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ORGANIZATION OF THE OFFICE OF THE ASSISTANT SECRETARY OF WAR.

Lecture by

Lt. Col. J. D. Fife, M. C.,  
(Chief, Planning Branch, O.A.S.W)

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"ORGANIZATION OF THE OFFICE OF THE ASSISTANT SECRETARY OF WAR"  
(Lt.Col. J. D. Fife, M.C., Chief, Planning Br., O.A.S.W)

Colonel Carr and Gentlemen;

I have nothing new or original to offer you this morning. The subject matter to which I expect to call your attention has already been written ~~up~~ or expressed by somebody, sometime, some place - namely the subject of Industrial Mobilization.

As students of the history of the World War, your attention is invited to papers that have been written thereon, the annual reports of the War Industries Board, Council of National Defense, reports of the Railroad Administration, <sup>Food, Admin, Fuel Admin,</sup> the <sup>War Trade Board</sup> Priorities Section of the War Industries Board, etc., and more particularly I want to call your attention to the plans and policies laid down in the lectures that have been given since the World War by such <sup>men</sup> people as Mr. Baruch, Mr. Scott, Mr. <sup>Summers</sup> Legge, Mr. Gary, Colonel H.B. Ferguson and others. The lecture given by Colonel Ferguson at the Army War College last year contains many principles and policies that if analyzed and studied throughout your course here would contain valuable matter for future texts. *It would be well for you to review it as the course*

*per 921*

To know the history of the industrial effort of the United States in the World War is to know one in which there are many surprises. We did not begin to plan for that war until after it was declared, ~~and~~ with the Allies holding the lines until we could become prepared, we did not get in until after a year had elapsed. In the

event of another war of the same character we hope to be in better shape than we were in 1917.

Immediately after the War men who were engaged therein became concerned over the state of affairs and commenced plans to better ~~them~~ <sup>it</sup>. They have laid down those principles and policies which are outstanding, those which you will study throughout your course. The experience of these men have been very valuable to us.

The law, as passed by Congress stating the mission and duties of the Assistant Secretary of War, was written by <sup>men</sup> a man who had thoroughly threshed ~~out~~ this thing, who had been witness of what went on during the War and ~~whose~~ <sup>their</sup> recorded opinions ~~thereof~~ <sup>are in</sup> found in the arguments and hearings before the Military Affairs Committee and <sup>indicates</sup> ~~indicates~~ the intent of what they were trying to do in wording such a very brief law. It is very difficult to word ~~into~~ <sup>into</sup> a law just what we want to do so one has to go back to the "intent", taking into consideration the readings and hearings before the various committees.

The outcome of <sup>these men's</sup> ~~this man's~~ efforts was the passage of the National Defense Act in 1920. Through this Act we obtained our military policy - it established the mission of the General Staff on one side, which is our military body, and on the other the Assistant Secretary of War with his industrial or business-side mission. That Act actually provides that the Assistant Secretary of War supervises all matters of procurement for the Army; he likewise supervises the plans for the mobilization of the materiel and industrial organizations of the country. This law also combines those functions, the military planning on the one hand with the industrial planning on the

other, by providing a War Council composed of the Secretary of War, the Assistant Secretary of War, the General of the Army and the Chief of Staff. There is also a provision that in the execution of the duties of the Assistant Secretary of War the policies and principles must be approved by the Secretary of War in War Council.

The chiefs of the supply branches report to the Assistant Secretary of War on all matters pertaining to procurement; to the Chief of Staff in all military matters.

The Assistant Secretary of War's office, <sup>was</sup> established in 1890. ~~has had added to its statutory duties~~ <sup>To the duties of an Assistant Secretary there has been added</sup> by this Act certain ~~statutory~~ <sup>no</sup> duties quite distinct from the others. ~~It is concerned with such~~ <sup>new statutory duties entree</sup> subjects ~~things~~ as Militia affairs, Reserve Corps affairs, the Small Arms competition, National cemeteries, disposal of surplus property and ~~other business~~ <sup>many other</sup> matters. The statutory duties are divided into two main classes - current procurement and war planning - and the Office has been so divided.

The Current Procurement Division takes care of those matters pertaining to peace time procurement and ~~are~~ <sup>is mainly</sup> concerned in effecting economy <sup>is</sup> in procurement. We operate under a very narrow budget in peace time <sup>when</sup> ~~while~~ the dollar is the determining factor. In war time, <sup>that is brought</sup> ~~That~~ <sup>bring</sup> forth a very different picture. The Army is responsible for getting materiel in war time and finance becomes more or less <sup>only one</sup> ~~separate~~ factor of this function. You understand this is only one factor - there are many more.

That part of the Assistant Secretary's office which is concerned with war planning has come through a good many evolutions since 1921 when the office was first formed. As a matter of fact a good many changes have been made in the organization and I suppose a good many will be made in the future. We regard them as improvements. Certainly as the plans develop and new problems come up from the branches or elsewhere the organization will have to make ~~some~~ *more* slight changes.

We have an office chart which gives the present organization, as we foresee it, for use in time of war. It gives a picture of the divisions of the duties of the Assistant Secretary of War's office in war planning as well as the set-up it would take if war was declared in ~~a short~~ *at this* time. The Planning Branch is a body of twelve officers who are set aside to study the World War - they are engaged in the same studies you are - ~~and~~ they are concerned with studying the World War history ~~and activities~~, also in outlining the plans and policies for a future organization, *for industrial mobilization* Colonel Ferguson

stated, when the office was first formed, that he could put a hundred officers to work but he thought the best plan would be to take in only a few men at a time, increase the personnel as the work developed, so that there would be no lost time - that it would be better to start a few than to attempt to cover the whole ground at once.

The law states that the officers and civilian personnel needed for this undertaking would be drawn from the branches. There is no appropriation for the Assistant Secretary's office other than *for* his own salary.

There were two ways in which the Assistant Secretary of War could undertake his problem. Under this Act he could have called in sufficient personnel to work out the details, <sup>of the plans,</sup> calling on the Planning Branches ~~of the services~~ <sup>of personnel</sup> to furnish their quotas in proportion to the size of <sup>the</sup> ~~their~~ <sup>of each.</sup> ~~undertaking.~~ He could have established an organization similar to the Purchase, Storage and Traffic Division of the World War, taking away from the Planning Branches their procuring and planning activities. It was thought best, and we are becoming more and more wed to the idea, to decentralize the planning to supply branches of the Army and have them carry out the details ~~throughout the industries of the country.~~

The branches have created organizations in their own headquarters here which are concerned solely with planning for procurement of the materiel assigned to them in another war. They have established throughout the country districts and district headquarters to survey industries of the country and study the art of production. The men thus engaged in these districts will carry this through to its final analysis.

The Assistant Secretary of War has merely undertaken in his Planning Branch to initiate plans and try to distribute the load to those who will be charged with carrying them out in another war. There is not a good deal that the office <sup>of the A. S. W.</sup> can complete in plans ~~other than some laws.~~ We have no field agencies, no other organization than the twelve officers previously mentioned, and the Assistant Secretary does not intend to establish any so far as I know.

I think if you will read the National Defense Act, study it carefully from time to time, analyze the hearings of the Military Affairs Committee <sup>House</sup> of the Senate that framed this law, you will find it was the intent of Congress to give to the Assistant Secretary of War all authority in regard to distributing this plan to whatsoever agency or agencies he would decide was necessary - and that is his plan.

The law also provided that the Assistant Secretary would be the medium of contact between the War Department and such inter-departmental or super-agencies as are ~~immediately~~ created in event of war. In passing this point I would like to state it is not a very healthy thing to plan for an organization to execute something that is not in existence. If you work out a plan and get to a place where you think an activity should be the function of the War Industries Board or some other emergency organization, simply because we had such an organization in the World War, that is not regarded as finishing anything or arriving at a <sup>satisfactory</sup> ~~new~~ conclusion. We do

not know what such an organization will do even if it is formed <sup>in wartime.</sup> The very fact that the leading men in industry were chosen to compose those organizations leads us to believe that if they are again chosen they will be men who will wish to follow their own means and methods <sup>also that they will</sup> and select personnel they see fit, so it is very likely if we made plans for them to follow they would not do it any way.

In regard to the Navy, there has been set up a Joint Board, a Munitions Board, which will at least give us the frame work for thorough cooperation with the Navy - The Army and Navy

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To use a military expression this lesson is  
Plan to

Munitions Board. This organization is comprised of like organiza-  
 tions of the Army and Navy, <sup>of the</sup> ~~having also~~ <sup>there is a</sup> Policies Committee which <sup>outlines</sup>  
~~takes care of those matters~~ <sup>the Policies regarding joint action</sup> passed to it by the Joint Board. This <sup>under</sup>  
~~are subcommittees concerned with~~ Committee ~~takes up~~ functions such as Allocations, Requirements,

Labor, Power, Transportation, etc., affecting both the Army and Navy.

So at least the organization is available for thorough cooperation.

When the time comes that we know <sup>more</sup> ~~enough~~ about requirements, the Navy  
 as well, <sup>as the Army</sup> the organization is there ready to do its work.

You know ~~in theory~~ a war plan is a very <sup>difficult</sup> ~~definite~~ thing. <sup>to prepare</sup> If  
 we had at present a definite picture of where our next war is going  
 to be, our Military Information Division would go and find out from  
 that country exactly how fast they could raise their manpower, what  
 they could do in industrial mobilization: We could successfully  
 compete with them, raising and training our army in time to meet  
 theirs, and in case we could not meet <sup>their rate of</sup> ~~some~~ by production and manu-  
 facture we could arrange to have a war reserve. However, war is a  
 very unexpected thing; we do not know <sup>when</sup> ~~who~~ we are going to fight or  
 what countries we are going to fight. The policy has been adopted  
 by the General Staff that, first, we will work out a plan for a  
 condition of preparedness, manpower and industrial preparedness,  
 that would be <sup>possible of accomplishment.</sup> ~~profitable.~~ Undertaking any war we have to know  
 certain things; we have to know what rate of mobilization we can  
 undertake - how fast we can <sup>recruit</sup> ~~raise~~ men, how fast we can ~~recruit~~ <sup>train</sup>  
 them, and then how fast we can supply them. The Army has undertaken  
 what we know as the General Mobilization Plan, which covers work to  
 be done no matter what country we <sup>become</sup> ~~are~~ engaged with. It is very hard

to picture the actual requirements not knowing the location of the field of operations.

The General Strategic Board of the Army and Navy, composed of General Pershing and Admiral Eberle, gave the Joint Munitions Board (composed of the Assistant Secretary of War and the Assistant Secretary of the Navy) a directive in 1924 ordering them to ~~prepare~~ <sup>use</sup> a General Mobilization Plan for the Army and an Orange Plan for the Navy, <sup>in making industrial plans,</sup> This covered the maximum effort for the Army and was more or less a case of "trial and error". We were to find out how fast we could mobilize for a maximum effort, ~~while the Navy worked on a lesser scale.~~ Our questions of cooperation with the Navy probably will not come to a definite state of affairs until we both get to work on the same plan. The effort of the Army in an Orange warfare would be very small and would not give the branches enough to do at that time so it is believed that they should work on a maximum <sup>or over</sup> effort plan to mobilize the entire resources of the country.

In regard to the different steps and details of such a plan, first - Paragraph 9 of the National Defense Act describes what classes of materiel are assigned the Quartermaster Corps. In the same paragraph is described the classes of materiel to be assigned to the other branches, but this Act leaves to the Assistant Secretary of War the decision as to which branch will procure certain materiel. If you throw all this into one organization it would separate the professional people from the procuring people. Take the Engineers, Quartermasters or doctors - theirs are all distinct professions; if you took from them their procuring

functions and formed another P. S. & T. Division you would have separated the professional <sup>groups</sup> from the procurement ~~and~~ <sup>groups.</sup> However it has been left to the Assistant Secretary of War to decide what classes will be assigned to different procuring branches of the Army, including the special <sup>+</sup> technical articles to be procured by each. That was the first duty of the Assistant Secretary of War and was accomplished in 1920.

The next thing was to begin on the specifications for this materiel. Each branch having been assigned materiel to procure was given the undertaking of preparing the specifications therefor. Specifications are pretty difficult things to undertake. There are two main classes - the commercial items and the strictly military materiel not manufactured in peace time at all, offering the most difficult problem of all. Work on specifications is exceedingly slow because not only military types are changing all the time, improvements being made therein, but the commercial articles are undergoing improvements also.

Having been supplied lists of materiel to be procured, and specifications therefor, the chief of a branch is charged with procuring same. The next thing to be done is to estimate the amount required under a given Mobilization Plan. The General Staff lays down the rate of mobilization, the number of men to be called in, the number of units and the <sup>identity</sup> ~~dividing~~ of these units; sets a definite date for each unit to be mobilized. The chief of branch takes these tables, arranges his <sup>2</sup> basis for requirements as to rate of fire, rate of consumption, food, clothing, etc. This is approved

by the General Staff who <sup>approves</sup> ~~computes~~ the amounts required. The result is the basis for the investigation of the production possibilities of the country.

Of course if the Assistant Secretary is to have a War Reserve we would not have to worry about estimated <sup>ing the</sup> production, but War Reserve is a tremendously costly thing. Furthermore, the progress being made in ~~scientific~~ inventions, the advancement going on all the time, <sup>would</sup> leaves us in possession of a good deal of obsolete materiel, ~~and it would not be worth very much, & it might prove to be~~ <sup>the means of establishing a false sense of security</sup>

After having determined the requirements in each of the materials for the different branches, the next step is for the branch chiefs to apportion their requirements to the different districts in the field. This is done after a series of studies and trials as to where it can best be produced. We ~~knew~~ <sup>learned</sup> ~~in the World War~~ <sup>where it can be</sup> and have a general idea now. Our studies of the ~~completeness~~ <sup>publications of</sup> of the industries of the country, through various Federal agencies, the Department of Commerce, etc., gives us a good idea of the machine tool industry, brass industry, transportation, clothing, etc., available. The load being apportioned to the different districts by the chiefs, the officers on duty there then survey these industries to find where <sup>war</sup> the orders can be placed.

Having done this, the next thing is to prepare plans for each factory and have them accepted. These are known as the "Accepted Schedules of Production". So far ~~xx~~ they have not been worked out very thoroughly but it is hoped in time that these plans will give us a more definite idea of the production possibilities and we

can be at least prepared in two or three years to tell the General Staff how fast the manpower can be mobilized for these supplies.

War plans of the General Staff, so far as supplies are concerned, are merely estimates of consumption or rates in which the materiel is to be used. It is not the answer to the problem at all - merely puts the question up to the Assistant Secretary of War and the branches of the Army to give the correct answer. The manpower can be mobilized only so fast as materiel can be produced for them. ~~The Assistant Secretary of War and Federal agencies~~ <sup>T</sup> ~~has~~ the branches and their field agencies (of which the Assistant Secretary has none) have contacts outside of Washington making it easier for them to undertake to solve the problems than for the Assistant Secretary of War to do so alone.

We will next take up the general idea of planning as applied to procurement. In order to apply the different plans to the different agencies if charted, it would appear something like this. (Chart on file, Planning Branch, O.A.S.W). The classes of materiel would be divided into different groups for each procuring branch of the Army - say in ten different groups. Take Steel for instance: There would be one or more groups in the Quartermaster Corps charged with steel, as well as the Engineer Corps, Ordnance, etc. <sup>Knowing all about steel</sup> This group would be formed and if the plan was charted, you would indicate that such and such groups would be consulted in regard to requirements for steel. That would give you information as to the branches using steel and the requirements for same.

The Assistant Secretary of War has established a Commodity Committee on Steel. This committee is composed of one officer from the Planning Branch and officers from the different using branches of the

Army and are to inspect and to approve or disapprove the plans for the procurement of steel. The Navy also will furnish us requirements on the commodity. Civilian needs are taken into consideration by this Committee. If there is a private agency existing in peace time concerned with this commodity it is so indicated on our chart; if it is intended to establish a Federal control agency in war time that should also be indicated on the chart. In this manner you have the planning and using personnel plainly indicated by chart which can always be consulted and who will know both the requirements and resources of steel and will perfect the plans for procuring and using steel in war time. There will be a good many plans indicated on the same chart if it is correctly carried out for all the finished products and raw materials in peace or war time.

There are a good many subjects to be covered - Price Control in time of War, Priority, Labor, Transportation, Power, Conservation, etc. All these may be regarded as being in their infancy. Studies of what happened in the World War have been made in some cases, and have progressed to the point of indicating <sup>that necessary</sup> action in another war. Do not get the idea that planning for war is a fixed art. It is advancing all the time; new ideas come in and regarding some of these you will be able to get a great deal of assistance from officers in the Planning Branch.

One of the difficulties encountered in our work is lack of money and lack of personnel. There are about one hundred officers in the ~~War~~ <sup>Army</sup> Department concerned with the study and preparation of the plans for the survey of industry and about sixteen hundred concerned with the training of soldiers for the next war (R.O.T.C., G.M.T.C., and National Guard). We are told and have <sup>for ourselves</sup> decided that the limiting factor of mobilization is the mobilization of materiel and not manpower. In the World War we

had manpower mobilized standing ready for materiel which they received one year later. We have one-sixteenth of the number of officers planning for such materiel as for manpower. This is a point which I want you to remember clearly, as it will be stressed time and time again. During the World War the increase of the combat branches was thirteen times what it was before the War; the increase in the supply branches was forty-three times. Each officer working on industrial mobilization now has about three times as much to do as the man working on manpower mobilization.



known as "Essential Items" - those in which production will not meet requirements and war reserves of same ~~has~~<sup>are</sup> to be maintained. There ~~is~~<sup>are</sup> great gaps in that reserve and it is the General Staff's intention to ask Congress to determine a policy in regard to war reserves, whether they will take the shape of lump sum appropriations or otherwise. They hope to get their answer when Congress convenes.

QUESTION:

In the performance of his statutory duties is the Assistant Secretary of War in any sense or any degree independent of the Secretary of War?

ANSWER:

No. The law does not state that. It states that the Assistant Secretary is under the Secretary of War. The final responsibility rests with the Secretary, but he cannot ~~designate~~<sup>delegate</sup> the responsibility of the Assistant Secretary to anyone else.

SEC. - ANSWERS TO Qs

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OPEN DISCUSSION - FOLLOWING LECTURE.

QUESTION:

You stated that the General Staff determined the manpower rate. Based on that the supply rate was fixed; based on the supply rate the procurement planning determined the production rate. Should, therefore, the production rate not meet the supply rate? Does the General Staff modify his plan to meet this rate?

ANSWER:

Yes, they should and that is what they are trying to do now. They see more and more every year, every time the branches re-figure their requirements, The General Staff is more and more impressed with the limiting factors of mobilization and are trying to fit their manpower mobilization to the production possibilities. However, with our limited appropriations and personnel the work is not being accomplished very fast, for there is an immense amount of work involved in determining the productive capacity of ~~this~~ country.

At this time the subject before the General Staff has to do with money for War Reserves. Of course production failing to meet supplies, we should be able to fill in the gap with sufficient war reserves. We will have to do that. It takes many months to produce shells but it takes a number of years to find out what the productive capacity of the country will be. We will be able to give the General Staff a better answer in 1929 or 1930. The present General Mobilization Plan of 1927, the Supply Plan for the Army, concerns merely those limiting factors in materiel that our investigations have found would have to be met - that is ammunition, shells, some arms (Particularly those not perfected in the World War), and each branch has a list