

THE ARMY INDUSTRIAL COLLEGE

WASHINGTON, D. C.

Addresses -
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OPENING EXERCISES

Addresses by

Colonel Frederick H. Payne,
The Assistant Secretary of War.

Major General John L. DeWitt,
The Quartermaster General.

Lt. Colonel W. A. McCain, Q.M.C.,
Director, Army Industrial College.

September 3, 1930.

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Remarks by Lt. Colonel W. A. McCain, Q.M.C.,
Director, Army Industrial College.

Mr. Secretary, Admiral Hughes, other distinguished guests and gentlemen of the class

It is quite fitting that our undertakings commence in conformity with what is doubtless the oldest tradition of our race and country. Accordingly, we will ask Chaplain Fisher, acting for the Chief of Chaplains, to offer the invocation.

(Invocation)

Gentlemen

On behalf of the Faculty, it is my privilege to welcome you as members of our tenth and largest class. The mere fact that you are here is evidence of your high professional attainments, and we trust that the ensuing year will be but another bright page in your already excellent records.

We are honored by the presence here today of so many of our superiors in the hierarchy of military and naval command. Thereby we are inspired to justify their interest and confidence by an earnest endeavor to acquit ourselves in accordance with the finest traditions of the united services,

We are honored also by the presence of distinguished gentlemen from civilian institutions: President Nevils of Georgetown University, Dean Splawn, Professor of Economics, American University, Dean Hewitt of the American Council on Education, Mr. Aitchison, well known lecturer on Interstate Commercial Law and member of the Interstate Commerce Commission.

The intent of Congress, manifest in Section 5a of the National Defense Act, was to place an outstanding business man at the head of the business affairs of the War Department. We have one. He is here today and will say a few words to you. - The Assistant Secretary of War, Colonel Payne.

Remarks by Honorable Frederick H. Payne,
The Assistant Secretary of War.

Admiral Hughes - Gentlemen of the Industrial College

I am happy indeed this morning to bid the new class a welcome to the Industrial College. It is especially gratifying to welcome the Naval and Marine Corps quota of the student body. From a very small beginning this school, in the short period of its existence, has come to be recognized as one of the Army's most important educational institutions. You are to be congratulated, not only upon the opportunity opening before you, but also upon your excellent records of service that have earned for you the privilege of entering this school as students. None of you need have any qualms concerning your prospects for success. Efficiency reports of prospective students are carefully examined, and no one is accepted whose prior record creates any doubt as to his ability to pursue the course with credit to himself and to the service.

Here you will associate intimately with officers from other arms and services and with representatives of the Navy and Marine Corps. Such associations are helpful in establishing mutual understandings among men who have the common mission of fitting themselves to play important parts in defending this country under any and all circumstances.

During the coming year you will be encouraged to think of supply for armed forces from the national viewpoint. You will visualize the serious industrial and economic problems that would face this country if we were forced to take up arms in a major war. The plans we are building to meet these difficulties will be discussed with you, and you will contribute toward their development from your own experience, study and imagination.

At this time I will not attempt to outline my own conception of war's industrial problems, or the principles I believe should be observed in developing their solutions. Later this fall, I expect to address the War College on this general subject and I understand that this class will be present at that time.

Again I assure you of a hearty welcome to the Industrial College. From such men as you we expect solid accomplishment - and I have complete confidence that you will more than meet our expectations.

Remarks by Lt. Colonel . A. McCain, Q.M.C.,
Director, Army Industrial College.

Introducing Major General John L. DeWitt,
The Quartermaster General.

Gentlemen

It is needless for me to touch upon the numerous accomplishments that have characterized the career of the principal speaker of the day, for they are well known to the Service. I have the honor to present General DeWitt, The Quartermaster General.

Remarks by Maj. Gen. John L. DeWitt,
The Quartermaster General.

I am very glad of the opportunity of addressing the members of the Class of 1931 today, for I want to congratulate you on your good fortune in having been selected to attend this course. Any officer who has as the result of his past achievements, established such a record for efficiency as to compel his selection for attendance at the courses at our service schools is to be congratulated. The professional education of an officer is never complete. In the pursuit of such education, he can not hope to obtain the best results by duty with troops alone, by Staff or other details, or solely by attendance at any or all of the service schools. If he would be successful, he must take advantage of all the means given, and all others too that may be offered him in a professional way. To be of the most value as an officer of the Army he must not only keep abreast of his profession at all times but he must do his part in activating progressive thought. One lesson of the many that were brought home to us clearly in the last war is that an officer can not permit himself to stagnate in time of peace - to neglect the means of professional advancement offered him and, yet, hope to make good when war comes and he is called upon to shoulder the heavy responsibility of leadership of men in battle or the equally heavy responsibility of the efficient performance of the Staff work necessary in the Zone of the Interior or Theater of War.

You are doubly fortunate in being selected to attend this course because you are not only attending one of the most important and valuable courses available to an officer but, in addition and as a part of the course, you have the opportunity of observing and studying the organization and set-up of all the great Federal agencies that, in the event of mobilization for war, must play a part in initiating and maintaining the supply of the military and naval forces created to meet the emergency. The problems you will have to deal with are tangible and concrete, based upon an existing and expanding industrial set up that has no counterpart, as to scope or potential war strength in the world today. Furthermore, in the consideration of the questions that arise in the solution of these problems you will be associated with officers of our sister service, the Army, a proper conception of the requirements of which is essential to a complete visualization of the national military needs that will constitute the load the industrial organization must bear in the event of a major emergency.

I want to talk to you for a few moments on a subject which I believe to be of importance in connection with your studies involving the vital problem of industrial mobilization for war. According to my mind, there is one basic principle that should be understood and applied in the solution of these problems and that is - that all so-called military and business questions involved in mobilization

for war should be approached from the viewpoint of cooperative action. Experience teaches that the foundation of progress and development lies in cooperative action and coordinated effort, and this is the essence of the relationship that must be inculcated throughout the personnel of all the agencies of the military establishment concerned with such questions if full advantage is to be taken of the broad provisions of the National Defense Act. The experience of the World War clearly demonstrated the necessity for the preparation in time of peace for coordinating by cooperative effort the economic power of the nation with its military needs. Consequently, the law wisely makes provision for this by the creation in the War Department, under the Secretary of War, of an organization, the purpose of which is the coordination of the business side of war with the military side so as to produce the one essential result - the success of the armed forces.

This institution is the only one in the educational system of the Army where the questions and problems pertaining to industrial organization and control in war are comprehensively studied. The Army War College does not delve deeply into the study of matters with which the War Department General Staff is not directly concerned as a functional duty. It limits its investigation to orientation on the duties and responsibilities of the office of The Assistant Secretary of War by means of lectures and studies of a broad character only, realizing that a General Staff officer must know and appreciate the responsibilities imposed by law on that office and the cooperation that must exist between the two war planning agencies. Consequently, it is highly important that in your daily work here you too recognize that there is a joint responsibility imposed upon these two planning agencies of the War Department by law, as even a casual reading of its provisions will disclose that the duties assigned to the War Department General Staff and those assigned to the office of The Assistant Secretary of War are for a common purpose and, consequently, are inseparably connected and interwoven.

The essential elements in military supply are procurement, storage and distribution (sometimes referred to as storage and issue). These elements are based solely upon the needs of the troops, as determined by the character of the operations contemplated, therefore

"Procurement of all military supplies" is inseparably connected with and based upon plans for organizing, supplying and equipping the Army of the United States. "Assurance of adequate provisions for the mobilization of materiel and industrial organization essential to war-time needs" is inseparably connected with and based upon "plans for national defense and the use of the military forces for that purpose, both separately and in conjunction with the naval forces, and for the mobilization of the manhood of the nation and its material resources in an emergency." In other

words, while all procurement of supplies and all planning for the procurement of supplies for the Army in peace and war are the duties of The Assistant Secretary of War, the efficient fulfillment of such duties is dependent upon the requirements as to quantities, types, priorities and time, determined upon by the War Department General Staff.

The provisions of the National Defense Act are so broadly drawn as to enable the War Department to take full advantage of the lessons learned as the result of the experience of the World War. This experience is not so distant that we can not still remember the unhappy conditions that existed when we entered the war, as the result of lack of foresight and planning, even though the War Department organization was poorly adapted to remedy it. This deficiency in the organization of the War Department at that time demanded that there be set up an agency of the Secretary of War within the War Department General Staff in which authority over the three essential elements of supply - procurement, storage and distribution - were so centralized as to make the operation of all these elements in their several phases responsive to the control of one individual, representative of the Command authority - a General Staff officer, and, as the result of which, the authority and responsibility of certain chiefs of supply branches were so stifled as to require absorption of their functions within the organization so set up. I think that some of us will say now, after a careful study of the situation that existed at that time, that that organization was proper and necessary, but few, if any, of us will say that such a situation is conceivable in future emergencies with the freedom of action now permissible under the law to prepare plans and create an organization that will give full sway to authority and responsibility where such authority and responsibility belong when applied to the three elements essential to any organization responsible for the operation of a system of supply for troops in war.

To quote from the report of the Harbord Board -

"The formula for the functioning of the system is that the planning side (The General Staff) presents to the business side (The Assistant Secretary of War), an estimate of the requirements which in its opinion must be met to insure success. The planning side must be composed of men trained to deal with the details of the problem from the military viewpoint, and the work must be coordinated by a higher authority (Secretary of War) who is responsible to the supreme authority (The President). The principle governing the organization is that there is one man, and only one man, in a position to advise the supreme authority and he must have at his disposal the machinery for advising him, and for supervising the execution of the policy after presentation to and approval by the Supreme Authority."

The organization of the War Department set up by the law is in conformity with the reasoning set up above, in that the office of

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The Assistant Secretary of War and the War Department General Staff are both subordinate to one authority. Hence, those elements necessary for the efficient preparation for war and for efficient cooperative action and coordinated effort during peace as well as war are present. But the law goes even further by making provision for a coordinating body to insure the establishment of balanced and harmonized policies, by creating the War Council which includes the respective heads of both the military and business parts of the War Department. The duty of this Council is "to consider policies affecting both the military and munitions problems of the War Department" and "such questions shall be presented to the Secretary of War by the War Council and his decision with reference to such questions of policy, after the recommendations thereon by the several members of the War Council, shall constitute the policy of the War Department with reference thereto."

If I am correct in thus stating the theory upon which this great Governmental war planning agency is based, it is vitally necessary that there be a meeting of minds between the personnel of its two branches, that there be a community of interest for the accomplishment of a common purpose. There must be cooperation in its broadest sense. The General Staff, under the law, is charged with the preparation of plans for National Defense, the use of the military forces for that purpose, the mobilization of the manhood of the nation and its material resources, and with the rendering of professional aid and assistance to the Secretary of War. It gives no direction, it performs no function unless it does so under the authority of the Secretary of War. The office of the Assistant Secretary of War, under the same direction, is charged among other duties with the assurance of adequate provision for the mobilization of materiel and industrial organizations essential to war-time needs. There is no over-lapping of the duties of the two, but a definite and well defined responsibility for each that dovetail and fit closely together. The duties of neither can be efficiently performed without the closest personal contact and cooperation and without the clearest understanding. It is not enough for one to say "This must be done", and another to say "It can not be done." In this connection the Chief of Staff, in one of his addresses to your College, made the following statement.

"It is not sufficient to say that our efforts must be limited to a given production capacity. Rather the proposition must be adopted that our production capacity must be responsive to our needs. We must create a production capacity that will meet our needs. If this seems impossible, I must repeat that war is a transformation of the impossible into the possible by the side which succeeds. The side that can't do that will not succeed."

Any system of military supply from the first steps involved in the procurement of the article to its issue to troops should conform to a principle, which I am convinced our experience in war confirms. That principle may be stated as follows. The first

requisite for a system of military supply is the existence of a sense of responsibility on the part of the supply agencies to those elements that need the supply. Consequently, nothing within the organization of the system as a whole must prevent the application of direct pressure from the point of military need upon that agency responsible for meeting that need.

Our experience in the World War clearly indicates that in a war of any magnitude the extent and character of the industrial effort will be dictated by the extent and character of the military effort, the former being dependent upon and of necessity made to conform to the latter. In other words, the industrial effort of the country is created for but one purpose - the supply of the military establishment, created or enlarged to meet the military situation existing or foreseen. Therefore, it follows that the military effort is limited, initially, by the extent to which steps have been taken and plans laid to make the industrial and material resources available for war needs in the manner best suited to meet mobilization and operation plans. In other words, these two great subdivisions of the national effort are so interrelated and interwoven in their purposes as to form an entity incapable of efficient action if either part thereof is permitted independence of action.

The organization of any army containing its two elements - one for combat and one for maintenance of combat - is for the purpose of providing for the same subdivision of effort that must exist in the nation. The result is that the activities of those elements which serve are, or should be, such that the needs of the fighting elements can be efficiently met. This subdivision of the army establishment has brought about the creation of certain services, each charged with the supply of a classification or grouping of articles or means needed by troops, this classification or grouping being such as to permit of the accumulation and issue of supplies according to the special use for which they are intended and for which they are needed by the troops. Each of the services or branches charged with the supply of any particular classification of articles is headed by an officer selected because of his special or technical knowledge of such articles or means and their use, in order that responsibility can be placed to insure that articles or means of the character and type required are available in the quantities prescribed and are in condition for use when needed.

A war is won by those elements of the Army, trained, organized and equipped to fight. All other elements of the army and all other efforts are organized for, brought about and their operation controlled by the extent and character of the military operations.

Therefore, to be efficient any system of supply in war, any scheme of organization and administration of the supply system must be based upon, and, if possible, must be made to conform to, the one and paramount requirement - i.e., the needs of the fighting troops.

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The above has been set forth in an attempt to show that if supply of troops is to be such as to meet their needs it must be controlled by the same authority that controls the troops. In other words, you can not separate the closely articulated parts of a military organization into so-called business and military activities controlled by separate authorities and have efficiency. They are inseparably connected and must be directed and controlled by the same authority. Any departure from this essential unity of control will separate the supply branches from the line for the efficient service of which they owe their existence, and for no other reason - an impossible situation from the standpoint of military efficiency.

In support of what I have just said, I wish to quote an extract from a paper prepared by General Charles G. Dawes in 1918, as a result of his experience as General Purchasing Agent, American Expeditionary Forces.

"The current criticism of army organization is based largely upon the assumption that it ignores certain fundamental principles of normal business organization, which should be applied to the business system of an army notwithstanding that the ultimate purpose of an army's existence is military, as distinguished from business, success. The conventional view of the army purchase and supply system, held by the non-military business man, is that the system of independent departmental purchase is a failure, because, while it is susceptible to an outside coordinating control, this control is not accomplished, as in the normal business organization, by a complete centralization of purchase and supply through one agency acting for the army as a whole. The argument of the business man is that if all purchasing and supply activities were centralized in one distinct army department, created to supply all other branches of the service, there would be obviated competition among the various departments, piecemeal and wasteful purchases, loose methods, insufficient estimation of forward collective needs, and many other objections now incident to some extent to the present system. It is contended that the needs of an army and their satisfaction will be better ascertained and accomplished by a central body, having always the bird's-eye view of the situation, and that equally satisfactory results will not be incident to any method of central control reached through a coordination of independent agencies. It was with this belief that I took up my duties as General Purchasing Agent of the American Expeditionary Force,*****

"*****My idea, as that of many other business men, had been that the laws of the United States which so jealously guarded the independent right of purchase and supply in departments of the service, was on our statute books as a result of a lack of business knowledge and fore-

sight on the part of legislators, instead of its being as it is, the logical, legitimate and necessary evolution of thousands of years of actual military experience. Now, after six months in time of war, in a peculiar position relative to army purchase and supply activities such as does not exist in the British, French or other army, so far as I know, I am prepared to say that any change in legislation or War Department regulation designed to bring the organization of army purchase and supply more nearly into accord with the principles of modern business organization, should provide an agency of supervising coordination, which, while it will permit the application of rigid business principles under normal conditions, will not take away from independent departments the right of purchase and supply especially during the time of actual military activity, the preservation of such independent powers being absolutely essential at times to military success, which of course is the ultimate object of the whole system!"

What I want to bring to your attention is that the "Agency of Supervising Coordination", advocated by General Dawes as necessary to the proper functioning of the system of military supply, was created by the Act of June 4, 1920, as the office of The Assistant Secretary of War. In connection with this quotation, I suggest that you read the entire paper prepared by General Dawes, as it is most instructive.

May I remind you that it is of first importance in an institution of this kind, which is similar in the character of its curriculum to the Army War College, to encourage initiative and original thought, and to give full recognition to individual opinions and ideas, provided they are based on sound reasoning and a full consideration of all facts. The spirit of the institution is one of cooperation, independent of rank or position, to achieve practical results through full and free discussion, for the object of the set-up and conduct of the course is, to quote from an address delivered sometime ago at the Army War College, "Not that some more wise shall teach some less wise, but, rather, that a group of men by contact, consultation and conference shall evolve the best wisdom of the entire group."

You are asked to put into your work the same enthusiasm and the same energy that you have shown in the past in the establishment of your records, for the successful outcome of your work will be measured, as in any other line of endeavor, by the results achieved. Approach it with a full, self-reliant mind and the courage to advance those opinions which your best judgment dictates, and remember that in your committee work and in your conferences the best work will be that which is productive of thoughtful discussion.

I hope you will have not only a profitable but a pleasant year as well.