

[563] (d) Our proposed institution would grow up only gradually. If abuses appear they could be corrected by the always superior authority of the Government, and the scheme modified or retreats ordered if they seem called for.

[563.5] 5. THAT TRADE ASSOCIATION INVENTING HAS BEEN TRIED in America and England, and found to produce hardly any inventions of importance. *Answer:* The employment of trade associations on R&D has hitherto always been so very limited in funds, as we made clear in ¶ 528, that merely minor results have been inevitable, and directed toward such researches (rather than invention) as cannot be secured through the patent system, nor through commercial motive of a single firm. Our proposal would totally change all this. To say that the associations' present small performance forebodes the like for their future is like saying that since the child Johnnie Smith has built no houses, he will be unproductive when grown a man.

CONSPECTUS

[564] What would be the picture of inventive America after this plan had become established? First, all the old kinds of inventing, patenting at home and abroad, and dealing with patents would continue as before, but in altered frequencies, some much reduced. There would still be amateur, even crackpot inventors and patentees, and they would continue to do little save waste their time. There would continue to be a great many specialized freelance inventors, and engineers, chemists, executives, and small companies operating independently of the associations, and often doing good work and taking patents, especially in the less organized, gadget, or improved fields. But their one good market for their inventions, unless adapted only to their own business, would be a trade association, with perhaps a choice between such. They would be well received there, and rewarded for anything new and good, especially if patented; but they might well receive small rewards for any contribution, however incomplete, such as pointing out an unrecognized source of trouble, or sketching a hard invention they had not the resources to carry through. The unlimited funds, and public-spirited purpose, of the associations should make them generous toward all useful kinds of helpers. The outsider's reserve power, through a patent, to compel just payment, would rarely be invoked nor needed, unless in the case of foreigners' patented inventions. When these came from the great foreign trusts, like Imperial Chemical Industries and I. G. Farben, they would sometimes be of great value, and backed by American patents and the financial power to manufacture in or export to this country; so the foreign company would be insistent on a maximum recompense. But they could be paid off, as often today, by cross-licenses on American inventions patented abroad, a sort of extension of our trade association plan to the whole manufacturing Free World, or to an Atlantic Union group. The strong movements toward European or Atlantic freer trading and federated organization make such arrangements likely and important aspects of our future.

[565] Finally, there would remain the larger companies with their laboratories or at least a technical staff, which would continue to do some R&D, for themselves or their association, especially at the start, and perhaps keeping even half of it. Retaining minor benefits of a