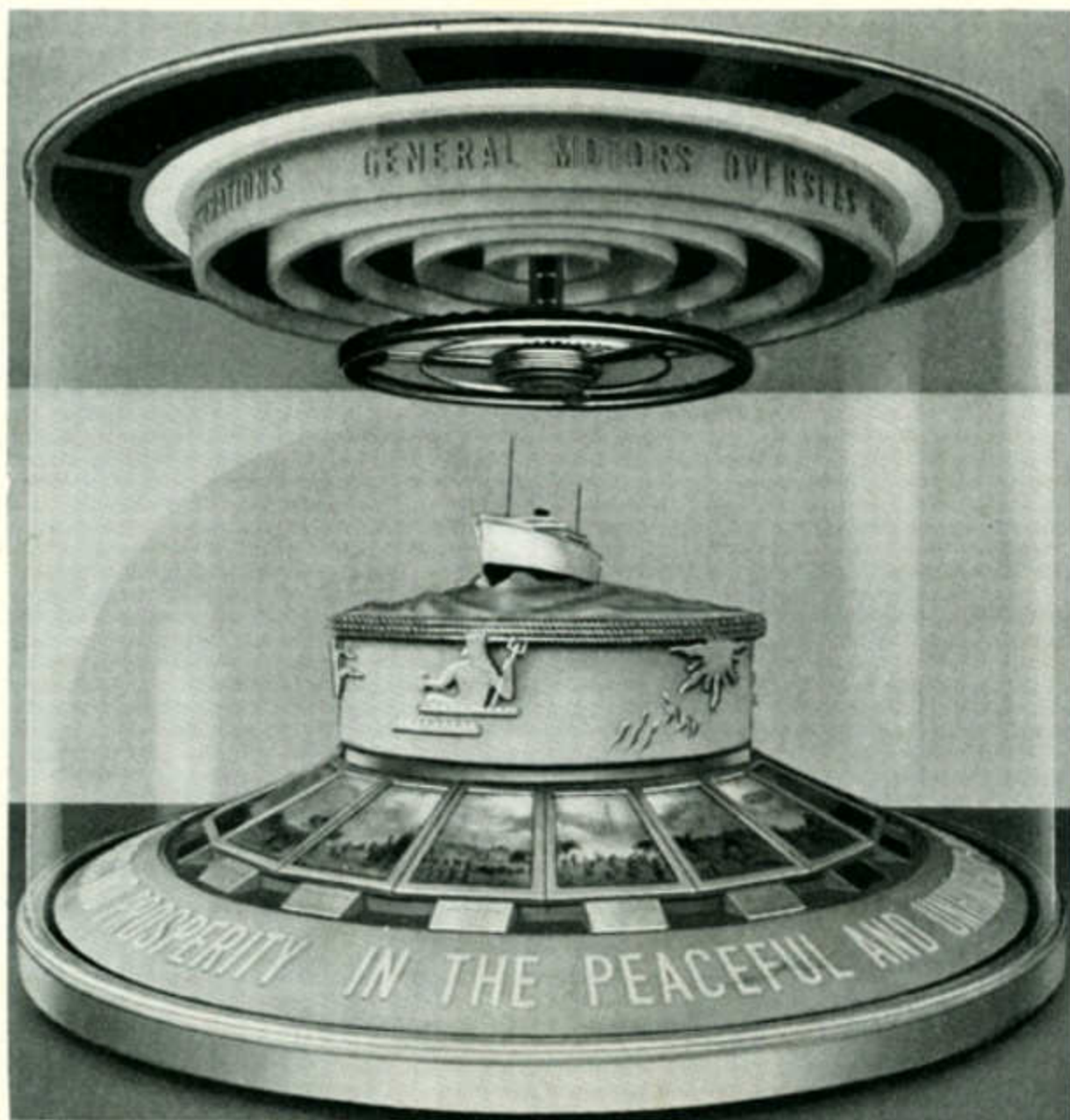
ably exceeded the progress made by other countries in carrying its international commerce forward. "For the first time in our history," declares Mr. Alfred P. Sloan, Jr., Chairman of the Board of the General Motors Corporation, "the Administration has provided legislation to deal with this problem as business men." The results most emphatically justify this high appraisal.

World trade is live cargo, a dynamic symbol of the continued growth of the United States. It brings the world horizon outside our very door. It is one of the living principles of the World of Tomorrow.

A living, broadening impulse toward a better life, world trade is indispensable to the continued growth of the United States and is vital to the personal security and opportunity of every one of us.

As we look forward to the part America is destined to play in the World of Tomorrow, let us remember that our foreign commerce is a reciprocal, two-way proposition, founded on the sterling principle of give-and-take, of live-and-let-live:

To import we must export; to export we must import.



In the Peaceful and Unhindered Pursuit of World Trade Rests the Hope of Mankind for Progress and Prosperity