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ORGANIZATION FOR MOBILIZATION SINCE KOREA

5 September 1951

91

CONTENTS

	<u>Page</u>
INTRODUCTION--Captain J. D. Hayes, USN, Member of the Faculty, ICAF.....	1
SPEAKER--Mr. Oliver S. Anderson, Assistant Executive Secretary of the Office of Defense Mobilization.....	1
GENERAL DISCUSSION.....	11

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Mr. Oliver S. Anderson, Assistant Executive Secretary of the Office of Defense Mobilization, was born in Washington, D. C., 8 July 1906. He was graduated from Pennsylvania State College in 1928 and from the Industrial College of the Armed Forces in 1950. Prior to entering government service, he was engaged in the excavating contracting business in the District of Columbia. He entered government service in October 1941 as member of the staff of the technical consultant to Donald M. Nelson, then director of Priorities, Office of Production Management; subsequently became principal priorities specialist in charge of the formulation of priorities policy and clearance of priorities action in seven major industry divisions. In 1943 he became assistant director of the Urgency Rating Division, Office of Program Vice Chairman, War Production Board. After a short period of service as special assistant to the administrator of the Surplus Property Administration, Office of War Mobilization and Reconversion, he became deputy director of the Bureau of Industry Operations, Civilian Production Administration, responsible for the priorities actions of all industry divisions. Early in 1948 he served as consultant to the chairman of the National Security Resources Board and subsequently became director of the Committee Operations Division. After graduation from the Industrial College, he returned to the National Security Resources Board and became a member of the staff of the secretariat. In January 1951 Mr. Anderson was loaned to the newly formed Office of Defense Mobilization and has subsequently been named Assistant Executive Secretary of that organization.

RESTRICTED

RESTRICTED

93

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CAPTAIN HAYES: Last week Dr. Hunter outlined for us the factors in economic mobilization and gave us considerable information about our historical experiences in that field. Your reading assignment includes the book "Administrative Reflections of World War II," by Dr. Gulick. This morning we should be brought up to date.

Our speaker, Mr. Anderson, was with the War Production Board throughout World War II. He became a key member of the staff of the National Security Resources Board (NSRB) shortly after that agency was established in 1947. He was one of the first to join Mr. Wilson when the Office of Defense Mobilization (ODM) was established in January 1951. And last but not least of his qualifications is the fact that he is a graduate of the Industrial College.

I think he knows what you want to hear and how you want to hear it. I am sure he knows the importance of those few minutes just before 12 o'clock.

It makes me very happy to introduce to you a former classmate at the college and a very good friend, Mr. Oliver Anderson.

MR. ANDERSON: General Vanaman, gentlemen: Thank you, John, for that very kind introduction. I think I know the student angle down here and in outlining my remarks for this morning, I tried to put that knowledge to good use.

In the middle of the summer the Commandant was kind enough to invite me to talk here on "Organization for Mobilization since Korea." He suggested a scope for this talk and I am going to cover as much of the ground as is possible in the time we have available.

I am going to hit the high spots, leaving out charts and historical dates of this, that, and the other, and give you a look at the problems that we have faced as we have moved along in this period. We will leave for the discussion period any questions that might arise; this will give you a chance to fill in any gaps that I may leave in my remarks.

In addition to assuring you that I am always happy to have an opportunity to take part in some phase of the college program, I will assure you that I am well aware of the importance of getting stopped by noon. I am also aware that the greatest compliment a man can get in this auditorium is to have a question asked after 12 o'clock. So you see I am torn between two desires--to win the acclaim of the body

1

RESTRICTED

RESTRICTED

as a whole by stopping before twelve, or to answer the one last inquisitive student who braves the wrath of the rest of the class by raising a controversial question the moment the bell rings.

I am going to assume you have received a lot of background on the organization of the Government. I am not going into that at all. The phase about which we will be talking began late in World War II, or perhaps just after the end of the war. By "phase" I mean the time when we had an awareness of the necessity of doing something about our governmental organization for national security. You will recall that Secretary Forrestal asked Ferdinand Eberstadt to make a report on the need for a National Security Act and that out of that report came the National Security Act of 1947, passed by the Congress in July of that year.

I am going to remind you that at that point there was a realignment of government agencies. The National Security Council (NSC) was established with the President as chairman and the State Department, the Department of Defense and the newly formed NSRB as principal members.

I am going to remind you of the realignment of the military departments into the Department of Defense, pointing out the strategic spot of the Munitions Board within the new department. I will also remind you that in the period between 1945 and the passage of the National Security Act of 1947 the Munitions Board--then the Army and Navy Munitions Board--had done a great deal of the kind of planning that leads to mobilization considerations.

I am going to remind you that the Joint Chiefs of Staff, the Central Intelligence Agency, and the Research and Development Board were established by the terms of the National Security Act of 1947. And, finally, let me remind you that this act established the NSRB.

Now NSRB bears much more than passing mention. Because of its responsibility for advising the President on mobilization planning activity in the executive branch of the Government, it is important that we look at its mission and accomplishments to July of 1950. Its mission might be paraphrased as follows: "To advise the President on all phases of national mobilization." Three things are important to note: (1) the advisory, rather than operational, role of the Board and its staff; (2) the fact that the Board is advisory to the President; and (3) the very broad scope of its mission.

Now as the Board went about its work, it hit out in two principal directions: (1) the long-range planning for mobilization for defense and (2) the short-range objectives, which included such things as stockpiling and those actions which would have to be taken immediately, if the Nation was not to be caught very short in case of all-out war.

RESTRICTED

As we come to June 1950 you have to assess the major planning products of the NSRB in order to have a starting point for the phase that follows. And despite some of the things you may hear or read in the future, I submit that I can tell you of a number of concrete things that were under consideration and things that were accomplished, not in the sense of operations, as you might use the term in the military sense, but in the sense of completed planning. After all, this business of mobilization planning is not a static thing; it is a dynamic thing. In order to meet the requirements of a planning job, you have to go over all the problems you may face--and new situations constantly give rise to new problems. So when I say I can point out to you a number of things that have been accomplished, please don't take that in the context of completed operations, but rather in the context of a specific phase of a planning job completed.

In the first place, the NSRB had undertaken a good many industry surveys. It had looked at the capabilities of many industries in terms of what the need for their products might be, needs in the main set up by the military, plus some covering for essential civilian activities. Also out of these industry surveys came a good many proposed orders which would have to be put into effect as a mobilization period came along. Many of these orders are now in use by National Production Authority (NPA). They have formed a framework for orders now actively on the books.

NSRB undertook a stockpiling program, making recommendations to the President which resulted in the accelerated accumulation of scarce and critical materials. NSRB drew up the framework of a machine tool pooling procedure, an arrangement in which both industry and the Government participated.

NSRB also conducted requirements studies in cooperation with the Munitions Board. It ran feasibility tests on requirements figures submitted by the military to find out if the requirements were in the realm of reason. Many a strategic plan has been cut back because feasibility tests showed that the requirement for some material hidden down the line far exceeded the supply.

I can tell you that the major planning for a Federal Civil Defense Administration was done within the framework of this operation in the NSRB. Studies were conducted in the foreign economic area in order to find out what pressures we might have to exert on foreign powers, both enemy and neutral, in case we got into all-out war. Finally, and possibly most important, NSRB drafted emergency legislation, an Emergency Powers Act, if you please.

Many had felt that what NSRB ought to do was to have on the shelf an Emergency Powers Act that could be pulled down immediately if we got into trouble, send it up to Congress, and have it put into effect overnight. But NSRB had considered all the situations wherein legislation might be required. It had gone over all the possibilities and

RESTRICTED

96

did have on the shelf not a single proposal but a series of proposals. When the Korean situation developed, the pertinent parts of those proposals were pulled out and were of great assistance in drafting the Defense Production Act, which, mobilizationwise, is the major piece of legislation that has come about since Korea.

I also want to point out that as a result of this NSRB activity, many old-line agencies had seen what their mobilization responsibilities were and had geared themselves to a part in an emergency. You must realize that when this was going on, the agencies didn't know whether they were preparing for an all-out war or for a gray mobilization period. They could only assess their share in terms of the things they could and should do if an emergency came, without any assessment of the possible degree of the emergency.

The Interior and Commerce Departments were well prepared when Korea came along because they had participated in the material surveys and the industry surveys initiated by NSRB in the planning period. We find Interior a logical place to establish the Defense Electric Power Administration and the Defense Minerals Administration. The Department had made studies of many of the problems that we could expect if an emergency period came along. So it was not handed something new in the emergency; it was handed something familiar to it. The same situation held at Commerce, where the National Production Authority was established.

General Services Administration had been doing a lot of work in the stockpiling field; the Department of Labor realized its responsibility in manpower problems; and Selective Service had known for a long time that there would have to be a draft law which would be acceptable to the people and suitable to our situation.

Now, after Korea, we get into a different situation in the sense that the Government has to shift its direction. No longer is the planning approach alone sufficient. "Operations" have to come into play. What is the extent of the program? What kind of a program will it be? Somebody has to hazard some pretty good guesses as to the kind of war we are in. Is it merely a short police action? Or is it the immediate prelude to all-out war?

Regardless of any limiting adjectives I may use in terms of full or gray mobilization, don't get the idea for one split second that anyone has ever played down the seriousness of the action in Korea. It is not the all-out mobilization that we had for World War II. Whether and when it will develop into that is still the unanswered question.

Despite all the things I have told you that we had done, at the time of Korea we were still in an early, developmental stage. We weren't in the finished, ready stage. We weren't pulling the books

RESTRICTED

off the shelf, opening to chapter I, and saying, "Go ahead from there." It was not as simple as that. But despite that, in the Government existing machinery began to function.

I remember, General Vanaman, the graduation of the class of 1950, 27 June, we sat and waited for something to happen at the White House; knowing that if a decision was made, General Collins and perhaps the Secretary of Defense would be called out--maybe in the middle of the Graduation address. So our class in the Industrial College got in on a little more than just the theory of mobilization; we were practically in the front row; and on the day of graduation the decision that we would go into Korea was made. Military forces were deployed and we committed American troops to the battlefield. We received the support of the United Nations and we went to work.

This didn't require anything out of the ordinary. This was a part of the normal function of the Government and it worked. And as the problem grew and took definite shape, the Executive Office of the President started to work on the various phases of, and degrees of, national mobilization.

As I indicated a moment or so ago, the legislation recommended by NSRB had to be modified slightly before it became the Defense Production Act. Before the act could be passed, we had to assess the extent of the problem. How far into mobilization would we go? What was the limit, if any, that we should put on the extent of industrial mobilization? What steps in manpower mobilization would have to be taken? In assessing the plans in being, we found that none of them exactly suited the situation at the end of June 1950.

It was decided that the emergency required a limited, not a full, mobilization. It was decided that NSRB would have complete charge of the coordination of this mobilization activity.

The questions then immediately arose: Who is going to do the job? What are the things to be done? Now we are getting into an action phase. We have left the planning stage behind. Who is going to do the job? That is the question.

Well, you have two choices. You either give it to the old-line agencies or you establish a set of emergency agencies. There are pros and cons on this question; but, before we go into the pros and cons, let us swing away from the government aspects of mobilization and take a look at the public side.

What is happening outside Washington? That is a pretty important area, too. Well, very shortly after Korea the public went on a buying splurge. Remembering the shortages, particularly in consumers' goods, of World War II the public was anxious to "stock up." The resultant

rush to purchase had the usual effect on prices--upward. And to make the cycle complete, and the observation on it short, as the pressure mounted pricewise, it also mounted wagewise. Some important labor contracts were tied to cost-of-living agreements. When the BLS cost-of-living index reflected increased living costs, the pressure for government action to control both wages and prices increased. We found that from the public point of view the desire for wage stabilization and price stabilization developed before the Government was in a position to do anything about it. So despite the fact that pressures were evident about this time last year, it was not until January that we really started to roll on price and wage control.

This was not too bad. In World War II when we started into a price control program, the price control agency was able to put into operation overnight more than 100 price-control orders. But the agency had been in being and had been working for two years on the problem before controls were actually imposed. So if a comparison of the 25 June 1950 to 1 January 1951 period with any previous period, is desired, please remember that the comparable period extended over some two years in World War II as compared to about six months this time.

Now back to the government situation--on 8 September 1950 the Defense Production Act was signed by the President. As I indicated, two courses of action regarding the details of the authority given by the act were open to the President. What are some of the primary considerations?

The first thing the President wants to know is, "Who is available to me? This is a big job. Who can I put in a wartime cabinet? Who can I put in a gray mobilization cabinet? Who can I get to handle things for me?" He realizes that the way this thing shapes up depends largely on the personality and the kind of person he is able to get in to do the job. So his first question is, "Who, in terms of people, are available to me?"

He realizes that the public has to be impressed with the need for controls. In the field of stabilization, the public is clamoring for controls in advance of the time when the Government is in a position to impose them. But there are material controls to think about, allocation controls, credit controls, and so on, and the public has to feel that these controls are necessary if full support of the program is to be forthcoming.

Then there is the time factor. Time can be saved by using what we already have rather than trying to pull in new people, set up new agencies, find space for them, and handle the many other details inherent in such undertakings. What are some of the things that point to the use of old-line agencies?

You must realize that in the past few years we have had a shift in the chain of command in the Government. Now you have in active

command--the Secretary of Commerce, let us say. Where else could you expect that an NPA could be created but in a department where the Secretary is truly the boss? This means that the chain of command from the President to the operating groups who assume mobilization responsibilities is shorter and more positive than in the past. Where else could you find the personnel to meet the needs of a new and active emergency agency?

Remember, too, that old-line government people aren't very anxious to cut the threads of years of service with old-line departments to take up duties in a new emergency agency. Only in an agency with an insight of a mobilization situation and a close, direct connection with the "front office" could you expect to find the authority, the drive, and the flexibility to move rapidly and set up a new agency within the structure of the old. Some of this revision or realignment within the old-line departments has come about as a result of the Hoover Commission's recommendations. Most of you military folks look at the chain of command from the top down, vertically. Most of the Hoover Commission's recommendations have been adopted laterally, that is across the board, the shift of a bureau from one department to another, and so on.

You have to consider also that the old-line agencies, knowing that this situation is brewing, become apathetic to the "new agency" idea. They remember well the days of 1940, 1941, and 1942 when the old-line agencies were riddled by the demands of emergency agencies personnel-wise, when their ranks were depleted, when their experts left for a grade two or three notches higher, and that sort of thing. They are not very anxious to have a repetition of this "thinning out of ranks." They are much more anxious to find out now what they can do in this gray mobilization period?

Going back a moment to the activities of NSRB--I have related how many of the departments were ready to assume operating responsibilities because of the part they played in the planning period. There is one thing that you must remember about any emergency agency that might be set up--the "singleness" of objective of the new agency contributes to its ability to act with speed. Within the old-line agencies there may be conflict between the objective of their regular job and of any new job that the mobilization period may impose. This could result in a blunting of the capacity of the old-line agency to focus on the wartime part of the job. It is only logical to expect that a group of experts, brought together to do a specific one-time task, would move more quickly and decisively than a group shifted from a permanent job to a temporary job. Then there is the consideration of where these mobilization jobs can be done with the least impingement on the regular, or permanent duties of the agency.

What would happen, for instance, if we put price control in the Department of Commerce, Commerce being viewed now as more or less the advocate of industry, the place where industry takes its problems? I just wonder what the Secretary would think if he suddenly found himself

RESTRICTED

saddled with price control problems. I wonder what the Department of Labor would do if it found itself saddled with wage controls. That is what I mean when I say the emergency agency may have a little sharper definition of objective, may not have the conflict within itself that the old-line agency might come up with.

You also have to consider whether or not you can use the skills of your peacetime people in the wartime atmosphere. Is the environment satisfactory for them? Or should you remove certain functions, let us say, the petroleum control functions from the Department of the Interior and place them in a Petroleum Administration for War, as was done in World War II? Do you take the control of solid fuels out of Interior and put it in some emergency area? The placement of emergency functions in an old-line agency may lead the agency to assume the cloak of permanency once the emergency has disappeared. It becomes increasingly difficult to isolate and identify these emergency functions, which the public has been led to believe will cease when the need has passed, once the emergency is over. You have to watch that your empire builder doesn't grab the chance to expand on the basis of the emergency situations.

Well, the proof of the pudding is in the eating and we found that the old-line agencies qualified as responsible under emergency situations. The decision was made to build the emergency organization on the structure of the old-line agencies and that has been done as we shall see on the charts (Charts were not reproduced). So we find that the Department of Commerce has the first of the wartime agencies, the National Production Authority.

As we get on into the late fall of 1950, we have the President recognizing that, as the mobilization effort grows and the impact of procurement becomes greater and greater, the need for controls increases; and as the need for these controls increases, the organizational aspects of the situation become more complex. The need for a coordinating control authority for the divergent interests in several agencies becomes apparent. Therefore, at the end or in the middle of December 1950 the decision was made to establish an agency which would direct, control, and coordinate the mobilization effort. That agency is the Office of Defense Mobilization (ODM). Recognizing the necessity of public acceptance, public leadership, and wide public participation, the President chose Charles E. Wilson as its director. The choice of the director of ODM was one of the major decisions that had to be made and certainly one of the best decisions that was made.

But how about all this: What can we draw out of all this discussion about the problems and the situations that existed? I'd like to offer this--and I am sure that you will come to this conclusion as you go through the course here at the Industrial College--that there is not any simple formula for dictating actions in advance that can be laid down in black and white and put away in a book somewhere for use when these situations arise. There is no one, best way to organize a wartime

RESTRICTED

or gray mobilization government enterprise. The decisions have to be made at the time the problems are upon us, at the time the problems present themselves for decision. All we can hope to accomplish before that time is to look at the range of those problems and to know within the range the best decisions that can be made in a number of situations.

So let us sum up Phase I, this particular phase running, let us say, from Korea through December 1950. First we had to get legislation on the books; then we had to determine the magnitude of the effort. We had to assess public reaction--take the program to the people; then we had to set up the organization to roll it along. We saw that the NSRB, although it had staff enough to do the job of mobilization, didn't quite have the type of staff needed. NSRB had always been advisory in nature; it had never had operating duties. Some jurisdictional disputes that had developed in the early stages of NSRB were still in the hangover stage. And finally we needed a symbol of unity within the Government; a group which could direct, control, and coordinate the program. To meet this need, the ODM was established, with the Defense Production Administration (DPA) being established within the ODM orbit to handle production programming and to provide guidance on requirements-supply balance problems.

What are some of the accomplishments that we can point to as we pass along in this period? First, I think, is the recognition of the problems, the fact that we have a place, an ODM, which can recognize these problems. More concretely, I might point to the expansion goals that have been set for all our basic industries. In other words we know where we are going in steel expansion, aluminum, copper, power for aluminum, and a few others. We are working on and will have shortly expansion goals for some 50 to 60 supporting industries.

Now there is the question as to whether this is achievement or not, this ability to say, "Stop, this is 100 percent." I am sure all of you have been subjected at one time or another to the boss who stated his requirements in terms of 125 percent, feeling that his best possibility of getting 100 percent was to overstate the actual goal.

There comes a question as to whether even in this gray mobilization period we don't want to state some goals a little bit higher; whether we don't want to have a little extra leverage, to use extra braces to go with these programs rather than cutting them off too fine and saying, "Here we are at 100 percent; we are satisfied."

We feel that we are on top of manpower problems, not in terms of knowing all the answers, but in terms of having a setup which will bring in the basic data; analyze, tabulate, and evaluate the data from the field; and enable us to line up problems in advance so that we will know what problems to anticipate and when.

I think that we are much better equipped than we were to deal with the international aspects of the situation, and ODM has had something

RESTRICTED

to do with it. That is part of the mobilization structure. I have heard it said that the organization of NATO and its subsidiaries represent one of the great achievements of the century insofar as the United States is concerned. We find ourselves for the first time in a position to deal with international problems as they affect domestic mobilization. We have used, to be specific, the head of the Economic Cooperation Administration as the chairman of one of our major committees--the ODM Foreign Supplies and Requirements Committee.

Stabilization is one of our "touchy" points. But I submit that in that area we are well on top of many of the problems. I would like to point out that a comparison between economies of the United States and Canada shows that, while we are approaching the situation on the basis of over-all controls, the Canadians are approaching it on the basis of credit controls only, our index line is leveling out a bit while theirs is continuing to go up sharply.

Weaknesses--of course we have weaknesses. One of them, quite frankly, is that we don't have personnel in depth. It has been extremely difficult to get numbers of high-grade people. We have a good number of high-grade people, but we haven't the depth we need. We find ourselves horribly weak and inexperienced at the detail level. We don't have the understanding that we had in World War II, I am afraid, because we don't have the numbers of the kind of people we need. It has been difficult to bring them into Washington.

Requirements--how much do we need? How much do you need? How much does the civilian need? What does industry need? We are far short of knowing all the answers in this field. It can be stated categorically that the strength of the mobilization effort, whether it remains in the "gray" state or goes to all-out, depends on the accuracy, speed, and efficiency of the requirements gathering systems of the claimants against the national supply. We had a task group in from the steel industry a short time ago. On its approach to the military, it got a complete set of requirements. Why? Because it was able to delineate the period of the need and a specific situation. When the group went to civilian departments, it could only get "best" guesses. There isn't any set period or situation in the civilian economy. To iron out our difficulties in this area, it is going to require more and more cooperation between civilian and military agencies as we go along.

Now a quick look at the future--we certainly will have to devise better management for our human and material resources. You must remember that under present circumstances the United States is rapidly becoming a "have-not" nation. We have to look beyond our shores for many of the things we need. We will have to devise conservation and limitation practices that will implement the planning done by the NSRB. Some work of this type is being done. Witness the work of the Department of the Interior in manganese and shale oil development.

RESTRICTED

The use of such simple phrases as national service or universal military training is not a solution to our manpower problems. We have a long way to go in this field. We have, as I mentioned before, the devices set up whereby we get the information, but we have a great deal of planning to do in that direction.

Then, of course, there is the big problem of "Where do we go from here?" Government officials will tell you, "Our mobilization program is rolling along nicely;" and it is. We know where we stand in basic industries. We know we are broadening the base of our economy. We hope in two or three years we will be at a point where we can support the kind of war we now have or cross quickly to the support of an all-out war from the production base we are building. But suppose we do not have an all-out war? What do we do with this new broad base? How can we use it to the best advantage? How can we adjust it to meet the needs if we don't do the planning now?

Finally, I think that we will have to overcome our tendency to swing suddenly and abruptly from a peacetime situation with no consideration of its needs to a mobilization period, or, said the other way, from a period of mobilization to a peacetime period with no consideration of what might come between, lest we find that we get caught in a very proverbial situation. Perhaps what I'm saying is that the alternative to war is no longer peace, but mobilization or at least preparedness.

We will close this part of the discussion. I hope that any questions which I have not answered will be asked during the question period.

Thank you.

COLONEL BARNES: Now is your opportunity to bring yourselves up to date on the National Security Act--on matters pertaining to the current organization of the ODM.

QUESTION: There is evidence that the Air Force is at least planning or discussing going to 150 or even 185 groups. We have seen a couple of television programs. Mr. Finletter spoke on one. There was one on television last Sunday. Has the feasibility for such a force been put up to NSRB or ODM? Have you had anyone from the Air Force or Department of Defense in to discuss that topic?

MR. ANDERSON: There is the awareness of the possibility, of course. Even if it is not transmitted officially, you read of it in the papers--a good source of information.

The chart indicates that your highest level decisions come out of the Office of the President, and advisory to the President you have the fourth listing, the National Security Council (NSC). When the NSC advises the President that it is time to shift to another sized-group Air Force--whatever it be--from that point on certain things will spring

RESTRICTED

104

into operation. One of the things that will happen will be the information to Mr. Wilson--who is at the NSC meetings at the invitation of the President--that we are now shifting into a 150 group Air Force. It doesn't take much imagination to realize that when that becomes a decision, there will be a lot of work to be done.

QUESTION: In view of your comments regarding the subordination of NSRB, would it be desirable to place it under ODM as a policy or planning group or is there such a group in ODM now?

MR. ANDERSON: That is a logical question and one that has come up a good many times. I seem to be able to draw from the back of my mind some unofficial recollection that Mr. Wilson has been approached about the desirability of becoming at one and the same time the director of ODM and the chairman of NSRB.

Now why the chairman of NSRB didn't go through and become the head of ODM is still a moot question to which I couldn't give you the answer. Suffice it to say, for some reason the chairman of NSRB didn't become--say in October or November when he was actively directing the mobilization effort--the head of ODM. There is no possibility that it would come about now; it has been definitely turned down.

QUESTION: The existence of the National Advisory Board (NAB) on mobilization policy appears to be somewhat redundant when you have all your advisory agencies, plus the old-line agencies and ODM, which certainly involves planning advice, unless that Board is composed of the chiefs of some of the other advisory agencies. Could you state what its membership is composed of and what its functions are?

MR. ANDERSON: I am glad you brought that question up. It was an oversight of mine in not remarking that one of the things accomplished has been to provide a channel for advice and information from outside the Government, through the NAB, to the highest level in the Government. Created by the President, the Executive order stipulated that four members should have a background in labor, four in agriculture, four in industry, and four should represent the public. The group is chaired by Mr. Wilson and meets every two weeks at the White House. The President attends a good many of its sessions. Here he can sit at the table and talk to people who represent all phases of the national life and its interest in problems created by the mobilization effort. In addition to providing advice and information, a function of the NAB is to make recommendations to the President on matters of policy concerning the mobilization effort.

QUESTION: Could you give us an idea of how you arrive at the civilian requirements and the foreign aid requirements in your mobilization planning, and, roughly, how they compare in accuracy with our military requirements?

RESTRICTED

MR. ANDERSON: You will have to invite me down again to give the answer to that one, because it is one of the toughest questions that we have. I think you will get better answers from someone more closely connected with the requirements function than I. My guess is that the college has arranged for a speaker from the NPA-DPA group who will give you complete information on this very important phase of mobilization operation.

QUESTION: You have brought up some very good reasons why the emergency agencies have been placed to a great extent in the old-line organizations. It seems that one effect of that is to spread many of the policy problems into many different agencies.

For example, is the Office of Defense Manpower concerned with wage stabilization? Is the Wage Stabilization Board concerned with another aspect of wage stabilization? Is the Selective Service Administration concerned with some other aspect of manpower? You have the Office of Defense Transportation and you also have the Maritime Commission concerned with water shipping; you have Civil Aeronautics Authority; you have the Public Roads Administration concerned with highways. My question is on a procedural matter. How can you, with so many different units engaged in consideration of the aspects of one problem, coordinate their efforts? How does the ODM operate to coordinate its efforts?

MR. ANDERSON: What we have done is to set up committees in the areas listed under the ODM on the chart. These committees are not confined to the four areas mentioned. In Labor-Management-Manpower you have a number of committees set up. Those committees pull together the interested and responsible agencies at one place. The chairman--regardless of who he is, whether Foster of Economic Cooperation Administration, or Rentzel of Commerce, or Arthur Flemming (who is actually the only chairman attached to the ODM)--when sitting at the head of that committee table, wears an ODM hat. He reports directly to Mr. Wilson. The chairman recommends directly to Mr. Wilson and Mr. Wilson makes the decision. It is not the committee. It formulates a recommended policy for him. He is the decision-making authority. The device used for flowing advice, information, and recommendations to ODM is the inter-agency, government-industry, or government-public committee.

Now to go a step further--we have two other coordinating devices under the ODM, one of which is named here; the Defense Mobilization Board, attached to the ODM by the Executive order of the President which created it. That is your top, policy coordinating board. This is where you get your high officials together--Secretary Marshall for Defense, Secretary Snyder for the Treasury, and so on, right on down the line. The other is the Mobilization Executives Staff. This group is composed of the heads of the agencies in the ODM orbit which have direct operating responsibilities. These are the men who have today's problems to solve. Mr. Wilson chairs them and the committee is his direct contact with the

RESTRICTED

106

man who has the job to do. If somebody down the line has an important segment of the work where an answer is needed, he can come along with the Assistant Secretary, the Deputy Administrator, or somebody like that and place the problem with Mr. Wilson. The lines of communication are very good. I will toss another bouquet at NSRB; it did a good job of setting up channels of communications. The relationships have been established. They have been in existence for a long period of time. They are right there, ready to be used.

COLONEL BARNES: I won't be able to recognize any more questions, but just to send Ollie off with good feelings, by a showing of hands how many unanswered questions are there still left?

There is your after 12 o'clock question, Ollie. There is the evidence of the compliment you mentioned. Thank you very much.

(25 Apr 1952--750)s/sgb

14

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