

Remarks by Lt. Colonel W. A. McCain,  
Director, Army Industrial College.  
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ORIENTATION.

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Gentlemen:

I am glad to see you all. I am glad to be here with you. In fact, if I had had my choice of all the details available to an officer of my grade I would have selected this one unhesitatingly, at the same time realizing, as I do, my shortcomings.

Over six years ago I was sitting in my New York office on a good size job and a telegram came ordering me to attend the Army Industrial College on three days notice. I was interested in what I was doing and I did not want to come. I had never heard of the Industrial College. I knew nothing about procurement planning and did not want to know anything about it. But I came and I became very much interested in it and have been so since. Please pardon that personal reference; I bring it in because I dare hope that whether you are here by preference or under compulsion, you will experience a reaction similar to my own. There were just nine of us in that, the first class. We were lost sheep. We did not know what this was all about and had difficulty in finding out. No one could tell us. There were very few studies in the files pertinent to any of our problems. In fact we, together with the officers of the Planning Branch, were pioneering in a new field. Now you are, I think, much better off in this respect than we were. Much has been accomplished since then by many very able officers and you will at once reap the benefit of those accomplishments.

Now we can indicate to you what this business is all about but no one can tell you what to do about it. In other words, you will have to find your own way; by study, research and logical deduction arrive at conclusions of your own.

However, I will now do my best to get you oriented. The subject of my talk "Outline of the Course" is somewhat of a misnomer. If I took up with you now the fifty-odd problems of the course and tried to give you even an outline of them, I wouldn't have time to do it, assuming that I am sufficiently conversant with them all, which I am not, and even if I were and went into them with you I would be bound to confuse you, whereas my purpose is to straighten you out. Accordingly, I will touch only on a few of the fundamentals.

What is behind all this procurement planning and industrial mobilization? What started it? Why was it started? It having been started, what are we trying to do about it and how are we trying to do it?

It is an old story that you all know: how in the last war we went in Allies' ships, fought largely with Allies' guns and airplanes. How the Army, Navy and Shipping Board were bidding against one another for essential items; even the Supply Branches within the Army were doing the same. The consequent confusion, delay and sky-rocketing of prices were, in some cases at least, tragic. We are paying for it yet in income taxes and read it between the lines from the pen of pacifist writers and in the eruptions of politicians - how the bulk of the

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national income goes for wars past or future, etc. But why such conditions in the richest country in the world and the nearest to being self-sustaining? You will run into all this during the course. Suffice to say now most succinctly - it was lack of planning. The Planning Branch has estimated that the Government spent ten billion dollars more than it would have spent had plans been made before we went to war. Here I want to read to you some extracts from a recent letter from Colonel Frank A. Scott to my predecessor, Colonel Carr. Colonel Scott was the first chairman of the War Industries Board, worked himself almost to death on the job; had to be hauled out on a stretcher and was succeeded by Mr. Bernard M. Baruch. In my humble opinion he is one of the biggest men and finest patriots I ever saw.

He says:

"It is curious and disturbing to observe how slow our people are to appreciate the significance of supply. The fighting soldiers have a "God will provide" attitude to an extent that makes one admire their nerve but doubt to a degree their full grasp of the problem. We command resources equal to the rest of the world; if we train and use our brains so that those resources will be available in time, our fighting men could smash down or march through anything. If we can only make those resources available, the nation that attacks us will merely be adopting a sudden but painful form of suicide. The "every man and every dollar" slogan is good political contribution toward preparedness, it may stimulate the war state of mind if an emergency ever confronts us; but it is valueless in our planning. We command all that now, and our Presidents have been willing to exercise their war powers when necessary. The pinch comes in knowing how immediately to use all those men and dollars. Therefore the need of an Army Industrial College, and a collateral course in our War College; and a full appreciation on the part of the fighting men that the swivel chair has its victories, and without it we might be in a position to confront an enemy with little more than cannon fodder. If we could

change the slogan "I didn't raise my boy to be a soldier" to, "I didn't raise my boy to be an unarmed soldier", I would begin to believe more in the potency of our voice at peace conferences. \* \* \*

With the education of officers, the delving into subjects of possible weakness or shortage; the discovery and allocation of sources, etc., - we must continue to drive against the ideas that man power is our problem and that we need more law. These latter are both fallacies, but they are so easily voiced and accepted! \* \* \*

If, after the Civil War, we could have had an Army Industrial College to analyze our effort and lay out a program to avoid repetition of errors and omissions, we would have been helped vastly in 1898 and 1917. \* \* \*

So, after the World War, thinking men began to take cognizance of the reasons for the confusion, delays and expense of the war with a view to corrective action for the future. The result is found in Section 5a of the National Defense Act. I am putting the part that concerns us most on the screen. It is our text, our jumping-off place, so to speak. Please read it.

(On the screen)

Like all written matter there is the language and the intent. Sometimes they are both self-evident but not always. To get under the skin of the act one must read the hearings on it before the committees of Congress. Generally speaking, those hearings disclose that the military men were opposed to the provisions of the section and the business men in favor of them. They furnish a fine exhibition of what business men call the "military mind". Now, whether at this time you believe in the soundness of the act I don't know, but I think you will have a well-considered opinion on it by the end of this course. At any rate,

as I say, it, together with its numerous ramifications, is the basis of our course of study.

Let's now consider the language and intent. Note the words, "Supervision of the procurement of all military supplies". That is perfectly plain but how about those that follow, "and other business of the War Department pertaining thereto." The language is plain but what is the intent and meaning? You see there is nothing specific as to just what this "other business" is that "pertains thereto". So, there may be questions and differences of opinion as to how far we can go into this "other business" without running into a conflicting law or into common sense or both. You will encounter all this in the course. Now see the next phrase "the assurance of adequate provision for the mobilization of materiel and industrial organizations essential to war-time needs". There, manifestly, is a large order. Just what does it mean? Is it perfectly clear? "The mobilization of materiel" is not so difficult to understand, but how about "industrial organizations?" What are they? The steel industry? The textile industry? Copper? Mining and smelting in general? Food is manifestly essential to war-time needs. Is the Assistant Secretary of War charged with the assurance that the agricultural interests of the country will be properly mobilized for war? Well, we have a Department of Agriculture to begin with. Is power a war-time essential? What is to be done about it? It would appear that right now, in time of peace, the Government is much concerned with both farming and power. Then there is labor. Everything depends on labor. We have labor, organized and unorganized. We have a Department

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of Labor. Is the Assistant Secretary of War to make plans for mobilizing labor in war? The more we contemplate this section the further we wade into deep water. Then there is transportation and the Interstate Commerce Commission. I mention these things as suggestions of the big studies before you. It would appear from even a cursory examination that Congress has handed the Assistant Secretary of War a tremendous mission, which, to carry out requires the cooperation of other Government Departments, as well as of thinking men in the industrial world. Is there any law anywhere providing for such cooperation, and if not, should there be one or not? Gentlemen, it seems to me that we have some problems ahead of us which we couldn't solve in ten years, much less in the ten months allotted.

Now, I want to mention a point that you will run across in some of its phases all through the course. It seems to me this way: Section 5a provides for specific procurement plans and for industrial mobilization plans. They are not the same. Specific procurement plans are made by the Supply Branches under supervision of the Assistant Secretary of War for specific items which by law they must procure for the Army in war. In making such a plan for any critical item a Supply Branch will run into channels wholly outside the scope of its own authority. To illustrate: The Ordnance Department makes a plan for 75's; the Air Corps for airplanes; the Q.M.C. for motor trucks. The Navy has similar requirements. All demand steel, but none of the procuring agencies has any color of authority to compel cooperation by the steel

industry in time of peace. Steel requires ferro-alloys, the most important of which come from abroad. Assurance of an adequate supply leads us into foreign commerce which, in the last war at least, was handled by a superagency called the War Trade Board. What are we to do about it in the next war? The execution of the plans, of course, requires manufacturing plants; perhaps some may have to be converted; new ones may have to be built. Who will attend to all this and how will it be attended to? Who will allocate them and on what basis, as between the Army and the Navy and at the same time not deprive the civilian population of its absolute necessities? In like manner all procurement plans ramify into requirements of power, of labor, of transportation and so on and so on. There is an interlocking and interdependence all along the line which simply must be coordinated. But how, and by whom? That question will stare you in the face till next June and no doubt long thereafter. Furthermore, whenever there is not enough of any vital thing to go round we are at once confronted with the need of priority decisions - military, naval and industrial. Who will make them and on what basis?

As I see this whole picture it reminds me of a big bridge with a load going over it. The load consists of a limitless variety of all sorts of things which make up the requirements of the Army, Navy and civilian population. The bridge itself is our whole industrial structure, the foundation, pillars, beams, struts and so on are power, labor, money, raw materials, transportation, communication, etc.

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Gentlemen, what will this load be in a major emergency?

How are the parts of the bridge to be put together so that it will stand the strain? An answer to the first question includes procurement plans and to the second industrial mobilization plans.

Now how are we to go about studying all these problems?

That brings us to an outline of the course which was supposed to be my subject in the first place. (Screen - Last year's course). The course as a whole is just like any other problem that is up for solution. While there may be different ways of solving different problems, every way, so far as I know, contains certain fundamental elements. You will get them shortly from Major Quinton in Problem No. 2 on Report Writing. We have them at the War College in the make-up of a staff memorandum. First, state the problem - What it is all about and how are we going about solving it? Second, all the pertinent facts bearing on the problem, arranged and presented in logical sequence. Third, conclusions based on an analysis of the facts and lastly, a recommendation as to the action to be taken as a result of that analysis. Now, you will go about solving not only each of the fifty-odd problems along those general lines but you will find that when you fit the individual problems into the whole course that the arrangement presents a large, composite problem, divid<sup>5</sup>ible for purposes of study and solution, into elements somewhat similar to those of a single problem. That is, our whole subject is, Procurement Planning and Industrial Mobilization. Roughly, the big study is set forth in the first part of the course.

The next part will contain numerous studies and much research into all the pertinent facts and finally a full opportunity on the part of the individual student for conclusions on and solutions of the whole including a frank criticism of the course.

Problems are issued either to individual officers or to Committees. In the former case, the officer studies it, writes it up and, if required, presents it from the rostrum. In the latter, the Chairman takes the problem, thinks it over, breaks it down and assigns the parts to subcommittees of one or more officers. Each subcommittee writes up its part as a supplementary report. The Chairman, in consultation with this committee assembles the reports of his subcommittees, connects them all up and epitomizes the whole into a written report of the committee as a whole, which is also the basis of his presentation from the rostrum. If desirable, he may have one or more of his subcommittee chairmen divide time with him in the presentation. The chairman is primarily responsible for satisfactory results. The purpose of the written solutions is to set forth the pertinent facts, the deductions drawn from those facts and any recommendation considered necessary - all in logical order. The purpose of the presentation to the class is to get those things over to each member of the class and register them on his mind. It is to be remembered that the other members of the class have problems of their own and have not had time to study yours, so their interest in and understanding of your problem will depend on how well you present it. Following the

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presentation there will be time for questions and discussions. These conferences are an open forum. An officer can say what he pleases. If he has an idea or a question, he is urged to stand up and let it come out. There are no restrictions except, (1) stick to the subject under discussion, (2) be courteous and temperate in language and (3) constructive in intent. The presentation is limited to an hour and a quarter. The few minutes following will be utilized in questions and discussions. Parliamentary procedure will govern. Here is where we clarify any points not yet made clear. The discussion must continue as a discussion and not degenerate into an argument between stubborn souls.

An instructor will be assigned for each problem. He does not really instruct. He does by advice and suggestion guide you in your research and presentation. It is well to consult him as soon as practicable after receiving your problem. As to how much time you are to put on your work rests largely with you. There is seldom sufficient time for any man on any problem.

In your research you will have to learn how by hasty examination of a document to determine whether or not it is worth while to go into it exhaustively. It is perhaps unnecessary to say to officers of your standing that the Assistant Secretary of War expects you to hit the ball straight out during office hours. Beyond that your time is your own. What the Assistant Secretary looks for is results. You are here and our assumption is that your records justify your being sent here. You start with a clean board and each man may write on it his own acad-

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emic rating and efficiency report. We will evaluate it daily in accordance with our conscience and to the best of our understanding and, at the end of the course, transmit it to higher authority as prescribed by regulations.

Now, a word as to our organization. The college proper has two instructors, Major Quinton and Captain Bogman who, in addition to their other qualifications, are both graduates with high distinction of the Harvard Business School and are members of the Harvard Review Board. Captain Bogman is also Executive Officer of the college. All the officers of the Planning Branch are ex-officio instructors in the school. They study procurement planning and industrial mobilization by the day and by the year. Every officer there is an authority on the subjects within the scope of his assignment. The Assistant Secretary of War organization, on the industrial side, is analogous to that of the War Department on the military side. Where the latter has the Chief of Staff, the General Staff and the Army War College, we have the Assistant Secretary of War, the Planning Branch and the Army Industrial College. We are thus fortunate in having the Planning Branch available next door.

Now, gentlemen, please let this register. This is in no wise a school in the sense that we have teachers who teach and pupils who recite. This is an assemblage of gentlemen who are gathered together for the purpose of studying problems vital to our country and for a mutual exchange of ideas thereon. A few of these gentlemen, because

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of their special study or experience, are designated instructors. None of them has any false pride in his own opinions. As far as humanly possible, regardless of his own conclusions, he views yours with an open mind. Every man here has a constitutional right to his own opinion and, in this college, the professional duty to stand up and defend it, for the sole purpose of clarifying the subject in hand to our mutual advantage.

Now, gentlemen, I spent nearly four years on duty here as a student officer in this college or as a member of the Planning Branch. I found always a cheerful spirit of cooperation up and down this hall, even a free and easy camaraderie, balanced of course by that decorum inherent in officers carefully selected. That we will keep this up I have no shadow of doubt.

You will probably be looking for what are called approved solutions. Forget it. There aren't any. Any officer of the Planning Branch will say, "Yes, we have these plans; we think they are fine right now but we realize that within a year perhaps there will be some new development in the industrial field or some officer here with a better idea and the plans will be rewritten." You readily see that a plan which looks good now might be worthless five years from now. Much will depend upon political and economic conditions, national and international, the temper of Congress, the psychology of the people and the personality of the President - all at the time of the emergency, not today. So, we must keep hammering at these plans - our peace-time mission will have been

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performed if, when such an emergency confronts the country, we can say to higher authority, "here they are, up-to-date."

I am going to ask Colonel Hasson, Director of the Planning Branch, to say a word to you in extention (or extenuation) of my remarks.

Colonel Hasson:

I can only add to Colonel McCain's invitation to the officers here for contact with the officers of the Planning Branch, because it is only through that contact that we can obtain your views and you can get a side light on ours. Our files and records, which represent almost daily thought, sometimes may be in the process of revision and so may be available too late for the problem you are studying. I solicit your contact with our files through our Executive Officer or the other officers of the Planning Branch in order to keep yourselves up to date on the thought we have on your problem.

A handwritten signature in cursive script, appearing to read "John", written in black ink.