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MANPOWER IN ECONOMIC MOBILIZATION

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MANPOWER IN ECONOMIC MOBILIZATION

11 September 1952

This period this morning will be devoted to an outline of the course in Manpower, an introduction to you of the members of the branch, and certain fundamentals of information will be presented to you.

As you learned from the Manpower Curriculum book issued to you yesterday, our course begins officially with this period and ends with the last oral presentation on November 6. But in a real sense, the course started with the orientation, since much of the material offered there pertained pretty directly to Manpower. Also, you may be assured that the manpower course will not end with any degree of finality on November 6, for you will have reminders of it throughout the rest of the year.

You may recall that Dr. Reichley told you that this 10 month resident course, on which you are now well embarked, is all one course, which we call Economic Mobilization. In studying that remark, I realized that the several parts of the Manpower Course fit so well into the outline of the over-all 10 month course that I could very well use the outline of the latter for the framework of the Manpower Course and, incidentally, the plan for this discussion.

Thus we find it appropriate to first examine our resources in manpower. While we do pay some attention to world demography we are, of course, primarily interested in our own national resources. Next, we consider what requirements must be placed against our manpower, followed by a consideration of how to achieve the maximum productivity from our labor force. In the area of procurement, we will consider the organizations and agencies concerned with labor and military employment and recruitment. Labor relations do not, at first thought, appear to fit too well into our analogy until we think of our own manpower branch where it seems to be quite suitable. Lastly, to fit the Economic Mobilization part of the course, we find ourselves concerned with the organizations concerned with mobilizing our manpower.

Thus, you see, this manpower course material will fit very comfortably into the whole course. We hope and trust that you will acquire a fund of information and understanding which will make you able to better understand the personnel aspects of future events, and to give you an increased ability to deal with the problems concerning people which will surely face you.

With such an introduction, let us now proceed to an examination of our first topic--our national manpower resources. It is, of course, a somewhat trite truism to say that our manpower resources for a war are

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those that we start the war with. We are unable to shorten the twenty-year lead time required for creation of members of our labor force. Importation of foreign labor, is, of course, possible but not too remunerative as I shall discuss later. For practical purposes, however, we have to start with what we have.

Right now that is one hundred fifty seven million, eight hundred thousand people. Let me hasten to assure you that I have no intention of burdening you with a great mass of statistics, but there are a few basic figures which will be helpful to you and we might as well accept the job of looking at them.

Our population is rapidly growing and has been for several years now. The one hundred fifty seven million eight hundred figure which I just gave you is our Bureau estimate for 1 October and is based on a projection forward of Census Bureau estimates of 1 July last. The current estimates are made on the basis of a monthly increase of two hundred and fifty thousand or about three million a year. This is fifty percent larger than our two million per year rate of increase for the decade 1940-1950. That, in turn was about twice the rate of our increase for the 30's, when due to the relatively low birth rate caused by the depression, our increase was about a million a year.

To recapitulate, from a ten million increase in the 30's we jumped to twenty million in the forties and now are averaging about three million a year.

The importance of this to you is that it gives you a reference to check population estimates, also you can carry an estimate forward to a date which may concern you, with reasonable accuracy.

These figures I am giving you are based on Bureaus of Census reports and, while rounded off for convenience, are sufficiently accurate for most practical purposes. There is need often to consider the labor status of various parts of our population. So let us turn now to a breakdown of our people into three groups according to their labor status.

CHART 1

Let me warn you now that this is a simple chart, probably the simplest one you will see. I can assure you that we of the Manpower Branch will usually make our charts much more complicated. This is, perhaps, not even a chart at all, since it is really a device for giving you some definitions.

You see here three areas, the two colored ones representing the "labor pool" and the one outline somewhat forebodingly in black, being labeled "consumers only."

The "labor pool," in turn, is divided as you see into "labor force" and, with a singular lack of imagination, "those not in the labor pool." These terms and the definitions which describe them are adapted from the Bureau of Census reports from where we gather data about them. There is certainly nothing sacrosanct about them and we use them only for convenience and so that we will be talking in the same terms. The "labor pool" or the two colored areas includes all persons over 14 years of age who are doing useful work or looking for work and those who could work. The red block, the "Labor Force" is composed of those who are working for pay or self-employed, or who are looking for work, the unemployed. The blue area, "those not in the labor force" consists of housewives and students principally, while the black or "consumers only" is left for those under 14, those who are retired and those who are in institutions. This last is a euphemism for jails and hospitals.

Let us turn back to the labor force. You will note that it comprises about 43 percent of our total population, and consists of 66,000,000 people, including the unemployed and the Armed Forces. And let us hastily add that no meaning is intended by putting the unemployed and the Armed Forces so close, and no conclusions should be drawn from it.

You will note also that the blue area is about 26 percent, while the black area shows 32 percent. There is not too much point in trying to remember these numbers because they are constantly changing. May I suggest that you keep the percentages in mind since they are fairly stable. You can round them off to 40, 30, 30 if you like and be reasonably accurate.

Before we go on to a consideration of a more detailed breakdown of our population, I would like to point out that we will have a committee working in this area of population. This committee will work with Mr. Al Maserick, who also does the tennis playing for the Branch, Mr. Maserick. (Problem 1)

CHART 2

Let us break the population into age and sex groups. This chart-- we call a population pyramid. As you see, it is really two bar or skyscraper charts back to back--it is also known as a paired bar chart. We will make it look like a Christmas tree as it is sometimes called.

It shows a breakdown by five-year age groups of our men at the left, and our women on the right; you will note the five year age grouping from 0-5 to over 80 along the left side. A bar for each age group shows how many there are in each group in millions as indicated by the numbers across the bottom reading both ways from 0 in the middle.

It is quite apparent, I think that this slope along the side has to do with the mortality and birth rates. Obviously, the angle of slope

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has no significance since it results from the relative size of scales selected for the side and bottom. But whether the scale is concave or as this is, slightly, convex, it is important. You will see that since, with a hearty cooperation from all concerned, we have high life expectancy in this country, the pyramid tends to bulge slightly here as it rises toward the peak. This contrasts with those countries such as India, which have a higher birth rate with a much lower life expectancy; we find the pyramid wide at the base but closing in rapidly to the center as it rises to about the same height as ours. There are some hardy old souls there who live to ripe old ages. The most striking feature of this pyramid, however, is this indentation, which is caused by the relatively low birth rate of the early 30's which I mentioned before. This is where the kids would be who were not born then. Happily for the future of this nation, our birth rate began to rise during the late 30's and has remained high since then. The general shape of the pyramid is now restored although we never will be able to eradicate that notch on each side.

We might consider here the effect of our war casualties. Looking at the bars in the 55 to 65 age groups where World War I veterans are we can see no appreciable difference between the men and women. In the twenty-five to thirty year group we do see a slight difference which can be explained by the war caused casualties, suffered almost exclusively by the males.

With that let us proceed to an examination of how our labor force fits into this age breakdown.

BLUE OVERLAY

This shows how our total labor pool fits in the pyramid. This includes both the red and blue blocks on the other figure. This small area projecting downward is caused by the fact that I am using five-year groups and the labor pool definition I am using starts it at the 14th birthday.

PULL RED OVERLAY

Let us see the labor force. You will note that about one-fourth of the force is on the women's side. This also illustrates the fact that our most immediate resource for increasing the labor force is found in the housewives with male students coming next.

It is of interest to see how the Armed Forces fit into this picture. Since we are not sure what future military force may be required. We have chosen to use the 12 million which was the maximum we reached during World War II, about August 1945. Therefore this card represents the application of our Armed Forces as of 1945 to our present labor force. There it is. This is our manpower situation.

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WHITE CARD

Let us now consider the ways in which we can help the labor force to meet wartime demands placed on it, despite the loss of several million men to the Armed Forces. We will consider ways of increasing it numerically and also ways in which increases in productivity can be achieved, over and beyond the increases in numbers.

The most ready reinforcements are the 37,000,000 women in the labor pool but not in the labor force. Eighty percent of the jobs in industry can be filled by women according to the Department of Labor estimates. During World War II, about five million additions to the labor force came from this group. To be sure, certain planning is required of management in order to make the most effective use of this reserve. Training or refresher training must be conducted; arrangements must be made for the provision of certain services which will assist the women in meeting their family responsibilities and working hours and conditions must be adjusted to meet their needs. The women who are the mothers of this large group of children will probably not be available except in the most extreme emergency. However, this is a ready reserve, the number limit to which cannot be definitely stated.

In World War II, about 5 million women moved into the labor force. I personally feel that this number could be greatly exceeded if the urgency was great.

The next source is this group of young students. They are soon going into the labor force anyway and it is possible to accelerate this movement by the draft and by the attraction of high wages and possibly by other means. It must be borne in mind that for a long pull we would pay a price in cutting the educational process in this group. But for a period of extreme emergency, say for 2 or 3 years, we certainly should not hesitate to use this resource if the need was great. Here again we are not sure of our numbers, but we gained about 7 million from this source during World War II.

This about exhausts our resources in the blue area so we may turn to the black--the oldsters, youngsters, and institutionalized.

Many older people may be held in the labor force by simply failing to retire them. In this connection, you will note that nowhere has a top age limit been placed in any of the definitions we have used. Our retirement age runs from about 30 on up with a peak around the period 65 to 70. A case recently reported was of a band saw sharpener who was hired at the age of 91, but that is exceptional. In any case, here is a pool of people which is available, if needed.

As to the youngsters, a gain can be made here again if the need is critical. They can help on the farms, relieving older workers, they can

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do part-time work in services and can assist in the care of the children whose mothers enter the labor force.

The handicapped offer us a limited number of workers. Much has been accomplished in recent years by government and private agencies in the rehabilitation of physically handicapped persons so that they can support themselves. I cite Dr. Oscar Ewing as the authority for the statement that the government has received in income taxes from the increased earnings of this class of people that it has had to spend on the programs which put them back on a self-supporting basis. The numbers here are not large but they have a marked influence on morale.

There has been much interest recently in attempts to put our prison population of about 400,000 back on a more productive basis. As of now, they are generally on a self-supporting basis but they make little additional productive contribution. There is a field here for a possible increase but it will be small in number and fraught with dangers.

Alien labor is often considered as an additional source. We have introduced Mexican labor for use primarily in agriculture with moderate success. Such recruits offer a clear gain in numbers but it is not all profit. Language and customs prevent making full use of these people and they impose burdens of housing and feeding them. Also, their importation is generally opposed by labor groups in the fear of introducing an additional group to increase unemployment in the event of a period of low employment.

We have a problem concerning the requirements which we will place on our labor force. The instructor for this problem is Colonel Roy Norman. (Problem 2)

In addition to the increases in number just outlined, there are many other ways to add to the total productive capacity. The most obvious is by increasing hours of work--the workweek, so to speak. Theoretically, an increase from our present 40 hour week to a workweek of 48 hours should add 20 percent to our productive capacity and it does very nearly that. There is, of course, a practical limit to this gain since there comes a time when further increase in the workweek will result in less work per hour and finally a lesser amount per week. But this limit is not precisely known. It is probably in the neighborhood of 50 hours though it varies widely from industry to industry. There is also a wide variance according to efficiency of management, and as to urgency. In any case, here is an area where real gains in production may be made.

The next source of increased production is to be found in our ability to increase individual productivity. This has averaged, during this century, about two and a half to 3 percent. This, too, cannot be precisely determined but this figure seems to find general agreement. Also, this rate can be increased under the pressure of a national emergency.

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This routine and emergency increase in productivity per worker is achieved by a combination of several factors--enlightened management--process and material improvement--increased use of power and improved machines. Some of these cannot be accomplished during normal peacetime operations because of economic restrictions. But in the free spending expansion of a war effort, the building and use of new machines and facilities, the development of additional power and high motivation serve to greatly accelerate this rate of increase in productivity.

We will have a committee which will work on this area under the supervision of Commander Art Castelazo. (Problem 4)

Closely related to the means of effecting increases just enumerated is the matter of restriction of nonessential industries and activities. This is a plausible and easy solution to some of our shortages problems until we get down to cases and try to determine just what is a "non-essential" industry. We are then in an area with few landmarks. How essential are recreational or cultural activities? Where is the line between luxuries and necessities? Do we permit the making of TV sets to keep the people from using up gas and tires? Fortunately, material restrictions usually give us a more emphatic answer than we can get by considering manpower alone.

Actually, if you will recall, we curtailed very few sports or recreational activities and we increased services during the war.

Just what controls should we consider applying? We found some success in indirect controls during the war. By these I mean the curtailment of manpower use in some activities of lesser importance by the device of cutting off material allocations. Some control of migration was accomplished by limitation of gas and tires. Encouragement to work in war supporting industries and conversely discouragement of non-essential industry employment was accomplished by our employment service and also, indirectly, by military conscription system which we call our Selective Service.

Actually, this latter measure was the only direct manpower control of any importance we have used and it has been generally successful and has received wide popular acceptance. Much of the credit for this must go to the sound administration which we have had in Selective Service. Our people have realized the necessity for military conscription and have had confidence in its impartiality. A contributing feature to this confidence has been the place of Selective Service outside of any department or special interest group. As you doubtlessly know, Selective Service is not in the Department of Defense and, despite the fact that its Chief, General Hershey, is a retired Army officer, it is not in the Army or even the Department of Defense.

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But, notwithstanding this popular acceptance, Selective Service presents serious problems. These grow out of our national desire to exempt or defer certain classes of men from service, for various reasons which seem perfectly reasonable.

First, we respect the integrity of the family and usually permit exemptions based on dependency on the head of a family. Next, we adhere to certain age and physical standards set by the Armed Forces. Further, we recognize the importance of certain trades and professions in maintaining our accelerated production and accordingly grant industrial or occupational deferments. For very much the same reason, we permit limited educational deferments.

All of these seem perfectly reasonable. But they do greatly limit the numbers of people available to the military service. In the current semi-emergency, we are faced with an additional dilemma. Formerly, veterans of previous wars were somewhat elderly men, who encouraged the younger chaps off to war and were not considered suitable for war service. But now our veterans are still young enough to be valuable for war service, and are a well-trained and capable reserve. What of the ethical problem posed by the choice between a second call for these people and a first choice for a young father, or a college student?

The most favorable aspect of this whole draft situation to my mind is the fact that most of the difficult decisions are decentralized to some 3,700 local boards, composed of unpaid volunteer citizens. These individuals include professional men and tradesmen and represent the leaders of the communities in which they serve. When they have to make the difficult decision as to which young man will go they have available to them first-hand knowledge of the man concerned, his employer and his family. To be sure, the National Headquarters of Selective Service promulgates certain policies in accordance with Presidential directives and Acts of Congress, but the bulwark of the success of the system is this local self-determination.

We have not yet seen the necessity for conscription of women though I am sure we will not hesitate to resort to it if it becomes urgently necessary. Also we have not seen fit to conscript workers for industry.

This field of manpower controls will be studied by a committee under the guidance of Mr. Mike Poluhoff. (Problem 7)

In considering the use of our people in industry we must look to the matter of labor management relations. About 25 percent of our workers belong to labor unions, which, with their present political activity, wield a power sometimes thought to exceed their proportionage strength.

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I must confess that I feel a certain sense of irritation at some of the irresponsibilities of some union leaders--I think I would explain my feeling by saying that I feel strongly that for every authority which is exercised there should be evidence of a corresponding degree of responsibility. That does not always appear to be the case with unions or at least with their leaders.

But viewing the labor movement in somewhat longer perspective, we soon realize that it grew out of a need for workers to band together so that their combined strength would enable them to demand and get a greater share of the returns from the increased productivity for which they, along with management, had accomplished. I do not accept the idea that all management would have shared this equitably with the workers. The result of this, of course, has been strong labor organizations. It also has required a series of laws to regulate the economic contests between labor unions and management. These laws have tended to favor unions until the Taft-Hartley Act which placed certain responsibilities squarely on the unions. It met with violent opposition from the unions, as you know, and has become a hot political issue. It is simply one stage in the development of labor union and management strength. The pendulum seems to swing from one extreme to another, moving always, we hope, in the direction of a stable situation.

The basic principle which underlies all democratic labor relations is that by means of collective bargaining, if both parties are sincere, we can arrive at a solution to most economic contests.

Whether we like them or not, our labor unions are here to stay for a long time. To them must, in all fairness, be given considerable credit for our economic development and our increase in productivity, whatever their motives.

Our view at the College tries to remain impartial. We hope to present to you proponents and pleaders for both sides, and all we ask of you is to inform yourselves of the facts and try to achieve objective viewpoints.

Our two problems in this area will be under the able monitorship of Mr. Sam Hill. (Problems 5 and 6)

Before concluding, I should speak of the broader aspect of improving the power of our people. Throughout the nation we are constantly conducting research into ways of improving methods of using our manpower; we are carrying on educational programs to increase the skills available to us and we are learning ways of management which will permit us to make the most effective use of the numbers we do have.

Colonel Jim Price, who was a student in last year's class, will conduct a problem in this field. (Problem 3)

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In conclusion, may I point out that we have shown the manpower available to us, broken down into labor status, age, and sex groupings; we have outlined steps we may take to increase numbers, and to increase productivity; selective service and controls have been touched upon; labor-management relations have been mentioned and we have called attention to the research and educational programs through which we hope to improve the quality of our people.

Further discussion of these points thus briefly outlined, will await your questions. Let us take a short break.

COLONEL VAN WAY: I have two points I would like to make before we go into the discussion. We have several visitors here, and I would like to have them feel free to make comments and ask any questions they care to ask. The other point I would like to make to the group is that I would appreciate not only questions but comments, either in criticism or in disagreement, or any other comments you wish to make, as well as questions. I am now prepared for discussion.

QUESTION: I notice that you have reflected a low birth rate in the depression of the 30's. Was there any similar low birth rate after World War I?

COLONEL VAN WAY: No, depressions cause low birth rates, rather than wars. Wars depress the birth rate but slightly unless they are serious. World War I in Europe did have a real effect on the birth rate there. In this country World War I had a slight effect on the birth rate; but the depression of 1929 and early 1930 affected it seriously.

COMMENT: You are right. What I had in mind was the period following World War I--1920 and 1921.

COLONEL VAN WAY: We have not noted any real drop there. There may have been. I will check that and let you know. I doubt that it was of long enough duration to affect the birth rate, which had been on a steady decline since the turn of the century. It got down into a lower figure then, to 20 per thousand per year. It was 25 per thousand per year in the early 1920's, then dropped in the 1930's, dropped down in the order of 17 or 18, which was the lowest it has been. It was climbing in 1939 and 1940 to over 20 again. There was a slight drop in 1944 and 1945; and then it climbed very definitely since then. Now it is in the order of 24 or 25 per thousand per year again.

QUESTION: Colonel, I was interested in your comment on the low birth rate area, where you said immigration would not be able to help us very much. During the early days after the war, couldn't we have filled up that gap by allowing a million people in that age group to emigrate to this country if we had been on our toes and recognized the opportunity?

COLONEL VAN WAY: Yes, we probably could have taken in that many. Our policy has not been to take them in that fast, probably due to problems of assimilation. We have taken in about 30 million by migration through our history. Right now the figure is negligible. The quantities are down, except for special groups. In the late 19th century and the early part of this century we took in about 30 million. The high year was 1907, when about one million three hundred thousand came in. Now or at any time in the recent past that would have raised the question of our unemployment.

If we ever should bring them in to a point where we would satisfy our labor market, that would impose the burden of trying to reconcile that act with the position of the labor unions to that sort of migration.

There is a personal view I have, which is, if we were willing to be sufficiently selective in bringing in immigrants and would do it on a quality basis of trying to bring in high capacity people, we might not do ourselves any harm. But I am very much afraid if we try to do it on a wholesale basis, it would not be done as methodically as that, and we would bring in people who would lower our level--not increase it. Mere numbers are not what we want. We want quality.

QUESTION: Where you show increase in production due to increase in efficiency of labor, have you any idea of how much that increase in efficiency was due to improvements in machinery?

COLONEL VAN WAY: That is included in that 2- $\frac{1}{2}$ percent. I don't know of any studies which have separated the various factors which are grouped in the 2- $\frac{1}{2}$ percent. I don't know of any over-all studies. I wonder if anybody is able to break down the 2- $\frac{1}{2}$ percent. I think the point of the question was: How much was due to improvement in management operations, plus understanding and skills, and how much was due to more and better machines. Also in there should be methods, material, and power. Can anybody comment on that?

COMMENT: I can't break that down, but I was going to comment that one of these international research council pamphlets said the productive capacity of workers went down during the world war period to one percent.

COLONEL VAN WAY: Yes, at the beginning of the war there was a slight drop in the reorganization of our industrial picture. When retooling and rebuilding of facilities goes on, there is liable to be a short-term drop in that efficiency; but that short-term drop was more than made up later on when increased power became available, when new facilities and better machines became available, so that the increase during the whole war period was greater. There will be a drop at the beginning of such a period, due to reconversion time. You will run into a temporary setback then.

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QUESTION: The pyramid chart didn't appear to show the women in the Armed Forces. Is there any significant reason why not?

COLONEL VAN WAY: I have given this talk a good many times to military audiences, and it is always reassuring to me that I never fail to get that question. I don't know whether it is because of the natural gallantry of men in uniform, or something more fundamental. This overlay (indicating) is drawn approximately to scale, and it makes the point, I think.

By the way, I don't want to be pulling your leg. I think that is a good question. There's a lot I have to say about it. Actually, we had about 286,000 women in uniform during the war. That makes it about right to scale. About 100,000 were WAC's, which then included the WAF's, Air Force then being with the Army. There were 100,000 in the Navy. Of that amount there were 37,000 women in the Marines; the rest were Waves. The other 86,000 were nurses, divided between Army and Navy; about 60-26; something like that.

What was important about that was from the point of view of utilization of our manpower labor force. Let us look at that a little bit further. I have studied the Labor Department reports, and they said that 80 percent of the jobs can be done by women. There are many jobs which can be done much better by women because of temperament, tradition, practice, and training. Those jobs include clerical jobs, jobs which need to be meticulous, which may be, perhaps, repetitious, and sometimes of a monotonous nature; jobs that require precision; clerical work, switchboard, radio work, cryptography, and jobs of that sort. Then, of course, there is a great family of health jobs for which nurses can be used.

All of those jobs can be done traditionally probably better by women than we can train men to do them. I think those of us who have had experience in trying to train men to be switchboard operators realize the truth of that.

That is the first question. We get a group of people who can do some jobs we need to have done in the Service, and do the jobs really better. The next thing is, they have been trained, and we save ourselves training time. It is probably better to take someone off the switchboard in the telephone company and put her on the switchboard in one of the services than try to get a boy from the farm and train him to be a switchboard operator. This last proposition saves training time. We can get girls who already have training and put them in the Service where they can develop skills they already have.

The last thing, and perhaps the most important, is to get more people into the act. The more people in the country who are actively

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engaged in the war effort, the greater will be our national effort. It will help national morale to show complete support of the war activities.

We can take a girl from here (indicating) who has skill as a nurse, communications, or clerical skill, and put her in here (indicating) and save taking someone out of here.

The advertising we put out in support of the effort of the women in service is that they release men to go to war. They do, to a certain extent; but I think if we need a man for a foxhole, airplane, or ship, we will get him. But we may have to take him from a machine where we want to keep him. If we can get a girl to do work she can do, and put a man in the job which only a man can do, we have saved people in the over-all red picture. That is what we are trying to do.

That is a good question.

QUESTION: You emphasized the need for utilizing all the manpower we can get by transferring from the blue to the red, from other sources. Now, I recall that prior to the war Germany and Italy had, I presume, made a long-range viewpoint inducement program for increasing the birth rate. They were giving prizes to mothers of sixteen children and also reducing income taxes for those who had more children. Isn't there a possibility, from the long-range viewpoint in our country, that merely reducing the income taxes, among other means, would increase the birth rate? You haven't commented on that.

COLONEL VAN WAY: I would think if income taxes could be reduced it would probably lead to more families, to the extent we are held back in creating families by the income tax. We have got somehow to pay for bills we are running up. We have to leave it to the economists to figure out that matter of whether prosperity and jobs have much to do with the creation of new families. For a decrease in population we would have to have a period of recession, where we would have unemployment.

We have an increase of 2- $\frac{1}{2}$ million people per year. You can see we have an increase in families that is very material. Once we slow that down we lose again, and then artificial means of more readily creating new families might be effective. I am not sure it would be very satisfactory in the long run. I can't believe the American people would respond too well to anything of that sort. They respond to voluntary methods.

QUESTION: We look at India, China, Japan, and Puerto Rico. Isn't there some balance between the population and the resources that would warn us against a blind increase in the birth rate as being a good thing?

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COLONEL VAN WAY: Yes; there is some tendency when the birth rate gets too high that it will bring the standard of living down. For one thing, it keeps it from rising, as has been affected in India and China, two of the countries you mentioned, but I don't think it causes it. We have a high standard of living; we have a moderate birth rate, and we have low mortality. Our rate of increase in population is about the same in percentage as that of Japan, which we have heard termed "explosive." It doesn't seem so explosive here where we are not crowded together like the people in Japan are. Actually, the net increase is about the same.

I think we have means in this country for absorbing many times the number of people we have. There are other ways in which to make the output of our land still more effective and efficient. I don't know what the number limit is. I don't know whether anybody else does, or whether the Indian and Chinese trouble was due entirely to greater population or due to their failure to educate people, to bring them up in modern ways. I have a feeling it is more that last than the actual numbers. In relation to our resources, I think we can do well with many more people.

QUESTION: Looking at your chart there, blue or potential, what is the significance in showing that the old women are worth having around and the old men are not worth anything at the 80 plus age?

COLONEL VAN WAY: I am sorry you draw that conclusion from our arbitrary definition. Up in here (indicating) we have a lot of men considered consumers only.

COMMENT: The top line is the one that caught my eye.

COLONEL VAN WAY: That rocking chair seems to get men and doesn't get women. They stay as housewives. There's a little bit, a couple of blue lines on the male side. There are about 68 thousand males who class themselves as housekeepers; but by and large, a man retires. We have had some discussion on where retirements start. I will never specify it. It starts down around age 30. You will notice that at no time have I put a top age limit on this. I have given that age, 14, at the bottom, but at the top we don't state that, except for convenience in drawing the chart. Actually, it can run up into here still, in the labor force. I read the other day about a call put out for a bandsaw sharpener. The employment service pulled out a man aged 91. He was employed, and he turned out very well. That is exceptional, though. For most people, the highest peak of retirement occurs in here and here (indicating). That doesn't mean that some people don't continue to work up here, or don't retire down here (indicating). Men accept the period of retirement, but women consider themselves housekeepers. These black portions are some sick individuals, not able to take care of themselves. They are not classified in the blue group.

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QUESTION: About a year ago, WAC's who were, and who probably still are, mothers were released from the service, separated. These are re-servists, I am thinking of primarily. That seems to be contrary to your idea that we should bring them into the service. Would you care to comment on that?

COLONEL VAN WAY: I don't think I have suggested that the services should take mothers as such. My theory was to take mothers and move them in here (labor force) and take people from here (labor force) and move them into the Armed Services. I think mothers in the Armed Services is a question of policy to be decided by the services themselves. There is a question of mobility, whether they can be moved around; there is the possibility of full dependencies; the question of medical care. Those are all questions of policy within the services. My point of view in utilization in the labor force is, if a girl wants to work, she can work here and be part of the labor force, or stay home and take care of her children. The Armed Services may not want to cope with it. I wouldn't care to comment on the wisdom of any policies that we would draw up.

COMMENT: I was thinking of reserve officers they took out. There was a lieutenant colonel; she was trained as a soldier, and felt she was doing a good job since she came on active duty. They wanted her out of the service. It let her down. She felt she had value.

COLONEL VAN WAY: I believe in the long run you would find a mother has a little more important and personal responsibility toward her children, and we would all expect her to put that ahead of any duty in service. It would mean the consideration of the policy of reopening that rather questionable matter. In exceptional cases it could be done.

QUESTION: I notice there isn't too much of a drop in women getting married and quitting work. I wondered if that large group you were speaking of, of women who could be brought back into industry, actually exists. Won't you really be starting from scratch on most of them. It looks from the beginning there that you don't get anything like the employment of women that you do of men. I wonder if you would be taking people back, as you mention, in persuading them to join the labor force, you would be simply bringing them into it for the first time.

COLONEL VAN WAY: That's a very good point, Colonel. The point the Colonel made, as I understand it, is that probably most of these people-- I didn't give figures on them--have never been in the labor force and don't have skills to be retrained in. I don't have figures on that. I think it is probably true. Most of them probably have not been in the labor force. I spoke of them as if they had been. Has anybody any figures to show if this group were in the labor force? Mike, do you have figures?

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MR. POLUHOFF: No; my guess is that the people in the 20 through 39 age group could be trained readily for the labor force.

COLONEL VAN WAY: This point was that it is a question whether they will be skilled people who will be retrained, or whether they will be new and unskilled people. Your point was very well taken. I think that we will try to get these figures.

QUESTION: Along that same line, I wondered if there has been any organized thought devoted to what the training programs would involve, and what would have to be set up in the way of chow here for mothers of young children. Do you have any idea of what we would be getting into if we tried to do that?

COLONEL VAN WAY: Yes; that information is available. I haven't it at my fingertips, but there is not much of that available. The Labor Department has much information on facilities necessary to aid in that matter. That figure of 18 million women who don't have children under six is significant. Those who have children over six can put them in school, if schools are available. That will enable mothers to go to work. That 18 million is the group we really look to. I don't have that information at hand, but I believe in the work of some of our student committees that will come up.

COMMENT: There is a business someone started on the West Coast of training women for industry.

COLONEL VAN WAY: That's very interesting. I didn't know that.

COMMENT: I think it is in Los Angeles.

COLONEL VAN WAY: Thank you. That is a point along that line.

QUESTION: Some studies have been made, to what extent I can't say, in regard to the utilization of the physically handicapped in the service. OSD has used them at various times. I don't think it has been exhaustive. Has industry made a similar study, and to what extent have their services been completed?

COLONEL VAN WAY: Yes, there have been many fine studies made, many of them by a very fine man, Dr. Howard Rusk, who was in the Air Force during the War. He is in New York and comes down to Washington very frequently in connection with his work on this matter of the rehabilitation of the handicapped and encouraging their use in the proper place in industry. Most of industry is aware of it. The various trade journals and management journals consistently emphasize that it is considered to be one of the more important management tools of the day to increase the labor force and get good people in useful occupations. Some aircraft

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industries are using people where they can to make the best use of their skills. They find that by and large such handicapped people, if they are put in the right places, would work perhaps more efficiently and with less absenteeism than their whole-limbed colleagues.

QUESTION: You pointed out that during the war our selective service directed manpower control and filled the Armed Services. Why was not direct control used in respect to the balance of the labor force?

COLONEL VAN WAY: A very good point. The question was: Shouldn't we conscript people for industry as well as we do for military service? There is a lot of direction behind it, and some other important things. I can't give you this factually; it is more or less personal philosophy. You will have to take it as such. Actually, the people recognize the need for forcing young men into the Armed Services, and certainly in theory and ethically it should be possible to force them into other war supporting activities. But the rub you run into is that we have a private enterprise system economy, an incentive system economy. Our industry is run on the idea of the entrepreneur, who sets up an industry and expects to make a profit. We are not prepared to do away with that principle. It seems to me it would be disastrous.

When you suggest drafting a man and forcing him to work in a specific industry, you are forcing him to work for somebody else's profit as well as his own. We can't seem to reconcile that. I don't see how we can. In theory it seems to me fair to draft a man to work in the coal mines as well as to go into uniform. We have a fear of being forced to work for someone else for profit. I don't see how we can do away with the free enterprise system, which to me is the bulwark of industrial efficiency.

QUESTION: Is it to be inferred that all women represented by the blue area are potentially available to the labor force, or are there some that come into it and are made available because they are mothers?

COLONEL VAN WAY: Yes.

QUESTION: Aren't we fooling ourselves by having such a large area represented?

COLONEL VAN WAY: No; if you keep in mind our figures of World War II were only five million, and it was the same size, 37 million. We got five million; that was not very much. We believe we can raise that and get eight or ten or twelve million. We don't suggest we can go all the way up. We don't know what is the actual minimum. It will vary with the urgency we have at the time. But still, many people would come from that group that would not come in normal times. The urgency has to be the guide.

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QUESTION: That white area appears to be very important, in that there is a balance between the number of people in the Armed Services and the support given by labor. I wonder if we arrived at any firm conclusion in the last war as to what skills should be available to the Armed Services to support them in balance with the appropriation at the present time.

COLONEL VAN WAY: There are many studies on that matter. It is of considerable concern and many people seem to be aware of it. There is much published to show where kinds of skills are needed in different places and there is information to show which ones are there. There has been nothing very definitive put out about that problem. It is a very important problem, not only of numbers but of skills, quality, and kinds of people there may be. The thing gets further into and deeper into the crux of the problem.

QUESTION: I also was interested in the white area. We have been talking much about it. I realize you started out and as an assumption took twelve million. We don't talk about figures per capita. Would you have four million more in the pink area if you had two million less in the white?

COLONEL VAN WAY: The whole area is going to be productive; the white as well as the red. It's the entire productivity of the whole group of services which have been drawn up there into the area they are in. We do have a considerable effort to draw people into this area. People will support us in drawing people into this group. That imposes on us the very grave responsibility of being sure we make the best use of them that we can.

COMMENT: Coming back to our main problem--we bring it up all the time--manpower requirements; we don't have enough manpower. I want to get back to migrations. It seems to me we want more, and I don't see that it creates too much of a problem to absorb them right now or in the long run. I know pressure groups keep them out. It seems to me we can use them. I know in my own experience in the past ten years we can't get anybody to do anything. I think we need them. We ought to bring more people in. We need their social and technical benefits in here to help us. It seems to me we ought to pursue that more and get some of those people in here. I think our unemployment now, whatever it is, is based on the charity they can get out of unemployment.

COLONEL VAN WAY: A lot of it is transitional, too. Some people say, "Let's put a bottom on it, a minimum of 8 or 9 hundred thousand." Actually we don't reduce it below 800,000. Does anybody else want to comment on that point the colonel just made? The colonel said he thinks we should bring in immigrants.

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COMMENT: I read in the paper today that John L. Lewis, due to the excess number of miners, wants to limit the work days to three days. I wonder if many more industries are in that sort of condition.

COLONEL VAN WAY: We are not really short of people right now. We are afraid we might be. Here is the amount we have in the Armed Forces. (Indicates.)

COMMENT: My point is, there seems to be so many miners in the mine regions, in order to give them work they must cut down.

COLONEL VAN WAY: I think that's right. I wonder if we could hear from the Labor Department. We have had a lot of discussion on it, not only in our estimates. The thing is that mine workers seem to be over employed in mines. We don't always know what John L. Lewis is doing.

COMMENT: It seems to me the labor unions do have, I won't say, a death grip on the country, but they are a definite important factor in our entire economic system. Labor unions themselves can bring a tremendous amount of pressure to bear on this migration business. You mentioned the point that we have to have people who can keep our level. We don't want just numbers, we want quality as well as quantity. It is a good point for the labor unions to make in trying to keep the immigration down to a minimum.

COLONEL VAN WAY: That is a good point. Gentlemen, we have run out of time. I do appreciate the interest you have shown. I will remind you of our discussion this afternoon, at which we will take up the matter of the formation of our various committees. Also we will have an opportunity this afternoon, if we can manage, to discuss in small groups of people some of the points we have only been able to touch on very sketchily this morning. I do thank you for your attention and interest.

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