

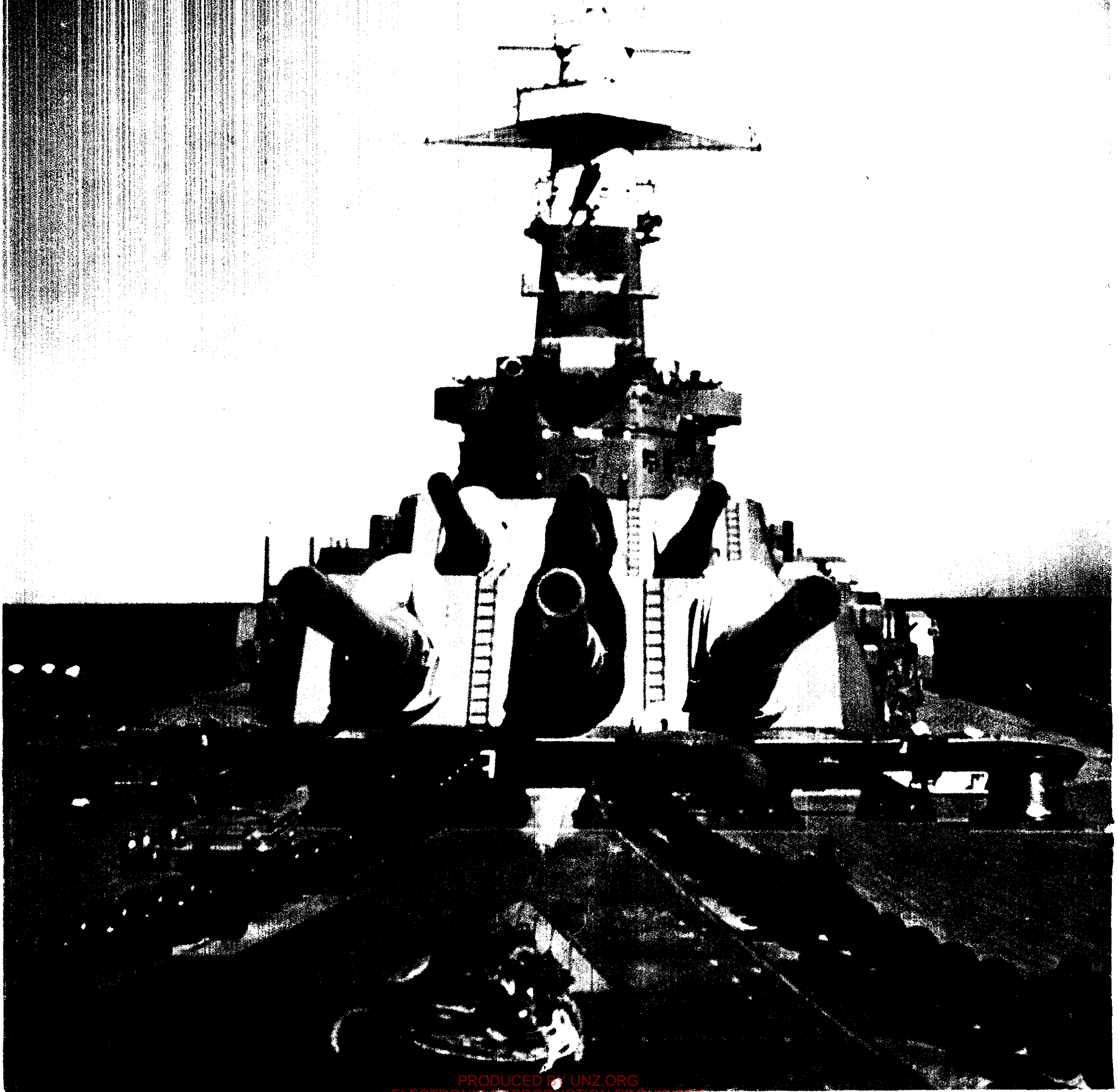
THE SILENT WAR

BY HENRY A. WALLACE

VICE-PRESIDENT OF THE UNITED STATES

Under the Constitution the function of Vice-President is legislative, but President Roosevelt has seen fit to put the Vice-President to work. The Economic Defense Board, of which he is chairman, must see that our economic power is

used to cripple Hitler. It must keep war materials from reaching the Nazis; it must see that all the American republics get a fair break insofar as available materials will permit. Mr. Wallace asks and gets the eager help of a hemisphere



materials that go into fighting machines—planes, tanks, guns, battleships (opposite page, the new 35,000-ton North Carolina). Germany must have these materials too; she cannot win without them. Our economic war will dry up her sources of these materials as we buy—and use—as much as possible of the world supply outside of the United States. Below is a partial list

NICKEL. An important constituent of armor plate. U. S. imports nearly all of its supply, mostly from Canada. Nickel is covered in a recent agreement whereby we get all of the surplus produced by Brazil

TIN. Many defense uses. All tin used in U. S. is imported from Malaya, the Netherlands East Indies and Bolivia, the latter having agreed to furnish us with her entire exportable surplus. Mexico will also supply us with tin

TUNGSTEN. Normal import is 50 per cent of U. S. consumption; domestic production is rising rapidly. Bolivia, Mexico and Argentina will supply us with tungsten. China is repaying a recent U. S. loan partially with tungsten

LEAD. Forty per cent of domestic consumption normally imported. American lead production cannot be greatly increased, but Mexico, Chile and Peru will supply the United States. Canada has agreed to sell us 225,000 tons

MERCURY. American production is normally $\frac{2}{3}$ of domestic needs, but has been increased recently. Mexico is our principal import source of mercury, necessary in manufacturing fulminates. German sources: Spain and Italy

MANGANESE. U. S. imports normally 90 per cent from Russia, India, Africa, Brazil. Manganese is essential in making steel, and is covered in our agreement with Brazil. Cuba also sends manganese to U. S.

CHROMITE. Nearly all imported by agreement from Turkey, Africa, Cuba. Russia sends chromite under terms of recent loan and U. S. gets all the surplus of the Philippine Islands. It is covered in the Brazil agreement

OTHER critical materials for which America's sources of supply have been insured are bauxite, industrial diamonds, mica, quartz crystals, copper, graphite, platinum, vanadium, zinc, castor oil and magnesium

ONE day not long ago, a group of American and Brazilian officials met in Rio de Janeiro. They affixed their signatures to an agreement between our country and Brazil.

The ceremony got little public attention, yet it was important. For Brazil agreed to sell us her entire surplus of eleven crucial materials—bauxite, beryl ore, chromite, nickel, industrial diamonds, manganese, mica, quartz crystals, rubber, rutile and zircon. Thus, we got first call on the quantities of all these materials which Brazil does not sell to private industry within the Western Hemisphere.

Such materials are precious beyond the power of the dollar sign to express. They are essentials of war. Without them, we cannot defend ourselves; and without them, Germany cannot win.

With Mexico and Peru we signed similar agreements, covering more than a score of vital materials. Bolivia has already contracted to sell us her entire tungsten output at a price considerably below Japanese offers. She is also selling us most of her tin. We are preferred customers for Chilean and Peruvian copper and negotiations are now under way to guarantee us the entire exportable surplus of all Argentine, Bolivian and Chilean strategic materials.

Our deals for the supplies we need—which the Axis powers are equally anxious to get—have gone far beyond the Western Hemisphere. We have entered into an agreement with Turkey for a large part of her chromite, with Madagascar for graphite and mica. We are getting rubber and tin from the Malay states and the Dutch East Indies, mica from India.

This is economic war—or economic defense, as you choose. We intend to corner the markets on as many strategic and critical materials as we can get. We intend to buy them to speed up our own defense program. We intend to prevent them from being used to feed the war machines of the Axis countries.

This economic war is as important as the spectacular battles in Russia or China or Crete. It is a battle to end the battles, a war to end the war. Each time we whittle down the supplies of raw materials available to Germany, Italy or Japan, we wreck a portion of the Axis military machine.

Economic preparedness today determines military success. Verdicts on the battlefield depend less on men and courage than on machines and skills, metals and chemicals, blast furnaces and intricate tools far behind the military fronts. We are ready now to revise Forrest's famous saying that the essence of victory was "gettin' thar fustest with the mostest men." Now it is getting there first with the most and best machines.

The power-driven machine has been man's greatest hope of economic freedom and relief from starvation and drudgery. But the promise has been twisted by Hitler and his henchmen into a means for the easy and permanent mastery of all peoples whose machines are inferior to theirs. Germany, the strongest industrial nation in Europe, has attacked at will almost all the less industrialized nations around her—Austria, Czechoslovakia, Norway, Denmark, France, Poland, Belgium, Holland—and turned their citizens into cheap slave labor, toiling at the machines of the conquerors.

We did not believe it possible, but a highly industrialized nation, ruled by base men, can not only enslave captive nations but control them in a way that conquered nations have never been controlled before. The formula is simple. Their machines are taken from them, they are forbidden to buy new industrial equipment, information and education

are denied them, and the threat of starvation keeps them submissive. The clock can be turned back by a thousand years to early feudalism.

The people of Europe tried with plain heroism to overcome the enormous superiority of machines and materials which the Germans had piled up. It was not enough. It will never again in the world's immediate future be enough by itself.

When Prime Minister Churchill said, "Rarely have so many owed so much to so few," he was paying tribute to the great courage of the airmen who saved England from quick conquest in the summer of 1940. But all the courage in the world could not have saved England without the machines in which Britain's defenders flew.

The planes and ships which defended England, like the planes and ships which have threatened her with invasion, were put together from materials collected from all the earth. The production of armaments today requires a complex blending of millions of tons of iron and steel, coal, oil, copper, rubber, nickel, aluminum, manganese, zinc, tungsten, antimony and scores of indispensable products. Lacking any one of these vital ingredients, the 1941-model fighting machine loses the fine perfection it must have to be efficient.

The Nazis were at the job of collecting strategic and critical materials for many years before the rest of the world realized the awful threat to its freedom. Germany originally had deficiencies in most of the key materials; the collection of adequate supplies for a total war became cardinal Nazi economic policy; and the day the Nazi agents began scouring the earth for strategic raw materials the war had begun. The Nazis bought what they needed at whatever prices they had to pay and built up stock piles against the day when overseas supplies would be cut off by British blockade. Nazi scientists worked day and night to produce substitute materials—synthetic rubber, oil, wool.

When Hitler was stocked up, he struck. He was ready and the democracies were not—because they had already lost the first phase of the economic war.

Goods Are a Nation's Strength

Much of the materials they needed the Nazis secured from nations with whom they could barter and whose economic lives they could control. But England and the United States together sold them enough iron and copper and scrap metals to carry them through months of warfare. Some of their purchasing has been done through Japanese firms which bought from us 4,350,000 tons of scrap iron and steel in the two and one half years before we embargoed them in October, 1940. Japan's purchases of mercury here in 1940 jumped 240 times over the amounts acquired in 1938, and her purchases of zinc increased 60 times. Now all three materials are on our critical list and their export is under license. We need them badly for our own defense.

To defeat Hitler, we must first out-produce him. Outproducing him means building factories and power plants to run the factories. It means trying to break all the bottlenecks in manufacturing and turning out military goods in quantities that even this industrialized nation never dreamed of. And each of these things means drawing to us—and away from Hitler—all the world's natural resources that we can lay our hands on. They mean, in other words, applying the conspicuous lesson of the present war—that goods are a nation's strength. Our dollars must be converted into goods and more goods with desperate haste.

During the past year our government had made several important moves on the economic front to supplement our aid to Britain with direct pressure against the Axis. We began controlling exports from the United States to keep key materials from the enemies of democracy. We froze dollar assets here of nationals of Axis-dominated countries to prevent them from being used against us. We blacklisted individuals and firms in Latin America with Axis connections to prevent them from using money, materials and information to impede hemisphere friendliness and defense. We moved through our patent control to prevent the publication of inventions vital to defense. Most important, we are buying up strategic materials.

Today virtually everything, from ships and shoes to sealing wax, has a military use. We are lucky, for we have in our country most of the basic supplies we require for a high-speed industrial economy. And we have plenty of food. But when we get into the extraordinary mass production of intricate weapons, we find that there are a number of things we cannot furnish ourselves.

Ben Franklin Had the Idea

The armor plate of battleships and tanks takes not only steel, but manganese, nickel, chromite, tungsten and vanadium—which we get from Latin America, Canada, Turkey, Africa and China. Airplanes use enormous quantities of aluminum, with the lightest pursuit ships absorbing 2,700 pounds, the heaviest bombers ten times that much, and most of the bauxite from which our aluminum is made we get from South America.

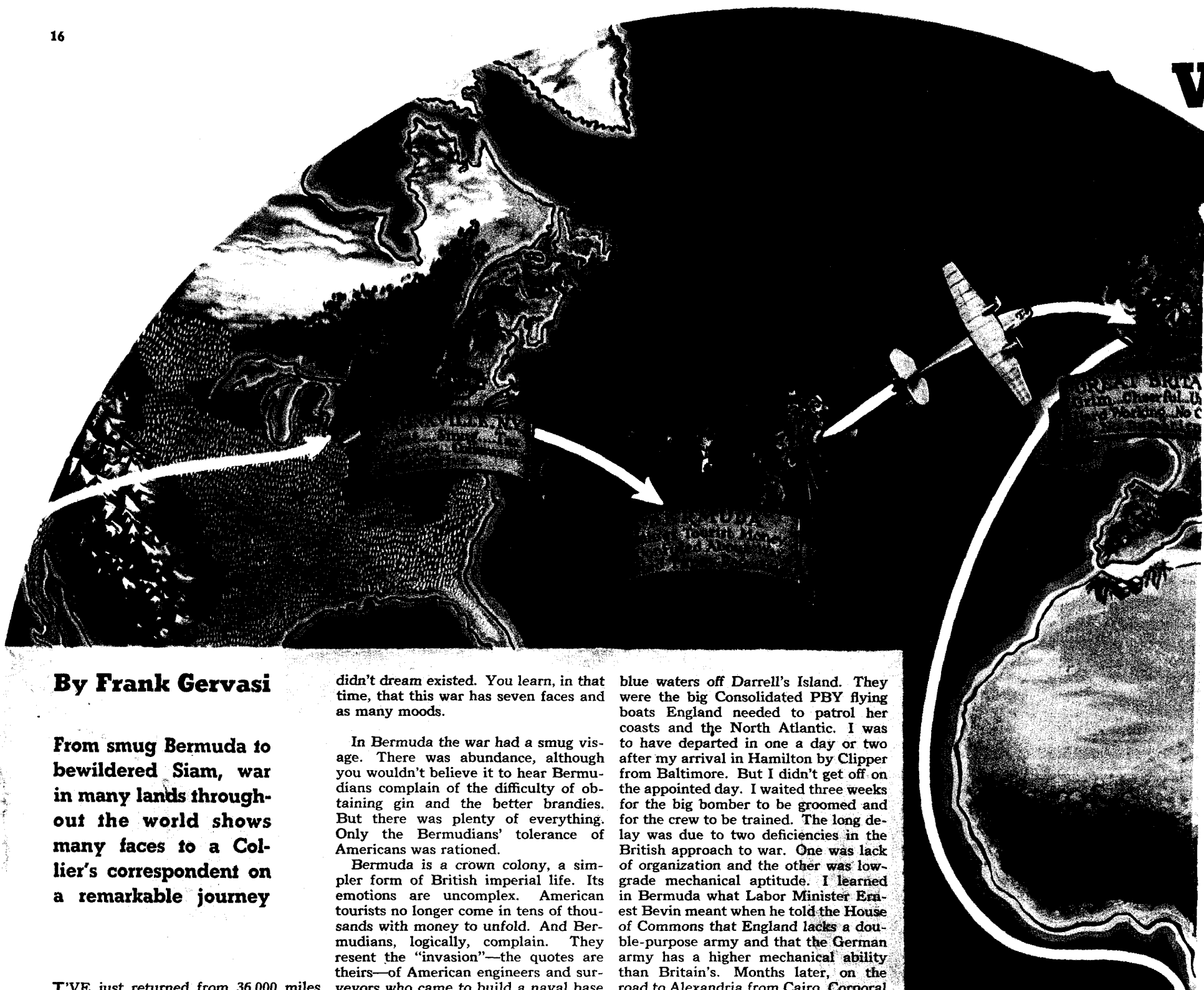
Radios for sending messages from the planes must have piezo-electric quartz—which we can get only from Brazil. Tubes and condensers for the radios, and spark plugs and generators for the planes, must have sheet mica—which we get from India, Brazil and Argentina. For airplane magnetos and the making of smokeless powder, we must have platinum, which we get from Colombia, Canada, South Africa and the Soviet Union. High-speed tools and armor-piercing bullets must have tungsten—which we get from China, Bolivia and Argentina. So it goes. The list is long.

One battleship will use a hundred pounds of the humble sheet mica and it must have the hundred pounds to be an effective fighting unit. The lack of a single truly vital material can force a nation to use inferior weapons, and hence, to fight an inferior fight. Benjamin Franklin's famous old jingle comes to mind:

For the want of a nail the shoe was lost,
For the want of a shoe the horse was lost,
For the want of a horse the rider was lost,
For the want of a rider the battle was lost,
For the want of a battle the kingdom was lost—
And all for want of a horseshoe nail.

Germany is reported to be running short of copper, tungsten, mica, nickel, tin, oil and scores of lesser materials. Dollars spent now to keep these materials from the Nazis will inevitably weaken them. Had England and the United States started earlier to buy up the world supply of essential raw materials, construction of the present horrible German war machine might have been blocked at relatively little cost. Now we are spending many billions merely to catch up.

In our attempt to control all the basic war materials we can, the co-operation
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By Frank Gervasi

From smug Bermuda to bewildered Siam, war in many lands throughout the world shows many faces to a Collier's correspondent on a remarkable journey

I'VE just returned from 36,000 miles and eight months around the world. I've returned to Suburbia. I live in that particular expression of Suburbia called Bronxville, in Westchester County, New York. It was a village when I left it eight months ago. It still had its old town hall. They've torn it down and now the place is merely another suburb, quiet, smug, income-tax conscious and worried whether the Community Chest drive will reach its quota this year. When I left it was Bundles for Britain. At the local movie they used to play *The Star-Spangled Banner* after the shows. They don't do it any more. They don't even play *Pomp and Circumstance*.

It is a shock to come out of the darkness into the light, to move from privation and death into abundance and life. Eight months is a long time. Those last eight months were longer than all of the seven years I'd spent before in Europe, watching this war being made. They were longer than all the previous months of watching the war being waged or anticipated in England and France, Holland, Portugal, Spain, Italy and then in Hungary and the Balkans and the Near East. In eight months of almost constant travel your perspective changes. Things that weren't in focus before sharpen. Things you merely suspected become realities. You become aware, in 36,000 miles of journey by land and sea and air, of forces you

didn't dream existed. You learn, in that time, that this war has seven faces and as many moods.

In Bermuda the war had a smug visage. There was abundance, although you wouldn't believe it to hear Bermudians complain of the difficulty of obtaining gin and the better brandies. But there was plenty of everything. Only the Bermudians' tolerance of Americans was rationed.

Bermuda is a crown colony, a simpler form of British imperial life. Its emotions are uncomplex. American tourists no longer come in tens of thousands with money to unfold. And Bermudians, logically, complain. They resent the "invasion"—the quotes are theirs—of American engineers and surveyors who came to build a naval base for the U. S. A. They miss tourist money.

Bermudian houses grow with scrubbed white and coral countenances out of the green land. They grow with the trees and shrubs. Bermudians are loath to see steam shovels gnaw the earth where their homes had stood. They express their resentment over teacups and cocktail glasses. They envision hamburger and hot-dog stands and billboards. They are certain their horse carriages will be replaced by "smelly motorcars." They see their bit of England, their quiet respectability and, therefore, their major commodity, threatened by the invasion of the Continentals. You feel sorry for them.

You learned that they'd arrange matters so that all the materials Uncle Sam would use in the construction of the base would have to be either local or imported at a high duty and handled by local brokers at fat commissions. Bermudians told you that "We don't want you in the war, old boy, just make us the airplanes and tanks and guns." You didn't like being reminded Uncle Sam was just an old Uncle Shylock and then, in a second breath, being vehemently told that America must enter the war. But that's the way it is with people. They're slightly mixed up about this war.

Six or seven "tools of war" wallowed like winged whales on the incredibly

blue waters off Darrell's Island. They were the big Consolidated PBY flying boats England needed to patrol her coasts and the North Atlantic. I was to have departed in one a day or two after my arrival in Hamilton by Clipper from Baltimore. But I didn't get off on the appointed day. I waited three weeks for the big bomber to be groomed and for the crew to be trained. The long delay was due to two deficiencies in the British approach to war. One was lack of organization and the other was low-grade mechanical aptitude. I learned in Bermuda what Labor Minister Ernest Bevin meant when he told the House of Commons that England lacks a double-purpose army and that the German army has a higher mechanical ability than Britain's. Months later, on the road to Alexandria from Cairo, Corporal Smythe gave me a practical demonstration, too, of what Bevin meant. And Captain James Roosevelt in his capacity of military observer received an object lesson in the same highly important subject in the Iraq desert. But about those bombers, in Bermuda. . .

They Call It Tradition

The Canadian Pacific Railroad Company and the British Overseas Airways Corporation contracted to ferry the PBY bombers from Bermuda to England. They hired crack American fliers like Clyde Pangborn and expert navigators like Bernt Balchen to handle the job, at good salaries and large expense accounts. But Pangborn and Balchen didn't fly a single one of those boats. The Royal Air Force stepped in and said they'd handle this. The Royal Canadian Air Force moved in, too. The snarl of orders and counterorders was so bad the Air Ministry in London was obliged to intervene. If it hadn't the planes would have remained there until the Gulf Stream changed its course. But this was only part of the story. We call it red tape. The British call it tradition.

After we'd waited a week, a Canadian pilot friend tipped me off that we were getting away the following day. But the next morning he said it was all off. A generator had burned out. Somebody

had forgotten to oil the bearings. It would take at least two weeks for a new one to come out from the Consolidated factory in Los Angeles. There wasn't a maintenance shop in Bermuda. There were no spare parts. Delays followed one upon the other. Once it was because the radio receiver was asnarl. Nobody knew how to repair it. Several ships were damaged by inexperienced pilots who practiced crash landings with the boat, as though knowing how to crash-land on the North Atlantic in winter would have done anyone any good. But it was written in an instruction book that crash landings must be practiced—and Britain didn't get the bombers.

Finally, one rain-lashed morning, I crawled, cold and slightly scared, into the belly of one of the PBY's. Just before the take-off somebody shoved a paper under my nose saying I wouldn't write anything about the flight to England. I knew more sensible censors in England would revoke it and let me write about the flight, so I signed the paper. I wasn't so sure I would see England anyway.

We bounced heavily on the black water of Hamilton Bay. We had 400 gallons of spare gas inboard, in long, round tanks, trussed on two-by-fours. We strained into the air with all the reluctance of a teakwood log. Twenty-three hours and ten minutes later we