

ECONOMIC STABILIZATION PROBLEMS
UNDER CONDITIONS OF ATTACK

24 October 1956

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**ECONOMIC STABILIZATION PROBLEMS
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COLONEL LACKAS: General Calhoun, Professor Cavers, and Students: There is scarcely a more important aspect of our course insofar as it relates to the problems of all-out war than that which we are to consider this morning, that is, "Economic Stabilization Problems Under Conditions of Attack."

Our discussion this morning may be likened to a keystone in the overall structure of this important segment of the course. Our speaker is perhaps one of the most knowledgeable men on the subject which we are to consider. Not alone is he a legal scholar, but for many years he has concerned himself with the relationship of the law and the problems of contemporary society. His contributions as editor of that outstanding legal journal, "Law and Contemporary Problems" are indicative of his interest in the interconnection between law and the problems affecting our society. He is professor of law and associate dean of the distinguished American law school at Harvard University. In recent years he has concerned himself with problems relating to nuclear warfare and the legal implications of this aspect of modern military operations to society.

It gives me great pleasure, therefore, to introduce to the Class of 1957 Professor Cavers.

PROFESSOR CAVERS: Mr. Chairman and Gentlemen: I understand that you have been attending a session on the air defense of the United States. I was a little uneasy whether the conclusions reached in that session would render my talk superfluous. But I was reassured, in one respect at least, and that is that there is still room for worry on this subject.

Actually I am taking what I think is a slight liberty with the assignment. If we think narrowly of economic stabilization, we may consider only the problems of price and wage control. I feel that in the crisis that would arise in the event of an atomic attack the problems of stabilization in that narrow sense would have to be subordinated to the broader problem of maintaining the economy as a viable organism under

these conditions. And so I have addressed myself primarily to that as a necessary preliminary to whatever stabilization activities might be required. I think that stabilization in the strict sense would be a much more primitive phenomenon than it was in World War II or would be in a nonatomic war today.

In my previous lectures on this subject to the Industrial College, I have tried to envisage the situation that might develop in the United States during a period of atomic attack by analyzing and seeking to identify the various types of communities that would exist in the un-bombed, uncontaminated areas of the country, the only areas that still would have economic problems. I see these problems as varying widely between (a) the communities that would be flooded with refugees, (b) the communities that had been evacuated but not yet bombed, and (c) the very large areas that would still seem reasonably safe from either bombing or fallout and which had not been inundated by refugees.

I think these analyses are useful still, but you have them in the records of past years and so can draw on them if occasion arises. Today I should like instead to talk to you about what appears to be the basic allocation of authority for nonmilitary defense. Perhaps the best statement of this allocation appears in the testimony by Dr. Arthur S. Flemming, Director of the Office of Defense Mobilization, when he appeared before the Military Operations Subcommittee of the House Committee on Government Operations--the Holifield Committee--on 10 April of this year.

I had this statement mimeographed and arranged with Dr. Kress to have it distributed to you. I assume you have it at hand. Though I am going to speak critically of it, I should at the outset make plain my belief that we have long needed an allocation of nonmilitary defense functions within the Executive Branch of the Government, since the situation left by the relevant legislation is wholly unclear. The present order, though a stopgap, at least helps us to see the problems.

I do not need to read with you Dr. Flemming's description of the allocation, but I shall sketch it in broad outline. Naturally, the Department of Defense has the conduct of military operations as its primary responsibility. The Federal Civil Defense Administration would take the lead in all civil defense, relief, and rehabilitation matters. In so doing, it would be supported by personnel, material, and facilities under the authority of the Secretary of Defense to the extent

consistent with that Department's military responsibilities. Both the Department of Defense and the FCDA would make claim on the Office of Defense Mobilization for their respective requirements. ODM would mobilize resources and direct production to meet these requirements and would adjudicate conflicting claims for resources in short supply. ODM would also direct economic stabilization programs, probably conceived chiefly as wage and price controls. Apparently, the FCDA would ration consumer goods.

This sounds reasonable and logical. Unfortunately, it has little relation to the realities of the Government operations that would be taking place while the Nation was under atomic attack. Moreover, it gives rise to the illusion that the agencies of the Government involved are really prepared to carry out these nonmilitary responsibilities or at least that they have reasonably comprehensive plans for doing so. All that I have been able to learn suggests that this is not even close to being the case.

One reason the plan has a plausible ring to it is that it is patterned after our World War II experience. Then the War Production Board, the Office of Economic Stabilization, and later the Office of War Mobilization and Reconversion were charged with mobilizing production and serving as arbiters of the conflicting claims of the military departments and of the agencies representing civilian claimants. This analogy, however, is to governmental operations under drastically different circumstances than those that an atomic attack would create. Then there was time to plan after the hostilities had begun, and the administrative agencies could be expanded as the control problems grew.

In World War II our undamaged economy was operating at full blast. As the war progressed, shortages developed in manpower, in many important industrial materials, and in certain consumer goods. To assure the economic use of limited resources, the Federal Government had to intervene at a number of points. Thus it first set up a plan of priorities to control the flow of industrial materials. This soon began to bog down and even the system of allocations that succeeded it had ultimately to be superseded for certain materials by the Controlled Materials Plan. After some months of war, it became necessary to ration meats and various processed foods so as to spread the supplies equitably among consumers. Fuel oil and gasoline were also rationed, in part to cut back nonessential demand.

In certain markets where no consumer rationing was attempted, such as clothing, supply distortions arose. Thus, the American housewife could not buy all the work clothes and knitted underwear that she wished, while certain luxury garments were abundantly available. OPA tried to persuade the WPB to order the production of needed garments. WPB tried to persuade OPA to raise ceiling prices to sweeten incentives. These struggles seemed epic at the time; but, compared to the crises that atomic attack would cause, they would appear to have been much ado about not very much.

A critical fact in appraising the burden of control on Government is that during World War II the actual processes of production and distribution mainly followed their normal channels, even in the case of the production of military goods. The producers were going into the market to buy materials and equipment and to hire employees and to subcontract for components. They were free to reach their own business decisions with respect to most of their affairs. In substance all that had happened was that a great big new customer had suddenly come into the market and the price mechanisms for adjusting the market had to be supplemented by controls.

It is very hard to compare this limited task for Government with the one that would exist after we had been hit by nuclear weapons, especially if we continued to be hit sporadically after our retaliation. We expect that immediately after the first strikes on civilian centers, the FCDA would spring into action. Presumably it would soon want resources and also the help of the Department of Defense. The Department and the armed services would have sustained losses, of course, and presumably they, too, would want resources. Doubtless the FCDA and the Department of Defense would sometimes both want the same resources, and so the Director of ODM would appear to have occasion to exercise his mediating as well as mobilizing role. This sounds realistic, but let us look at the situation more closely.

Let us first ask where this would be happening. Certainly not in Washington. There wouldn't be any Washington. Certainly not in the Pentagon. There wouldn't be any Pentagon. Presumably the surviving officials who had not been evaporated in the traffic jams around the District would have congregated at High Point, wherever that may be. As an uninitiated newspaper reader, I wonder just what facilities have been brought together there that would suffice to reorganize a nation suddenly plunged into economic chaos. They don't exist in Washington today.

Whatever the facilities prepared for this emergency, I am sure of one thing: That economic controls designed to operate from a central point are certain to be ineffectual to the point of futility. The most that one could rationally expect a central body to accomplish under these circumstances would be to push the buttons that would select which of certain previously formulated alternative plans should be put into operation by a decentralized organization.

Since we cannot expect a national organization to function, what prospect is there for effective action at a regional level? I wonder just how satisfactory is the regional organization of the Department of Defense and the armed services for these purposes. Obviously it was not created with the present problem in view; indeed, most of the headquarters of the various Army Commands are as badly situated as the Pentagon itself. I cite Governor's Island as one example. However, the armed services do have a substantial body of high-level personnel distributed widely over the Nation as a whole; and certainly a number of these officers would be available to help reorganize the economy of the unbombed areas.

The FCDA is also organized regionally, and its regional offices are at points selected with the hazards of nuclear attack in view. I doubt if they have been selected with the hazards of fallout in view, but at least with the hazards of the blast areas and the immediate radiation and heat problems. But whom would these regional offices command? Just how much authority would incumbents of FCDA's regional offices actually possess over State and local civil defense authorities, who have never yet had to obey a Federal civil defense order uttered in earnest? Even if legal power were given to the FCDA to issue orders, would not the State and local people remain true to the teachings of history and psychology and concentrate their efforts on their own home-State and hometown emergencies?

So much for the claimants. What resources would they be claiming? Under atomic attack, what resource needs would arise out of the military missions of the Department of Defense? That's a question obviously that you are far better prepared to answer than I. What would the Department require to be of help to the FCDA? My hunch is that it might share with FCDA a lively desire for food, gasoline, and transport, since presumably it would be seeking to regroup its forces to conform to the rapidly changing map of the United States. However, most of the claims that the armed services make on our economy are for producing military materiel. A substantial segment

of our economy is growing or mining raw materials, processing them, fabricating them, and finally finishing them as military end products ranging from K-rations to strategic bombers. After a considerable part of this apparatus had been destroyed or contaminated, what would be done with the remainder?

Would it be our national policy to continue production for military account as long as supplies and manpower could be provided to surviving plants? Or would we instead decide to forget the pipeline and simply finish whatever products were near completion? Or would we select certain production activities for continuation and drop the rest? These are questions for which it would be hard to improvise answers, although, of course, it might be practicable to select rapidly among a number of previously considered alternatives. Moreover, without some foreknowledge of the answers, it is virtually impossible to plan for the civilian side of the economy.

Whatever the answers would be, consider the predicament in which business firms would find themselves if they were called on to keep filling Government orders. Their factories might be untouched, or some of them. Within a given corporation, one plant might be destroyed and other plants survive. But, in all probability, unless steps were taken in advance to prevent it, their banks would be closed. How would they meet their payrolls? Some of their supplies would be coming from factories within destroyed or denied areas. Other sources might lie in distant sections, and transport would be in a frantic tangle. The civilian products that these firms would often have been making along with the military might no longer be wanted. Could a company afford to carry out its Government contract if its entire overhead were to fall on that contract? Moreover, the company officers who would ordinarily answer questions of this sort could well be under the rubble of the home office or be lined up for soup at some refugee camp.

This is a rough indication of the military end of the supply situation. It is disturbing, but its difficulties may be exaggerated. Military needs are reasonably well defined, and certainly some are dispensable. The relationships in the chain of supply are spelled out in the series of contracts administered by integrated organizations which would not be completely shattered.

Let us look at the civilian side for which the FCDA is to be claimant. This, of course, represents the greater part of the national economy. Moreover, it is a part that is organized chiefly by the day-to-day

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operation of markets in which each buyer and each seller pursues his own individual interests. How would the individual manufacturing and distributing companies respond to the attack crisis?

Even outside the damaged areas, I find it hard to see why civilian manufacturers would want to keep on operating. For many types of goods there would be no demand whatever in the unbombed areas; and, in the refugee-flooded areas, there would be little effective demand, even for goods in great need. Still more than the manufacturers producing for Government account, producers of civilian goods would be confronted with difficulties in getting money and supplies. Manpower supply would also be unreliable. For a time, with such a work force as remained, manufacturers could fill orders from inventory; but what would their incentive be? The inventory they owned would almost certainly be worth more at the end of the war than any money they could currently obtain for the finished product. And for this and for other obvious reasons, there would be no disposition to sell on credit.

Tens of thousands of individual decisions not to manufacture for the market would soon be reached. Plants in good operating condition would be closing down everywhere. Even wholesale distributors would shut their doors. Nonetheless, certain civilian needs would be emerging as terribly important--needs for food, medicine, clothing, bedding, and certain utensils. These needs would often reflect shortages in the particular localities where the evacuees had collected rather than absolute shortages in the Nation as a whole. The lack of goods at the place and time that they were needed would put another strain on the crippled transport system.

In this situation, the FCDA, unlike the military, would not be called on simply to confirm or terminate pre-existing contractual relations. It would find itself suddenly charged with being purchasing agent for masses of needy people in newly created markets, supplied, if at all, by reluctant sellers. It would be expected somehow to collect, evaluate, and ration the demands coming from State and local civil defense organizations, all of which were operating for the first time under crisis conditions. If, in these circumstances an FCDA regional office or a State or local office tried to make claim for resources in competition with the Department of Defense, I should bet on the latter.

However, before worrying unduly about how the conflicting claims would be resolved, we should give a thought to the agency which is to

perform this feat: the Office of Defense Mobilization. Concretely, what is the Office of Defense Mobilization? It is a governmental body in the Executive Office of the President, comprising about 250 people--executives, stenographers and filing clerks--for which the Congress appropriated about 2.2 million dollars for fiscal year 1956 and again for fiscal year 1957, including in this amount about \$150,000 a year for a nonmobilization activity. A large part of the total manpower ODM has devoted to defense has been absorbed by processing applications for accelerated depreciation and stockpiling.

Obviously, ODM is a skeletal organization--with many of the bones missing. However, it is seeking to function through delegations to other agencies of the Government, to the Departments of Commerce and of Agriculture, for example. These Departments do not have appropriations for defense purposes. They have to contribute a part of their manpower to meet the Government's defense needs. If you have any acquaintance with the bureaucratic spirit, you can appreciate the warmth of an agency's response to a request by another Government agency that it divert men from its own program to carry out a program for the requesting agency. Nevertheless, an Assistant Secretary of Agriculture testified last spring that his department had given an estimated \$162,000 worth of manpower in 1955 to studying the problems of feeding the United States after atomic attack. (Incidentally, I estimate this to be almost precisely one-tenth of one penny per capita for the inhabitants of this country.)

The problem is not only a fiscal one. If it were, perhaps ODM might squeeze from the Congress a million or two to energize its delegated agencies, just as FCDA has now obtained 4 million dollars for that purpose. Moreover, I am not questioning the wisdom of making delegations in carrying out ODM's planning functions. Certainly if an atomic attack should come, the services of all Federal agencies and departments would be needed; and each knows best the part of our society that it serves. But all the problems that would be created by an atomic attack are interrelated. Each agency cannot be left to decide independently what ought to be done by it. The pieces when put together wouldn't add up to a national plan.

If delegations are to be effective, we shall have to have a master plan. I use that term with some misgivings. It's obviously a cliché. But this is a situation where we need a plan comprehensive enough to embrace the operations not only of FCDA and its State and local co-operators, but also the contributions of the Department of Defense and

the armed services. If such a plan can be worked out--and it should reflect several alternative assumptions--then the individual departments and agencies which must share in its design can further contribute towards perfecting its details and specifying the resources--human, physical, and financial--that they might require to carry out their respective roles.

The development of such a plan would not be a very costly undertaking as national budgets go; but clearly it requires more funds, more manpower, more prestige, and more Presidential, congressional, and especially Pentagonal support than has thus far been made available for it. I see nothing in ODM's record to suggest that it is prepared to initiate such a move.

Fortunately, there is some reason to hope that planning will be going forward more effectively during the coming year. FCDA has secured, as I remarked above, an appropriation of 4 million dollars--two-thirds of the budget request--for the financing of other governmental departments and agencies in their work on nonmilitary problems. Perhaps this work will extend to the problem of marshaling resources to meet the needs that the country would experience during atomic attack; but if so, this would represent a departure from the basic allocation of authority with which I began this talk. Under that allocation, marshaling resources is ODM's job, not FCDA's. Moreover, FCDA is now sponsoring a large number of so-called survival studies, conducted by State and city civil defense authorities. These focus on the problem of getting people out of target cities and moving them into places euphemistically termed "reception areas."

I doubt that FCDA, as at present constituted, can push these studies and at the same time concern itself with the problems of keeping the economy operative. It is significant that of the funds appropriated last year for technological research for the FCDA, nearly all appear to be going into the study of warning devices and shelters. The only research that has any relevance to economic problems is a rather elaborate study of techniques of reporting bomb damage and its effects on productive capacity which the Stanford Research Institute is pursuing. It would also be interesting and pertinent to study to whom the electronically computed data should go and what they would do with them.

If I have difficulty in seeing ODM discharge its responsibility for mobilizing and allocating our resources under atomic attack, I am

utterly incapable of understanding how it hopes to stabilize the economy. This is a task that it does not appear to have delegated; and, though it has worked on stabilization plans to meet a Korea-type crisis, I see no evidence that it has attacked the entirely different problems of price and wage controls under an atomic attack.

I, too, appear to have neglected these problems. (This was written before I had decided to make a clean breast of it at the start.) But this is deliberate. I think our first economic problem would be to provide for food and other essentials for the evacuees in the centers into which they would pour, and then to take action to keep some economic activity alive in the rest of the country. In the refugee centers, I do not believe a money economy would be possible. I may add that, acting under a delegation from FCDA, the Department of Health, Education and Welfare, through its social security offices, is actively studying ways of making relief payments to evacuees. This is being done in a fashion which would appear to be independent of any other civil defense planning; and I think, as it would work out in some refugee centers, the distribution of relief payments in cash would have an effect somewhat like dashing, not gasoline, but fuel oil, on a fire that you are trying to put out. The unemployment compensation people are also at work on this problem, with apparently the same orientation.

In the other communities--communities which have not become flooded with refugees--the problem would be to push business into action. I think it would be desirable for the economy to be able to maintain plants manufacturing, even though in some instances they were manufacturing goods that were not currently needed. The advantage of keeping people busily engaged in productive work at a time of crisis would be very considerable. The cost of the operation, if it calls for some temporary subsidy, would ultimately be met by the existence of a supply of goods at the end of the war, which could be utilized to narrow the terrible inflationary gap that would be apparent at that time. This I think could be done by some advance planning.

I believe that for only a few commodities would price controls be needed in the unbombed areas; and, with most of the work force unemployed, the need for wage controls should not be critical. I believe both problems might be handled by boards of the type I shall mention shortly.

I have been persistently unconstructive this morning, and I have little time left. Some of you may be itching to ask me what I would do

if Congress gave me a few million dollars and instructions to make a master plan.

All I can say in anticipation of that highly hypothetical question would be that any realistic planning has to begin, not at the top of the governmental hierarchy, but at the bottom. We shall have to depend on what can be done in each locality as that locality's needs and potentialities can be appraised. This is a responsibility I would give to experienced persons who are familiar with, and respected in, each community. For some industries, local industry boards might be needed. If the Federal Government's policy is to support the continuation of production for military or civilian account where and to the extent that this is practicable, the findings as to practicality can best be made at the local end by such people. They too can determine whether credit to restore shrunken working capital and to support the purchase of supplies should be provided. Within limits set by policy directives, they can mediate between conflicting needs.

But boards of this sort cannot be created over night; and, unless the Government is prepared to recruit and indoctrinate them in peacetime, any planning built on their services would be like so much of our nonmilitary defense--a paper facade. If, however, such a grassroots organization can be built up, then plans for its coordination, first regionally and then, as the pressure subsides, nationally, can be developed with some assurance.

I do not see why such a mechanism should be created under one agency and the responsibility for the other aspects of nonmilitary defense left in another.

Under the fearful stresses of atomic attack, responsibility for decisions cannot be separated from responsibility for operations. Since most of the task of nonmilitary defense has been rested on the FCDA, I believe it should be permitted to absorb ODM's functions involving the mobilization and allocation of resources and the stabilization of the economy.

By this I do not mean to suggest that the FCDA, as at present constituted, is equal to this assignment. I have said little here of what may be its greatest problem--the harnessing of State and local governments to work with it. For this, clearly it needs more legal authority, as well as the other necessary supports I mentioned a moment ago.

A much stronger FCDA, situated in the Office of the President and firmly supported by him, might be able to develop adequate plans for maintaining the economy under atomic attack--plans which, with the support of a resolute citizenry, and with the aid of the armed services and of the departments and agencies of government--Federal, State and local--it could have some hope of putting into successful execution.

COLONEL LACKAS: Professor Cavers will be glad to answer your questions.

QUESTION: You mentioned that adequate planning has to start at the bottom and go up. There has been a lot of work done on that, of course. They have their local civil defense agencies, and they have been limping along. How do you think we could best approach expediting these local groups to greater efforts and sounder plans?

PROFESSOR CAVERS: I think perhaps my phrase is somewhat ambiguous. When I say "start planning from the bottom up" I don't mean that you toss to all the local groups the problem of planning what to do in an atomic attack; but, rather, that the plans have to be concerned basically with what resources you can muster in the local areas and what functions can be given to them, because it seems to me that only within the ambit of a community can you count on action being taken intelligently in the light of the circumstances existing. I think there would be a period of great fragmentation of the economy and of the country.

The work that has been done by the FCDA with its local civil defense groups has been directed to the problem of evacuation or getting people into shelters, putting out fires, and giving medical care to people who are injured. The problems that I have in mind, I think, have thus far been given little or no attention by FCDA, in part because FCDA can say: "Well, this isn't our business. This is ODM's business." And I think, if you will look at the allocations, you will find that there is quite a bit to be said for that view of their jurisdiction.

I would say that the people in Washington who are assigned to attack this problem ought to focus their attention on what they can do with the people in the communities; and building on that, then work out how they can coordinate those activities and gradually hope to get a national operation running.

QUESTION: I would like to ask, in relation to the military part, which we study here, what do you visualize would be the use of martial law in areas that are disaster areas?

PROFESSOR CAVERS: It has been my supposition that you might very readily run into spots here and there where disorder was either occurring or about to break out, where there was no civil arm ready to cope with it. In that event it seems to me that you would want to resort to martial rule.

This, I think, is quite different from a nationwide declaration. It would be a situation which would be appraised in the light of the actualities of the locality; and I would hope that there would be armed forces available in such a crisis. But this I think also would not only be localized, but probably quite temporary.

QUESTION: May I ask another part of that? Would you consider that the military part played would be leadership in the local martial law situation? Or would you visualize that it would be the military structure doing the whole job? That is, would the Civil Defense people be working for the military personnel in the martial law area? Or how do you visualize that?

PROFESSOR CAVERS: Well, in those instances where you have to have martial rule, where you can maintain order only with a strong arm and utilizing military force, my own judgment would be that it would be better that the responsibility be assumed by the military, and that they get as much cooperation from Civil Defense as possible. I would think the more normal situation would be one where the Civil Defense authorities are in primary control, where the situation is not out of hand, and where the presence of military support would nonetheless be very helpful.

QUESTION: In this matter of regional problems we don't have any governmental mechanism today, and we don't have much experience in this regard. Except for a few State compacts, we don't have much in the way of available machinery to call upon. These ODM and FCDA committees are pathetic little things, I think we all agree. We don't really have in the United States any form of regional kind of government. Would you comment on that, please?

PROFESSOR CAVERS: I think that is subject perhaps to one qualification. There are certain activities conducted by the Federal Government in which the regional structure may be a very important one, as,

for example, the Federal Reserve System, if you can think of that as a governmental operation. We do have a regional organization there. But I think that as regards the defense agencies, the characterization you gave is a not unrealistic one if you measure it in capabilities thus far brought together as compared with the job that they are expected to do.

Does this mean that we must do everything either on a Federal basis or on a State basis? I would hope that we would not be forced to those alternatives, because I think in a situation where you are seeking to get supplies and necessary food, let us say, from one part of the country into New England, no New England State organization would be very effective for it. I am not sure but that any Federal operation, any centralized operation, would not be overwhelmed by the great mass of problems. I would hope, therefore, that we would be able to build up between now and any possible attack a sufficiently strong regional organization in, say, New England to make New England's concern felt elsewhere and to bring supplies, materials, food, and the like from other parts of the country.

I don't think, however, that you can build a regional organization and expect it to operate effectively unless, down in the localities, you have operating people who can provide it with the knowledge to carry out its directives. And this we don't have in the economic field.

I would think that the next step, after trying to see that we had a satisfactory local organization and State organization, would be to see what kind of regional body would be necessary in order to make the needs of these local and State organizations felt across the regional lines. It does call for a degree of improvisation, I admit; but the basic planning has to be done in advance of an attack, rather than afterward.

QUESTION: How effective do you think this executive reserve plan will be in a situation of this kind?

PROFESSOR CAVERS: I have been hearing about the executive reserve for some time. I haven't learned what the executive reserve would do if it were enlisted, which seems to me to be the first problem.

I think that that might be another name for the kind of thing that I had in mind, although I would suppose that the executives would be

more concerned with the functioning of their own organizations, and that what we would need would be a group of people independent of the business organizations who would be representing the public, representing the Government.

In the event you did have local bodies charged with these responsibilities, it would be highly important that people in the various industrial corporations should be knowledgeable about their activities, so that they would have points of contact within industry to carry out their functions.

QUESTION: With reference to this Holifield Committee Report, it would appear that they reached three major conclusions. One of them is similar to what you said--that FCDA and ODM would be merged into one department under a Secretary of Civil Defense. The second one, and the one I would like you to give a comment on, is their feeling that FCDA should not concentrate only on evacuation. The committee felt that there should be provision for a shelter program. Then they cited evidence to the effect that if evacuation shelters should be built in the community centers, they would possibly cut down the losses of human resources by two-thirds. And they cited, I think, that this could be done with an expenditure of 2 or 3 billion dollars a year over a certain period; and that this would conserve human resources. Would you please comment on that?

PROFESSOR CAVERS: My specialty in this field has been what I would regard as a neglected phase of the subject, that is, what happens in the unbombed areas. But I don't find it possible to preserve the jurisdictional line intact; so on occasion I do find myself encountering discussions of the usefulness of shelter versus evacuation.

I know of some people who have considerable technical competence in the field who are convinced that the potentialities of shelter have been overlooked; that a program of the sort that you describe is a feasible one. One of the effects of the Holifield Committee may have been to lead the FCDA to make greater provision in its research program for testing certain shelters. A couple of million dollars has been earmarked for shelter research. Perhaps those tests will be such as to build up confidence in the shelter program.

I think, if such a program could be developed, it would have to be Federally sponsored. Maybe, instead of community centers they could

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make community parking projects out of some of them, so they would be self-liquidating.

There is one thing that should be noted about the relation between a shelter program and evacuation. A shelter program merely delays the period in which the sheltered people have to be evacuated. So you still have the problem of taking care of the throngs of people who would be coming out. And the more effective the shelters, the greater number of people to be taken care of. This is not an argument against shelters.

QUESTION: In this master plan that you mentioned do you envision some sort of a national draft or national legislation which would apply to each and every individual in the community?

PROFESSOR CAVERS: It seems to me that that would be a useful element in it. I would say at the present time that our concern may be the problem of keeping a reasonably substantial percentage of the people at work, or, rather, how to pull people in to work. On the other hand, there would certainly be need for certain kinds of skills to meet the problems of the areas which either have been flooded with refugees or need to improvise shelters against rain or something more, and also to meet the problems of the areas of partially damaged property which hasn't been too contaminated. Certainly there would be possibilities for pulling people into these areas. You ought, I think, to include provisions for this in the planning.

There is another kind of need for manpower which is one of my special concerns. It springs from my own conviction that if, let us say, 20 cities were bombed, then, within 48 hours, 40 cities would be evacuated. My statistics may be wrong, but the thought that people would stay in likely target cities after they had observed what had happened to other cities seems to me unrealistic.

Such evacuation produces the phenomenon of the unbombed, uncontaminated empty city, with a great deal of productive capacity in it, with a lot of needed resources in it--food, clothing, and so forth--stored up. I should think that one of our problems would be not only to get the resources out of the city--a transport problem with some manpower angles--but also that, where we were convinced that certain manufacturing operations ought to go on, we would be sure that we have a working force that would operate the factories.

I don't think you can do that by surrounding a community with a cordon of troops and saying: "Anyone who crosses the line will be shot. You've got to stay here on the bull's-eye and wait for the bomb." I do think it should be possible, however, to get men to stay within easy transportation distance of the plant on the periphery of the community, where evacuation from the plant would be easy and delivery to the plant would be easy. On that basis I should think you could reactivate plants where they have materials that they could work on.

Now, this, it seems to me, ought to be planned for in advance; and should be planned for very specifically. I think if it were, and if the nature of the expectation were made plain, as well as the duty of the men involved, you probably wouldn't have to have a draft to carry out the plan. However, I think it has to be thought through in advance.

QUESTION: With reference to this problem of the evacuation of cities that don't have adequate shelters, suppose we had a warning that a ballistic missile is coming our way or a flight of planes is coming our way. It might hit any one of 40 targets. You can't evacuate all 40 targets over a period of two days and then expect to get back into production immediately. So don't we need shelters for this very purpose-- to keep these plants in operation until the attack is localized?

PROFESSOR CAVERS: I think that would be one of the very real advantages of shelters, if we could demonstrate that shelters were effective. This would make it a lot easier to keep people working, let us say, right in the cities. You would perhaps want to evacuate wives and children. You wouldn't have to have shelter enough to take care of the entire community. But I think if that were one element of the shelter program, certainly I would be for it. If the shelters were caved in in a community, that might somewhat diminish their use elsewhere. But you could still, I think, feed people into a community and bring them out, provided that you were organized in advance.

QUESTION: Some years ago it was felt that the armed services could be coordinated by the Secretary of Defense in the matter of supplies both in peace and war. Has any consideration been given to having a secretary of equivalent nature for civil defense, combining some of the functions of the Departments of Commerce, Labor, and Welfare?

PROFESSOR CAVERS: I am not sure whether observation of the present arrangement would make the demand for its extension irresistible; but it has led to one suggestion; namely, the one mentioned

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a moment ago--that the FCDA be elevated to departmental rank; that it embrace the responsibilities of ODM, or most of them; and that it have authority to delegate certain of its functions to other departments. This authority presumably would become somewhat more extensive in the event of an attack.

That isn't going quite as far as bringing these other departments under this new one in an overall sense, but it would enable the FCDA as a department to reach out and get people from the civilian departments. I would think those departments would be readier to do this, to cooperate and really put manpower into the planning and arranging, if they had appropriations of an adequate sort, so that this wasn't simply an extra chore that had been given them.

QUESTION: Professor Cavers, most of the discussion of atomic and nuclear bombing envisages those bombs being directed toward large industrial and urban centers and possibly military targets. Suppose the enemy decided to apply some of its delivery means and bombs to throwing what might be described as a kind of curtain of dirty bombs across, say, the line of the Mississippi Valley, where the prevailing winds would scatter the fallout all over the northeastern productive section of the United States. What would that do to all these nice problems of evacuation, et cetera?

PROFESSOR CAVERS: Well, in the event of a really comprehensive saturation of this country with fallout, I suppose you would be reduced to a very low-level survival problem for a considerable time. I would think that the economy in such an event would virtually be paralyzed within the area.

It would depend somewhat on the extent to which the fallout would remain active. I have heard it estimated that if New York City got a substantial bombing, with fallout coming from several other bombings in other areas, it would take at least 10 years to make it habitable, I mean, before one could safely go into it. You might, if you had that type of bombing, get certain areas so thoroughly contaminated from fallout from various sources that they simply couldn't be used for perhaps months or years to come. I would think in that case it would be a matter of trying to get people out of the area--those that survive--and this would put terrific strains on the areas that remained.

I think there are various inhibitions against that kind of warfare, which are based not on humanitarian sentiments but on self-interest.

QUESTION: You made the observation that there is a good deal of public apathy in these areas toward the possibilities of the future, and that a lot of the people who are charged with the responsibility are reluctant to discuss things which are somewhat unappetizing. Do you think we are going to get anywhere on national planning unless we conduct a very extensive educational campaign and try to indoctrinate the people in this?

PROFESSOR CAVERS: This question, formulated in various ways, has been given me each year. Each year I optimistically say that it ought to be possible to break through this apathy. I don't think the fact that I keep on saying this and evading the question put to me, however, proves that my optimism is ill-founded, because I don't think that a proper approach has really been tried as yet.

What we have had continuously is a pounding away on the theme of danger warnings and personal injury. People, I think, develop antibodies and get resistant to that kind of thing. We become very fatalistic. We don't like to take too much trouble to protect ourselves from possible injury or death.

It seems to me that the attitudes are different if you give people jobs to do in which their responsibilities relate to their community, or their business, or their industry, and where they can have some feeling of being able to act constructively. My hope has been that one of the things that could be done in trying to build up and put responsibility in local boards, not for tending first-aid cases, but for trying to handle materials and the like, would be that this would arouse interest and give their members a sense that something can be achieved.

I think it is especially important that this be done in those areas that aren't under threat of bombing. At the present time I think a large part of the country is apathetic because they feel that this is a hazard that would pertain to New York, Philadelphia, maybe Detroit and Chicago, but not their hometown. They may be right in the sense that their hometown is not in danger of bombing, but wrong in feeling that they won't have a job to do. I think that if they could see the job that they could do, their attitudes would be quite different.

Not long ago I was at a meeting which was addressed by General Huebner, in charge of the civil defense planning in New York. He was telling about a plan which had been worked out for evacuating 1,500 people from the Binghamton area into a nearby area. The actual

movement of 1,500 people would soon take place. Apparently the prospect of actually having people coming into the reception community and people actually leaving the evacuated community had given such concreteness to the problem and such a sense of constructive action that it had brought about a radical transformation in the public attitude there toward the whole subject. Now there is enthusiasm instead of apathy.

I don't know that that enthusiasm would last long after an actual evacuation, but I think planning for one can build up a more constructive attitude and reduce apathy. Similarly, planning for economic adjustment should, I think, help to overcome apathy; but it needs to have leadership at the top.

COLONEL LACKAS: Professor Cavers, again you have given us a most invaluable contribution to our course. On behalf of the College I want to thank you.

(7 Dec 1956--450)B/sgb