

60. In that case, Germany, France, and, to a smaller degree, the United Kingdom and Switzerland might be compelled to reduce their production below the 1955 estimates.

61. It should be stressed that if lack of pulp-wood compels European nations to reduce pulp-production approximately 1,000,000 tons, these countries might need to import more pulp or paper from the Western Hemisphere. If such additional imports were to offset the reduction in pulp output, the result at present prices would be a deterioration of Europe's dollar position by an amount well in excess of \$100,000,000. If, on the other hand, European countries could find the necessary pulp-wood or other raw material to maintain production, such imports, if obtained from eastern Europe, would cause no dollar drain; if the pulp-wood were supplied from North America, it would create a dollar liability at the maximum in the order of \$20,000,000 to \$30,000,000.

62. It is possible that an increase in the raw-material supplies for European mills can be achieved to some extent by closer utilization of sawmill waste, greater use of hardwoods and alternative raw materials, the introduction of high-yield pulping methods, and possible diversion of some fuel-wood or other timber to the pulp-mills. The active programmes of research under way in Finland, Scandinavia, and other countries may lead to more efficient use of raw materials. Further wood-pulp capacity, either newly built or transferred from other areas, might be supported in certain central and eastern European countries which at present do not make full use of smaller wood from their forests or the wood refuse from their sawmills.

63. *U.S.S.R.*—No detailed information is available with regard to the pulp capacity or production of the Soviet Union. Before the war that capacity amounted to approximately 1,000,000 tons annually, and it is understood that great efforts are being made to expand the pulp and paper industry as rapidly as possible. It is known that the undeveloped forests of the Soviet Union are of enormous extent, consequently the prospects for future output are very high. On the other hand, Soviet reports indicate that the forests of western Russia were seriously overcut for many years prior to 1936 and war damage in the region was undoubtedly great. In consequence it is not impossible that all the pulp-wood that can be produced west of the Urals will be needed for domestic production.

64. *North America*.—The consumption of pulp-wood in North America increased by 82 per cent. from 1937 to 1948, and a further increase of 15 per cent. is anticipated by 1955. Canada exports large quantities of pulp-wood to the United States and small amounts across the Atlantic, but no pulp-wood is imported from other regions. It is believed that forest resources now accessible are capable of maintaining supplies of wood adequate for current production levels. From the medium and long-term points of view, great opportunities exist for still further expansion as more and more of the forest area is subjected to improved forest management and to more adequate protection against fire, insects, and diseases, and the industry makes greater use of hardwoods and wood now wasted and introduces high-yield pulping methods. In addition, there remain large forest areas not yet fully utilized, notably in the northern parts of Canada, Alaska, and portions of the Rocky Mountain area. Plans for bringing the forests of Alaska into production are already far advanced.

65. *Near East and North Africa*.—There is no wood-pulp production in this region because of almost complete lack of forest resources. The only country where small-scale development might be possible is Turkey. All paper requirements of the region must be imported.

66. *Africa (Except North Africa)*.—A small quantity of chemical pulp is produced in the Union of South Africa, wood-supplies being obtained from plantations of "exotic" species. While it is understood that some expansion of capacity is contemplated in the Union, all of it will be needed for home consumption. In the remainder of the continent there are estimated to be about 300,000,000 hectares of forests of productive quality, but virtually the whole area is occupied by broad-leaved species. Much of it is tropical