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LARGE TRADE UNITS SEEN AS WAR AIM

**Dr. Wickenden Says Conflict
Is Welding World for Econ-
omy of Mass Production**

U.S. PEACE ROLE STRESSED

**Underwriting of Rehabilitation
Held Need to Prevent Last-
ing Decline of Civilization**

The United States "will have to underwrite the rehabilitation of the post-war world if civilization is not to pass into a lasting decline," William E. Wickenden, president of the Case School of Applied Science, Cleveland, told the annual Winter convention of the American Institute of Electrical Engineers last night in the Engineering Societies Building, 29 West Thirty-ninth Street.

The Edison Medal, highest honor in electrical engineering, was presented at the dinner to Dr. J. B. Whitehead, Professor of Electrical Engineering at Johns Hopkins University.

After sketching some of the "fatal blunders" between 1918-1938, Dr. Wickenden declared that "experience has shown too often that if you do not prepare for war until your country is invaded it is then too late; but it is equally true that if you do not prepare for peace until an armistice is declared it is also too late."

Germens of Destruction

"A peace conceived in an atmosphere of economic prostration and emotional exhaustion," he continued, "carries with it the germs of its own destruction. Returning soldiers, sick of fighting and fed up with their recent allies, and civilians homesick for 'normalcy,' cannot be counted on to build a brave new world.

"No matter who wins the war, unless all civilization is to be converted into a permanent arsenal, much of the world must grapple with the problem of converting an armament economy into one of social welfare—a dictated economy into a free economy. The dislocation of our return to peace is beyond our imagining.

"The world is being welded by blood and sweat into a group of larger economic units in which the economy of mass production and mass distribution can operate effectively. In tomorrow's world it may no longer be possible to fence off privileged areas and possess them in security by virtue of technological pre-eminence or monopoly of basic materials

Leveling Forces Seen

"No one expects and few desire an immediate equalization of income standards over the world, but there are inherent leveling forces in an economy of science and technology with which we must soon reckon on a world-wide basis. Only mechanized industry and open channels of trade can give 'lebensraum' to crowded peoples without pillage.

"We shall have to pay for the war, no matter who fights it; win or lose, the peace, we shall have to pay for it anyway. We can pay for it by withdrawing into a closed economy, which may mean the writing off of a hundred billions of capital more or less without chance of recovery; or we may pay for it by underwriting the world's recovery and the extension of civilization—in which we may not only do some good but have at least a sporting chance of getting our money back with some profit."

As a post-war program for the United States, "if we do accept the great adventure and decide to risk our wealth on world recovery," Dr. Wickenden suggested use of the gold here in re-establishing the world's monetary system and as a basis for world trade, which would mean loans to recent friends and foes alike.

Would Destroy Barriers

"It might do more good," he said, "if we placed it in the hands of strong borrowers with diversified resources than into too many small and weak hands paralyzed by mutual hates." He pointed out that choosing the borrowers "would give us a powerful voice in any economic and political regrouping of the world" and warned that "we must lead in destroying, not erecting, trade barriers."

The other half of the post-war program, he added, should be aimed at "preserving the expansive force of economic freedom through the industrialization of the enormous areas now maintaining huge populations at subsistence levels—a task which only the United States has the capital and productive capacity to undertake, and one which requires not only faith to abandon economic isolationism but also the restraint of refusing to impose either the political or economic overlordship of America and the white race on the retarded areas of the world."