

AN OBSERVER'S EVALUATION OF THE CURRENT ECONOMIC MOBILIZATION

15 May 1953

1967

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Publication No. 153-137

INDUSTRIAL COLLEGE OF THE ARMED FORCES

Washington, D. C.

1968

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AN OBSERVER'S EVALUATION OF THE CURRENT ECONOMIC MOBILIZATION

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DR. HUNTER: Admiral Hague, gentlemen: Something over a year ago we were looking around for someone who could come to us in the final unit of the course and give us a talk on the form of coordination on the defense mobilization as of that time. After we had looked around a considerable bit, we decided that Dr. Somers was our man.

His qualifications included, among other things, service in several of the wartime agencies here in Washington. He had, in addition, after the war, written a very able analysis of one of the top coordinating agencies that were set up during the war, the Office of War Mobilization and Reconversion. These qualifications, we believed, overcame the handicap of being a college professor.

Now, on the day of his lecture, which came late in May, it so happened that the good Chief of the Mobilization Branch, Elmer Barnes, was confined to his home with a very bad cold. When Elmer appeared at the college a day or two later, he naturally wanted to know how Dr. Somers delivered his assignment. I told Elmer, "Somers was wonderful. You really should have been here. He not only fouled up the committee reports, which were in the process of final shaping up, but he got under the skin of some of the faculty. You must get Nick to tell you the story of how the lamp-shade manufacturers came to Washington to promote the mobilization effort."

In other words Dr. Somers provided both the stimulation and the irritation, and in the right places, that Mr. Cherne referred to this morning. So we promptly elevated Dr. Somers to the category so familiar to you of an old friend of the Industrial College, and then we brought him back twice this year, last September and again this morning. He will talk to us on "An Observer's Evaluation of the Current Economic Mobilization." Dr. Somers.

DR. SOMERS: Thank you, Dr. Hunter. Admiral Hague, friends: It is always fine to come back to the Industrial College--although my status on this particular visit was called into question last night. I arrived in town just in time for dinner and went to the Cosmos Club, where I ran into an old friend. At dinner he asked me what I was doing in the city. I told him and I pulled out the programs that Colonel Barnes was kind enough to furnish me, indicating that both before and after my appearance you would be addressed by high-level Cabinet or sub-Cabinet members actually immersed in the daily process of industrial mobilization.

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When I was a student in high school--I came from a tough community--it was one of our old tricks when the teacher gave us an assignment and told the class to be ready to discuss it, we went into class and waited alertly until some smart fellow got up and said the right thing. When we jumped up and said, "He took the words right out of my mouth." If I were to proceed that way this morning, I would, to a large extent, be stating the truth, as I happen to agree with the general views stated by Mr. Cherne; and nobody can state them better than he. Thus, I will try to use my material to dovetail with what he has said, and to indicate at certain points where I think some elaboration or qualification may be needed. The occasion gives me a chance to face Dr. Hunter in an uncharacteristic role. Since I am more optimistic than Mr. Cherne, I can appear unusually mellow.

I start first with the problem of organization and administration for industrial mobilization. As you know, intelligent purpose and even excellent understanding of the character of a problem do not take you very far if you are not organized to perform the job. Considering that we are industrially the most highly developed nation in the world, a matter which would seem to be closely related to an appreciation of organization and administration, Americans are surprisingly casual about such questions. When most of us talk about government, we talk about policy. We don't talk very much about the problems of structure and procedure. But you don't really have effective policy unless you have an organizational base and an administrative process to make it meaningful; moreover, it is doubtful whether intelligent policy can really be developed unless it comes out of the life process of organized operations.

We have had some significant steps in the organizational area recently. On 2 April 1953, the President submitted to the Congress his Reorganization Plan No. 3, with which you are all acquainted. The plan, so far as organization is concerned, is presumed to be for the purpose of creating the organizational structure for planning in industrial and economic mobilization. You know what was proposed. Briefly, it makes the Office of Defense Mobilization (ODM) a permanent establishment. It transfers to the ODM all of the functions of the National Security Resources Board (NSRB) and abolishes the NSRB. It transfers to the ODM control over the stockpiling of strategic and critical materials, functions which had previously resided primarily in the Munitions Board.

These are steps in the right direction. There is no question that the existence of two such offices as the ODM and the NSRB was confusing and unnecessary, although they were alleged to have separate functions--NSRB the long-range planning function, and ODM the short-range action program. But it was rather difficult, if it was at all possible, to draw a line between these functions, and many doubted the desirability of such a separation in any event. It was clear that the ODM was the more effective instrument.

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The authors of Reorganization Plan No. 3 were convinced that the NSRB, in its few years of existence, since 1947, had been a failure in its intended role as the focus of long-range, permanent planning for industrial mobilization. When an agency fails, we just spin the wheel and get a new agency, and congratulate ourselves, "We've got that out of the way." But the question must be raised: What in this new order, or what in the condition of the change, is to keep the ODM from becoming just another NSRB? What new ingredient has been added? What essential alteration has been made that should encourage us to believe that the second will really be different from the first.

Well, you can find a few leads. The NSRB never had operating functions of any kind, never had direct contact with the performance processes within the industrial mobilization field. The ODM has several such functions. It has the job of allocation of critical and scarce materials and the plant expansion functions authorized by the Defense Production Act of 1950. But these are no longer very significant. There is some question as to whether that authority will be renewed at all, as requested by the Administration, and if renewed, it may not run more than another year or two.

It also has, as I have indicated, a stockpiling function, but this, too, I am told, is not considered a paramount issue any longer, as the program appears to be under control, within the limits inevitably imposed upon a stockpiling program. In any event, while the function is important, it is limited. In short, I think ODM's chance of becoming something other than NSRB and avoiding all the failures is largely a matter of hope. At least one of the authors of Reorganization Plan No. 3 in response to my inquiry said, "It is an act of faith. Nothing we could write into a reorganization plan alone is going to achieve the job." The question as to whether ODM can deliver depends primarily on what is done elsewhere in the Government, and, second, outside the Government.

Such a question immediately raises the larger issues of what are the central problems in organization for industrial mobilization today. This is what faces Dr. Flemming in his new role, the one he officially takes over when the reorganization becomes effective. An examination of what made the NSRB fail, together with new problems that have arisen affecting the prospects for ODM, are first steps in appraising the major organizational and planning issues.

Probably NSRB's primary failure was its inability to find a single point at which to coordinate the industrial side of mobilization planning with the military side--to put it more jargonistically, the point at which to balance strategic planning with problems of production facilities and manpower. That in the hierarchy of governmental planning was its job. At a stage higher one must include a third element,

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the diplomatic and political. These make up the three corners of the triangle of mobilization preparedness--strategy, production, and political planning. This pinnacle for planning is supposed to be found in the National Security Council, although there have been questions about whether it has in fact operated that way, at least until very recently. The ODM or NSRB level of coordination is a stage lower, to bring together two of the elements--strategic considerations (OIC) with the production issues.

The people of NSRB were unable to perform this job. There are those who say that they never really undertook it. I think it is fair to say that even if they had, the odds would have been heavily stacked against them because the NSRB never found a way of getting into the military side of the picture. They were never welcome there; they were outsiders. We can say it here--the military rarely welcomes an outsider putting his oar into the business of strategic planning and its implications. Yet I don't think anybody has discovered a way of meaningfully separating the question of whether strategic planning is realistic from whether it is feasible in terms of the Nation's resources--its production facilities, its manpower, and its political decisions on the use of such manpower. In this era military operational planning must be coordinated with production planning. It all must be brought together somewhere.

Now, the ODM has asserted recently--I don't know whether or not it has been announced publicly but I am sure you are aware of it--that it has found a methodological solution to this specific problem in what it calls the mobilization readiness program. The mobilization readiness program says, in far more intricate language than I am capable of employing, that now, the first step in reconciling war requirements with capabilities will be to measure the Nation's maximum potential production under full mobilization conditions. It alleges that in the past the Government has tried to compute the quantities and kinds of goods necessary to win a war without adequate recognition of overall resources limitations. The claim is that by starting with requirements rather than supplies, most war plans were unfeasible. The military would send its requirements--strategic plans translated into supplies--to the civilian authorities and say, "This is what we need; it is your job to see that it is delivered; if that is impossible, tell us where we must cut off." The proposed formula starts with feasibilities and the military is expected to fit its requirements and to adjust strategic plans "upon the basis of realistic supply estimates."

I am not a professional in the requirements field but in my amateur judgment there is no material difference in such a procedural change, which is likely to prove more verbal than real. It is the old riddle of the chicken or the egg and it does not matter which you say

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came first. The civilian authorities hope that through such procedures they will be able to temper the demands of the Joint Chiefs. They will say to the Chiefs, "Our studies show that this is the maximum the economy can produce. Here is the minimum we must deduct for civilian needs. Therefore, this amount--the difference, is what you have left to work with." This automatically puts some limit on strategic plans and keeps them within the bounds of feasibility.

You may judge for yourselves whether this is likely to prove an effective form of control or whether it can satisfactorily coordinate production and strategic considerations. I am inclined to doubt it. Gadgets will not be sufficient to deal with a fundamental issue, whether or not ODM will be in a position to influence, or be heard, in regard to alternative considerations when strategic decisions are being made. Coordination is not achieved by letter writing or long-distance communication.

You can't just send a message over to the Joint Staffs and say "This is how much we have," as if the economy were some sort of one-dimensional apparatus, whose potential produce can rationally be broken down into so much of this unit, and so much of another, etc. The alternative possible uses of a given amount of facilities and resources are almost infinite in variety, and intelligent appraisals can only be carried on through participating negotiation.

Will ODM be able to get into this picture in a real sense, that is, as a participant and not only as a commentator on the outside? This will depend to a large extent upon the influence and status of the man who heads it. The question, therefore, reduces itself down to the degree to which the President of the United States, in whom the power of decision rests, is prepared to underpin, on a day-to-day basis, the status and authority of the head of ODM. The paper authority of the direction is of no consequence in the role he must play. His authority rests upon the degree to which his status is accepted and respected by ranking officials. One of the devices in the Reorganization Plan to help strengthen his status was to make his salary equal to that of a Cabinet official. That alone won't be enough. What will matter is whether he can really appear as the President's spokesman, whether when he makes "suggestions" he is really politely communicating the President's wishes and that the President will back him if a show-down arises. Only through such manifest authority can effective coordination at the super-Cabinet level be successful. Without such backing and status as "The President's Coordination" there is little likelihood that ODM will be able to make effective decisions, to participate in military planning, and thus its own planning will become diffused and unrealistic.

This brings us to a second and related major question. If the ODM head is to be effective, he must deal with the military through

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one established channel under normal circumstances--that is through the Secretary of Defense and the Secretaries of the administrative departments under him. This raises the question of the degree of control exercised by these officials in their own department and then, in turn, the issue of civilian control in the Government as a whole. It may not be entirely coincidental that Reorganization Plan No. 6 was submitted by the President to the Congress less than 30 days after Reorganization Plan No. 3. As you know, the alleged purpose of Reorganization Plan No. 6 is to bring--to use the words of the President--"clear and unchallenged civilian responsibility into the defense establishment." I am not prepared to pass judgment on this reorganization plan. You are probably in a much better position to judge it, in all its complexity than I am. I am here concerned only with its stated intention, the importance of establishing effective authority over the military establishment in the Secretary of Defense. Its relationship to the problem we have been discussing is clear. To the extent that the civilian Secretary of Defense cannot command such authority, the ODM head loses in just that degree his capacity to be the coordinator of an effective industrial mobilization plan, because he finds a blockade in the major potential vehicle available to him for reaching the heart of his responsibilities--relating strategic planning to production feasibilities.

Thus far, as you know, the Secretaries of Defense haven't been the most influential citizens within the military. James Forrestal has written that the Secretary of a military establishment is like a fly on a log going downstream who thinks he is a fast swimmer. Shortly before leaving office Robert Lovett in a publicly released communication to the President explained in intelligent detail the multitude of impediments to secretarial control over the Department. Neither Mr. Forrestal nor Mr. Lovett was under the illusion that he was in full control over the Department of Defense, and both were extraordinarily able men. Whether Mr. Wilson and Mr. Kyes can successfully come to grips with this problem is yet to be seen, although it is clear they intend to try. One thing is certain they will soon learn that the military is far more complicated than General Motors and, despite some misconceptions to the contrary, it is much easier to pass down orders that will be accepted by the vice president in charge of the Chevrolet Division than to a three-star general.

That brings us to a third issue, which Mr. Cherne has discussed. ODM's operational functions are, as I said before, relatively small and declining. Its major responsibility is in planning. But NSRB never decided what to plan for. I don't say this mockingly, because as has already been indicated by Mr. Cherne, it is extremely difficult to know what to plan for. It is easy now to plan for World War II. All natural instincts push us in the direction of planning for the war we have just won. What happened in the past is clear and concrete.

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The future is distressingly unclear, and nothing can be more frustrating than planning for vague and indefinite contingencies, unless one understands the character and limitations of planning. By not recognizing that future uncertainty conditions the nature of planning, an artificial attempt to demise blueprints results in making much that goes by the name of planning not much more than a game of make-believe.

Mr. Cherne, for example, has offered a hypothesis on what world war III might look like. I have no reason to challenge that hypothesis. It sounds entirely reasonable, but I think it important to add "I don't know." No one can know the precise character of the next major conflict, and in the nature of things most of our preconceptions are likely to prove wrong. No reasonable person would say we ought to plan for the particular show he anticipates, since the odds are rather heavy against any man's clairvoyance in such matters. The range of possibilities is enormous and some of the possibilities are still unknown to our experience. In the circumstances, knowing just what to plan for in concrete terms is the major difficulty in planning.

It is too facile, I think, to say that if you plan for all-out total mobilization you are prepared for anything. I don't believe that's true. We have seen in recent years that there are types of situations for which that kind of planning is ill-suited. There are conflicts so different from "all-out" that the difference is more in kind than in degree. All I would be prepared to say is, that the next holocaust is going to be different from anything we have known before. We can't know how different or in what way. I don't know anybody who accurately anticipated the nature of the conflict in Korea, for example. Suppose we should get directly involved in the Indo-China affair with troops while the Korean issue is still alive. Are we then in all-out war? And are the plans for total mobilization the ones we want then? Surely the gamut of possibilities is wide and no one set of "plans" is likely to prove quite the thing. Moreover, even if "all-out" war comes, it may well be of a different character than the plan called for.

In short the future eludes a precise definition. For that reason the kind of planning which appears realistic to me is the kind which abandons the idea of the detailed blueprint and directs its attention to developing the knowledge, the skills, and the resources for prompt adaptable action. It is usually the difference between "hothouse" planners working in grand isolation and the day-to-day adjustments and rethinking that are undertaken by responsible staff people within an operating situation in which planning is combined with and is part of the continuous process of performance. I don't think planning can be successfully isolated in a compartment, separated from at least an intimate association with action. The sure sign of the ultimate frustration of that type of planner is that he finally resorts to drawing organization charts for the next war--an easy and relatively innocent

pastime of drawing boxes in pyramid style with connecting lines. We drew thousands of such charts in NSRB, and of course none of them turned out to have any relationship to reality.

Whenever I make such observations I am pretty certain to be described as being "against planning." This is inaccurate. I regard lack of advance planning as an invitation to disaster. What I do say is that a great deal of activity which has gone under the name of "planning" is wasteful and has contributed to the unfortunately bad standing the idea of planning does have in many influential circles. Planning ought to be the stuff which facilitates informed action; instead, it has frequently proved stultifying. The planners ought to be the best informed people around, fully prepared with all the stuff out of which quick decisions can be made in the light of the actual situation confronting us. And so, one of the basic challenges to ODM is whether it can relate itself closely enough to action and responsibility to give life and meaning to its planning.

A fourth element in the question of ODM's prospects as planner and coordinator of industrial mobilization, I will deal with by elaborating on some points made by another speaker. It relates to the peculiar nature of a cold war situation and how to deal with the problem of mobilization or preparedness in such a period. This is especially complicated in a period such as the present when general cold war is mixed with a bit of hot war in one part of the globe. Everywhere we are berated because people are not fully aroused to danger and we are certainly not behaving like a nation at war. But is this really wrong? In an actual total war the answers are simple. We can't afford to hold anything back, but to act that way in a cold-war situation may very well defeat our own purpose.

In an all-out war, for example, it would probably be wrong to defer young men from service because they were entering medical school. By the time they come out you may have lost the war. You need all your resources promptly and you can't afford to worry about the condition of the country six years hence. The immediate issue is survival and the future must be gambled on it, or you may have no future to be concerned with. Similarly, you can't worry about whether you waste or deplete plant resources in terms of long-range considerations. But in a cold-war or a partial-war situation, such behavior is not wise. In fact, it is crucial that manpower and plant resources be conserved and expanded. It is the future which must be kept in mind. So you do defer and even encourage more medical students. The sober action in such circumstances is to take the steps which will maximize resources for the future and gamble some of the present for it and prevent an exaggerated concern or investment in the current situation.

However, it is not at all clear where the proper balance lies at any particular time. It is often difficult to tell whether the Nation

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is simply pampering itself, or a privileged group within it, or whether it is intelligently pursuing its long-range interests by avoiding mis-allocation of resources in the present.

This is a constant dilemma in a period of cold war which requires continuous decision-making as part of an intelligent planning process. Let us take a concrete illustration. The other day when Mrs. Hobby announced her revised budget for the Department of Health, Education and Welfare, she said that she was reducing her budget requests because she believed the first order of Government business to be the common defense, that this came first. She then revealed that she had sharply reduced the budget of the United States Public Health Service.

Now in time of war this might well be an entirely sound view of priorities and the nature of the common defense. The Public Health Service activities are to a large extent long-range investments in the health and strength of our people through health education, elimination of serious community health hazards, and health research. Such activities may have to wait when a nation is locked in immediate mortal combat. But at a time like the present aren't the Public Health Service activities themselves part of the process of preparation for future mobilization? For example, in a nation in which some 40 percent of men of draftable age were found to be unfit for military service, aren't such basic health activities calculated to make us stronger in the future? Therefore by construing "common defense" to mean only military expenditures in a stage such as the present, isn't the term being constructed so narrowly as to lead to a reduction in our effective preparation rather than an increase? Mrs. Hobby may have had sound reason for reducing the budget, I am in no position to judge that, but the reason she offers is not adequate in the context of broad mobilization planning.

Balancing present and future considerations is one of the major complex issues an agency like ODM must grapple with. It is indeed delicate politically for any demagogue can make even the soundest conservation of resources appear to be selfish protection of immediate conveniences while boys are dying in the wastes of Korea.

There are also many psychological booby traps which are difficult to avoid. Enormous energies are being expended to arouse people to a high pitch in the interest of furthering more complete civil defense activity. Is this justified at the present time? If you are convinced war is right around the corner, it is the only thing to do. But if we are in doubt and war may be a far way off, we may invite the danger of yelling "wolf" too often and too soon. Timing is of the essence. How long can you keep people in such state of mind? How long can you keep them tense about an "imminent" danger which does not materialize? If you succeed in working up high emotions in 1953, will you find people deadened in 1956 when it may really be crucial? Moderation at one stage may be as important as "all out" activities at another.

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I think that after a reasonable stage of industrial mobilization is reached, the community ought to be allowed to relax. I think it is wise and important to keep the leadership of a community and those with specialized responsibilities fully informed as the Industrial College does in its community mobilization courses. But attempts to keep the total community constantly stirred up are bad strategy because they must backfire. You can't keep people constantly excited even to real dangers in their personal lives. They will get casual after a time.

Therefore, I would suggest for your consideration that we ought to stop thinking about industrial mobilization as if it were a special, short-range crisis aspect of American life, because it is not. It is likely to be part of the normal process of our lives into all the foreseeable future unless war itself comes first. There may be generations of living in a situation of "permanent mobilization." If that is the case, we err grievously if we treat it as if it were a "crisis." Emergency loses its meaning if it is continuous.

If a state of readiness for mobilization is to become an established aspect of the twentieth century in America, that must reflect itself in basic governmental processes. President Eisenhower gave recognition two weeks ago to the dangers of dealing with a continuous problem, to which we must become adjusted on some consistent pattern, as if it were a series of crises approached in fits and starts. Our present and future policy, he said, "will not be tied to any magical critical year . . . but will be based on the sounder theory that a very real danger not only exists this year, but may continue to exist for years to come." And it must be contended with "not by inefficient and expensive starts and stops, but by steady and continuous improvement." He spoke of a "plateau of strength." This approach, if really adopted, is more than a difference of words. It means that the mobilization function must be built into the structure of government in a way that will not require that Congress be faced with an alleged "crisis" each year in order to justify appropriations. If we continue to depend upon ability to persuade Congress of emergencies in order to keep an essential function in motion, we face not only the danger of constant pressure to make crises out of things which do not exist, but we threaten the basic continuity of deliberative thought and planning and adequacy of resources.

Such a period of permanent mobilization should call our attention, as the growing importance of foreign affairs has done, to problems arising out of our present constitutional arrangements. The structure of American government was not developed with an eye toward a nation which is the center of world responsibility and which therefore must contain a clear focus for decision-making and for accountability. The structure was conceived at a time when there appeared to be every good reason to prevent the Government from acting promptly and for scattering responsibility so widely that it would be difficult to get the various parts to act in

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concord. But such a structure is not suitable for international responsibilities in a delicately balanced world, as our allies have been complaining recently, nor for the kind of firm and steady decision-making in the mobilization field, the lack of which another speaker rightly deplored. Consequently, I suggest that the recent reappraisals of basic government structure which scholars have been undertaking are far more related to issues of industrial mobilization than might appear on the surface. In this connection I commend to your attention the recent study of the Woodrow Wilson Foundation, called "United States Foreign Policy: Its Organization and Control," written by six distinguished American scholars under the chairmanship of William Yandell Elliott and published by Columbia University Press. These men call sharp attention to the handicaps of government structure and suggest important alterations, as many other American scholars before them have done.

I want to close by making two final points which, in part, I have already said but which are directed to some additional questions I wish to leave with you. I have already raised the question of the appropriate definition of long-range industrial mobilization by attempting to distinguish between the proper approach to health, manpower, and plant resources in time of war as distinguished from a time of long-range planning and preparation. Further exploration of that point simply leads to the obvious fact that full industrial mobilization means nothing short of the total resources of the Nation. It involves the total economy and more--the health, strength, and morale of all the citizenry. Yes, everything which affects the ability and the will to fight for this society.

Therefore, a broad and effective conception of preparedness will not only include the growth of physical resources and increased health of the population, as I have already suggested, but will further include factors which affect the total satisfactions of the community. In this sense, an issue like full employment, and the Government's responsibility for its preservation, not only affects ultimate industrial mobilization in terms of what it may mean to national physical resources, the condition of our plant and the skills of our workers, but also in terms of what it may mean to the morale and will to fight of the citizens. Certainly, a war coming immediately upon an extended and bitter siege of depression and unemployment would threaten the full effectiveness of mobilization insofar as that condition raised widespread doubt about the character of the economic or social order. Similarly, an inclusive view of mobilization potential includes an intelligent concern with making the machinery of government more adaptable to the requirements of our own times.

The question can be taken further. If the economies of our allies are to be considered part of the total potential mobilization base, then they too are part of our picture and those concerned with industrial mobilization have a bona fide stake in the effectiveness of our foreign aid programs designed to build up the economic strength of our allies.

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Second, is a special psychological problem which arises in a period like the present. During World War II you will recall there were many accusations that the military was trying to "take over the economy." Those of you who have read my "Presidential Agency" know that I regarded such talk as unjustified and largely irrelevant to the real issues. In time of war the public too is likely to be realistic enough not to be concerned about whether the military is or is not expanding its influence. The war has to be won and there will be sufficient time to correct any maladjustments when the war is over. But, in a period of cold war like the present, the public's concern with allegations of excessive spread of military influence in traditionally civilian spheres will cause far greater concern because the long-range controls over government may be involved.

Mobilization if pushed hard and dramatically, is bound to awaken fears that mobilization interests are dominating all of Government. At a time when half of all civilian employees of the Federal Government are in the military departments and when the Department of Defense has three to four times as many civilian employees overseas as all other departments, and three-quarters of the Federal budget goes to military affairs, it is not unnatural that alert citizens may get edgy about the balance of influence in our society.

Our tradition is one of political accountability of all elements of the Government. Success in getting necessary support for a sound mobilization program would be jeopardized if intemperate statements or behavior encouraged the suspicion that the military was allowing mobilization necessities to enlarge its proper jurisdiction in the Government and that normal political, or civilian, supremacy was being weakened. The military has as much of a stake in this excellent American tradition as anybody else. You were undoubtedly as impressed as I was with the story of how the Industrial Mobilization Plan of 1939 was looked upon with the gravest suspicion, and rejected, by our best citizens because it was felt that the plan was a scheme to enlarge the influence of the military. We must guard against giving any appearance of substance to such suspicions because once such fears get in motion, they will be exploited by people who may have quite different, and perhaps selfish, reasons for opposing some of the sacrifices which reasonable preparedness entails.

Industrial mobilization is far more complex, far broader, and far more difficult to control or administer than simple statements of objectives would suggest. The twentieth century is a complicated and dangerous period in which to live. Many of its vital choices will rest in your hands.

Thank you.

DR. HUNTER: Dr. Somers is now ready for your questions.

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QUESTION: Sir, getting back to this question of political supremacy, would you care to comment on the inherent dangers of the offshore procurement program that relate to the question?

DR. SOMERS: Yes; you give me a chance to give myself a blurb. Read my article on that subject which will appear in the July 1953 issue of "The Annals of the American Academy of Political and Social Sciences." I was in Europe at the request of the Administration last winter to look at the administrative arrangements for the entire mutual security program. I ended up being afraid of nothing so much as the offshore procurement program. The development and growth of the offshore procurement program reflects some basic difficulties in our Government. It reflects the conflict between the Executive and legislative branches. Each year the executive, responsible for a foreign policy and with a continuing responsibility for a program like mutual security, must devise a new justification for an antagonistic Congress. It has in it many of the elements of the mobilization problem. Instead of acknowledging a basic continuity in the nature of the problem, the agency says something like, "We succeeded in last year's program; this is over. We are starting on a new program." Similarly, a greater and greater premium is placed upon the military aspect of the program even though the neglect of economic redevelopment may be disastrous. Thus, the MSA program started to de-emphasize Marshall Plan aid and allege that it was now engaged in something different, called "defense support." What is defense support? Exactly the same thing as economic aid under the Marshall Plan, but dressed up to look military.

Now the appropriations emphasis is placed on offshore procurement of military equipment. This is declared to solve all problems. It gets dollars into Europe without really costing us anything, because instead of purchasing military equipment here and sending it to Europe, we buy the same goods in Europe and allow it to remain there. Thus Europe has its much needed dollars at no additional cost to us. And this becomes the "substitute method" of granting economic assistance.

Where is the rub? In the first place, offshore procurement can be carried on effectively only in the countries that need economic aid least. In the countries in greatest need of dollars, like Greece and Italy, there is relatively little we can buy, unless the money is deliberately thrown away. If you put offshore procurement where you would get the most effective product in terms of value, most of it would go to Germany and Belgium. They need the help least.

Second, the political effects of OSP are extremely unfortunate, both in terms of the influence upon our allies and our own administrative arrangements in Europe. The military operates the offshore procurement, just as the military handles procurement in this country. This means that the money which is intended to serve as a form of economic aid is now in effect administered through the military establishment. The

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military establishment, therefore, becomes a symbol to Europe not only of military assistance but also as the American vehicle for economic and political objectives. The military goes into Italy and places contracts clearly intended for political objectives. The military goes into an aeronautical plant in Paris and does the negotiating with Frenchmen for manufacture of goods which, when finished, by the way, will be picked up by our people and delivered just two blocks down the street to the French Ministry.

This gives the impression that the military is conducting American foreign policy and injures the prestige of the United States. It plays into the hands of Communist propaganda which alleges that we are military imperialists and that all our foreign economic programs are only part of an imperialistic pattern.

Let me just point out, this is not inherent. Offshore procurement could conceivably be run another way. It could be an effective instrument of our policy, but not if we attempt to employ it as a sole substitute for economic assistance and not if we treat it as if it were the same problem as procurement of military supplies in the United States. This is too big an issue to cover in a single answer.

QUESTION: You spoke of the man on the white horse, and in this country he is always a military man. On the other hand both speakers this morning have described pretty thoroughly a highly centralized and controlled form of government which politically could take over just as easily. Isn't that our fundamental problem in trying to meet a cold-war situation? If we set up controls, devices, and organizations and do not have an immediate war, we set up a beautiful problem, if somebody wants to take it over. Would you comment on that?

DR. SOMERS: Yes. You have put your finger on a real problem and a real danger--that controls and other restrictions can become habit forming and continue beyond the point of justification. One has to be cautious. It is a question of degree and balance. In a situation in which external danger is a reality, we may have to accept the necessity of undertaking quite deliberately some things which we know are internally dangerous. Life is that way. You choose between relative dangers rather than between the ideal and the nonideal. You may knowingly and sensibly choose an internal danger knowing that the external danger is far greater and far more important.

I wish to comment on the centralized form of government. I was certainly not advocating that. I think the weakness of our Government to which I referred does not relate to the question of centralization or lack of it. The weakness of our Government is the lack of capacity to make decisions. I don't think we have to lose the democratic quality of our Government in order to give it greater capacity for decision-making. I don't think any student of government I know of would maintain

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that there is anything more democratic about the organizational structure in the United States than there is about the structure in England. Whatever criticism we have of England, I don't think it includes an accusation that their system is less democratic than ours.

It is a question of achieving accountability to the public. Most people would say England's government is more accountable to its public than ours is, because the English know whom to hold accountable; the locus of responsibility is always clear. It is perfectly clear that Churchill's cabinet is in charge now. It makes the decisions, and it can be held accountable. If it flops, the shadow government of Atlee will take over, and it will have full authority. Who is responsible in the United States and makes the decisions? Can Mr. Eisenhower? Obviously not. Is it the Congress? Who in Congress? Which Committee? What magician can say where responsibility does lie? I would maintain that the kind of dispersion of accountability which we have, encourages irresponsibility. You can't tell whether you ought to be critical of the President for not taking more affirmative leadership or Congress or what part of Congress, when the irresolution we frequently complain of is apparent. I doubt that we now have that particular element of democracy, the ability of the people to know whom to hold accountable at any particular time for direction or lack of it.

QUESTION: Dr. Somers, you and another speaker on this subject of civil defense stated that crying wolf too often would ruin the program. Couldn't we sort of work it like the old fire drill in the schools? We have the same drill and exercise in the Navy aboard ships. They are a pain in the neck, but we have an organizational establishment; we get the procedure set up and we hold the drills often enough that people are fully aware of what to do. Don't you think that the same idea in the civil-defense program would accomplish the same purpose? Certainly people don't like it, because it is extra duty, so to speak; but it would still get an organization going and the procedures worked out.

DR. SOMERS: Well, I am for it. The real question, the significance of your question and the thing we are discussing is not so much whether it is a good thing, but whether you can maintain it, whether public support would be forthcoming for a protracted period of time. I don't think anybody can be dogmatic about a thing of this kind. It is in the realm of prediction, rather than fact. I think there is an essential difference between your behavior as a member of the Navy to whom this type of problem is a daily concern and responsibility and the average citizen to whom it is all much more remote. And it inevitably must be, no matter how aware he becomes of the reality of the danger that the bomb may one day fall; it still can't become part of his daily life and consciousness for too long a time until the bombs actually start falling.

It is a question again of degree--the problem of fire drills and their need. It is a tremendous psychological problem at which I am an

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amateur. I am told that excessive warnings or threats can be as harmful as neglect, if they reach a point where they cease to be taken seriously.

When I was in elementary school, we had a lot of fire drills. As I reflect back on it years later, I never got round to thinking of fires as something which might be real. It had become sort of a game, and it was a great trick to hide behind the seats rather than to go out. We knew there never was a real fire. Because we had gone through the same thing a hundred times before, yet, I suppose you would be right in saying that the value of learning how to conduct ourselves in such a drill exceeded the dangers of the psychological indifference we developed.

In Philadelphia there was an attempt to do a good deal of work in civil defense. You find in going through the streets of Philadelphia on particular highways enormous wooden signs saying: "This highway will be closed in the event of enemy attack." I suppose other communities have them. When they first appeared, which was about two and one-half years ago, we looked at them with quite a start. There was something very awesome in such signs. We have passed those signs several thousand times since that day. Now I don't see them any longer. They are there, but I don't see them. They are part of the scenery now; they fit in with all the other billboards. There is a question of timing in such signs. I suppose if we actually were being bombed, we would begin again to notice those signs. I don't know the answer to your problem, but I do appreciate the problem.

DR. HUNTER: Our time is up. I am sure we all agree that the bell has been rung twice for us here this morning. Dr. Somers, we are particularly grateful to you for repeating your masterly performance of last year, of different character, along different lines.

Let me just add in conclusion that, if the speakers of the morning have not wrapped up and tied up the final problem of the course, they have, in the immortal words of Joe Christian, Chernerized it and Somerized it!

(17 Feb 1954--250)S/ibc