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ORIENTATION TALK

by

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ORIENTATION TALK

Gentlemen:

It was our hope that The Assistant Secretary of War would address this class on the first day of the course, but he is absent from the city on a rather extensive journey in the west. However, he will be down here as early as he can not only to welcome you into his organization but to meet you personally and to tell us all just what he expects of us during this school year. In the meantime, we must go ahead. Accordingly, it is my privilege this morning to say to you members of the largest class yet to attend this College how glad we are to see you here, and my duty to orient you, insofar as I am able, in the year's work.

Why this College anyhow? What is its mission? Just what is it that we are trying to do, why are we trying to do it and how are we going about it? I shall give you the best answers I can to those questions. As a preliminary, however, some historical background is necessary to a complete understanding. I shall make it short.

We all remember that in the World War there was no end of difficulty in procuring munitions in quality, quantity, and above all, in time for their urgent use, and at the same time assure ample necessities of life to the civilian population. We know that the Army sailed overseas largely in Allies' bottoms and to a great extent fought the war with certain vital items of arms and equipment purchased from the Allies. We know the confusion and sky-rocketing of prices due to shortages actual or alleged and the bidding against one another by the Army, the Navy and the Shipping Board, and, worse still, by the Supply Services of the Army among themselves. We know that one of the results of all this was the spending by the Government, not of millions but of billions of dollars more than would have been spent had planning been done in advance. We know how the President called in men prominent in the economic life of the country and, in an effort finally to bring order out of confusion and accelerate the industrial effort in support of the military, organized the War Industries Board with certain powers well nigh dictatorial. We know that, since the war, the Government has been involved in litigation running into vast sums of money. Be all that as it may, but coming closer home, we know that during the war procurement in the Army was carried on under General Staff supervision. Apparently Congress, whether justly or unjustly, was dissatisfied, for soon after the war, it began investigating and legislating along these lines, one result being that it took away this supervision from the General Staff and put it in the hands of a civilian Assistant Secretary of War, the theory being that the matters to be handled are big business matters and therefore should be handled by a man prominent in the business world. (I may add that the present incumbent is a banker of prominence. Further he is a statesman and still further, he was a World War soldier in actual combat on

the western front.)

The pertinent part of the law making this change is contained in Section 5a of the National Defense Act, as follows:

"Hereafter, in addition to such other duties as may be assigned him by the Secretary of War, the Assistant Secretary of War, under the direction of the Secretary of War, shall be charged with supervision of the procurement of all military supplies and other business of the War Department pertaining thereto and the assurance of adequate provision for the mobilization of materiel and industrial organizations essential to war-time needs."

That is our Genesis I. There will not be any Exodus for us until next June. So let's see what Congress intended in that paragraph.

You see there are two distinct, but closely related, missions assigned to The Assistant Secretary of War. First, supervision of the procurement of all military supplies in peace and in war. It naturally follows that if he has supervision over procurement in war he has it over the peace-time planning for that procurement. In other words, he supervises the Supply Arms and Services in the preparation of their current plans for the procurement in war of all items of Army requirements. That is all quite plain, but the second mission is not so clearly stated, that is, "the assurance of adequate provision for the mobilization of materiel and industrial organizations essential to war-time needs."

What is meant by "the assurance of adequate provision"? Making plans in advance and testing them as well as we can under peace-time conditions. Second question: "What are those "materiel and industrial organizations essential to war-time needs"? The answer is, all of them, directly or indirectly. We cannot limit our planning to those industries that are palpably essential because, as we all know, the economic structure of the country (and many think of the world) is such a closely-knit, integrated whole. The third question: War-time needs of whom? The Army alone? The Navy? The Army, Navy, and civilian population? Of course, The Assistant Secretary of War has not the slightest control over Navy planning or over industry or over the civilian population. But remember, back of the procurement of every finished item of Army supply or equipment there are many contributory requirements: - raw materials, semi-finished products, power, labor, money, transportation, and so on. Can The Assistant Secretary of War or any living man, however able, make a plan for labor, for example, and confine his effort to the labor required in the production of Army items alone? Manifestly, such a plan would be worthless unless it were based upon and a component of a national plan for labor.

Therefore, somebody has to make that national plan and The Assistant Secretary of War is the only man or agency that has a legal mandate to make it. But it is a logical conclusion that no such plan would be acceptable to the President and the Congress unless it were acceptable to other Government departments, to industry and to labor - in other words, to the American people. Both the Army and Navy have come to realize this and, in consequence, while each is making its own specific procurement plans they are making the industrial mobilization plans in collaboration. We all realize that in order that these latter plans, national in scope as they are, shall be sound and that they may be put into effect when needed, the Army and Navy must get together and stay together. That is the fundamental reason why we are so glad to have Navy and Marine officers here with us.

Now let's look at the big picture of war planning as a whole. We have the Army War College which studies problems in strategy and tactics involving high command and staff. A chosen few go from there to the War Department General Staff. There is the Naval War College from which officers are selected for war planning in Naval Operations. Further, selected officers from the War Plans Division of the General Staff and from the office of the Chief of Naval Operations form the Joint Planning Committee of the Joint Board. So far, observe, this is all primarily on the command and military side. Now, on the procurement and industrial side, The Assistant Secretary of War has his Planning Branch which prepares the industrial mobilization plans and supervises the Supply Arms and Services in their specific procurement plans. Correspondingly, the Navy has its Materiel Division. Generally speaking, officers selected from these two activities form the Army and Navy Munitions Board which coordinates the procurement and industrial mobilization plans prepared in support of the military plans. As the Planning Branch, Office of The Assistant Secretary of War, on the industrial side, is parallel and analogous to the General Staff on the military side, so is the Army Industrial College to the Army War College. The Industrial College was established in 1924. Its mission is as set forth in the General Order creating it, as follows:

"* * * training Army officers in the useful knowledge pertaining to the supervision of procurement of all military supplies in time of war and to the assurance of adequate provision for the mobilization of materiel and industrial organization essential to war-time needs."

You will note that the mission thus stated by the War Department is almost a verbatim extract from the law which I have just discussed. The College started out with just nine student

student officers attached to the Planning Branch for a five month's course of study. I happened to be one of those students and know that we were all wandering around in the wilderness. Now, nine years later the Planning Branch, while it has not cleared the wilderness and put a fence around it, has it at least pretty well surveyed, and the College has become a General Service School with a full-time faculty of instructors, than whom there is none better anywhere, and a student body of about sixty officers carefully selected from the Army, Navy and Marine Corps.

Now, having had the high points in the background and the mission of the College set forth, let us see what the course of instruction is. I have put here on the board the titles of the forty-odd problems of the ensuing course and the numerical order in which we intend to take them up. However, I wish it distinctly understood that the course here outlined is tentative. Some of these problems are certain to be changed, others may be eliminated and new ones added. The reason for this I think is apparent to you all. We must keep abreast of current affairs; be ever watchful of the kaleidoscope of economic conditions, especially during this war on the depression which is second only to the kind of war that is our chief concern. We know that the Government is now taking many important steps in the national economic field, the nature and consequences of which we will have to take cognizance of since, manifestly, they have a vital bearing on our own plans. So, this course that I am about to discuss, take it straight as to fundamentals, but with considerable salt in the details.

Problem No. 1 - Fundamentals of Business. Brief study of the principal subjects underlying business activities; economics; finance; banking; accounting; statistics; marketing; contract law; analysis of business problems, etc. This is a seven weeks individual problem and we make it the first problem of the course because, if our plans are to be sound they must be in accord with sound economics and the fundamental principles and practices of American business. So, I would suggest that you try to master the high points of this problem. The immediate reason for this may not be apparent to you for the next few weeks but I know that as this course unfolds itself you will appreciate more and more what you will have gotten out of this first problem.

Problem No. 2 - The Problem of War Procurement. An historical study of procurement and industrial mobilization in the U. S. during the World War.

Problem No. 3 - Organization of the Government of the U.S., particularly of the War and Navy Departments.
A broad picture of the organization of the Federal Government, past

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and present; the organizations of the War and Navy Departments and coordination of their peace-time planning for a future emergency.

No. 4 - Current Procurement Methods of the Supply Arms and Services. A report on the student's own Arm or Service showing the organization of same for current procurement, the principles on which the organization is based and the methods used by The Assistant Secretary of War in his control of current procurement.

No. 5 - Branch Activities in planning for War Procurement. A short course to familiarize the student with the organization and plans of his arm or service for the business of war procurement.

No. 6 - War Department Procurement Planning. Analytical study of procurement planning by the Supply Arms and Services - its purpose; scope; methods; agencies involved; their control and coordination; progress; essentiality of different classes of supply, etc.; specifications, standardization, simplification, requirements, statistics, apportionment; survey and allocation of facilities; factory plans; specific procurement plans.

No. 7 - The Procurement District. A review of the history of procurement districts; their origin; determination of their boundaries. An analysis of the suitability of their present boundaries. A study of the functions of the procurement district in peace and war.

No. 8 - Budgetary Control. A study of budgetary control in industry, in the War Department and in the Navy Department.

No. 9 - War Reserves. A study of war reserves including development in policies relating thereto; the present method of computing the reserves, together with the factors influencing the computation.

No. 10 - Purchase, Storage and Traffic Division of the G.S., World War. An historical study of the development and operation of that organization. A comparison of the organization, functions and methods of procurement control of the Division, as the same were at the close of the World War, with existing W. D. Plans for procurement control in a future emergency.

Nos. 11 & 12. Basic Industries of the U. S. An analysis of some of the basic industries of the U. S., including statistics of the leading companies in each.

No. 13 - Japan and Russia. A study of those phases of the economic, political and social structures of each of these nations as will be of assistance to us in planning our industrial mobilization.

No. 14 - Food. A study of the food problems of the country during the World War; an analysis of the present situation in the U. S.,

and a study of the steps necessary to effective handling of the problem in a future emergency.

No. 15 - War-time Contract Forms. An analysis of the several contract forms recommended by the Board on War-time Contracts, together with a study of the plans of The Assistant Secretary of War relative to contracts in war.

No. 16 - Publicity. A study of World War activities in disseminating information regarding the mobilization of material resources. A discussion of the same class of publicity in a future war, indicating plans for control if control is thought desirable.

No. 17 - Army Procurement Procedure in Peace and War. An explanation, a justification, or, a proposed correction of any inconsistencies that may appear to exist in the principles of commercial purchasing and Army procurement in peace and war.

No. 18 - Construction and Conversion of Facilities in War.

An historical study of how these problems were handled during the World War. A discussion of the organization, functions, plans and activities of the Facilities Section, O.A.S.W.

No. 19 - Test of a Mobilization Plan with Respect to Procurement

A detailed study of the work required in computing primary requirements to meet mobilization plans and of ways and means of testing such plans with respect to procurement for supply. Here we take the approved General Staff plan, the actual plan, and see whether or not it can be met in certain selected essential items.

No. 20 - Production in Early Stages of War - An historical study of the means employed by the principal belligerents in the World War to stimulate production; conclusions as to the lessons that we may learn therefrom.

No. 21 - Centralized or Joint Procurement between War Dept. and Navy Dept.

A study to develop to what extent centralized or joint procurement is now being accomplished, and what improvements, if any, should be made in present laws, policies and organization to effect that practical and economical procurement best suited to the national defense.

No. 22 - Personnel & Training. A study of the methods of recruiting and training personnel for procurement of munitions in a major emergency.

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No. 23 - Labor. A study of the labor problems of the country during the World War; an analysis of the present situation in the U. S., and a study of the steps necessary to effective handling of the problem in a future emergency.

No. 24 - Contributory Requirements. A study of the problems of assuring to the manufacturers of essential items an adequate supply of contributory requirements.

No. 25 - Shipping. A study of ocean shipping along lines similar to those stated for land transportation in the problem on transportation.

No. 26 - Transportation. A study of our land transportation problems in the World War, the agencies and methods of handling them and results obtained; of the development of internal transportation since the World War; and a discussion of the organization, plans, etc., of the Transportation Section, O.A.S.W.

No. 27 - War Load on our Industrial Structure. A study of a critical district followed by an estimate of the effect on our industrial effort in case of loss of the area by enemy occupation. Also, a study in this connection of distribution of the war load on industry thruout the country.

No. 28 - Financial Control Agencies. A brief discussion of the World War activities of the War Finance Corporation, the War Credits Board and the Capital Issues Committee; an estimate of the lessons to be drawn therefrom and a discussion of how these problems should be solved in a future emergency.

No. 29 - Communications. A study of the control of communications systems in war, and of the importance of including plans for such control in the scheme of industrial mobilization.

No. 30 - Power of Eminent Domain and Related War-time Powers.

A study of the extraordinary power exercised in time of war by the Congress or by the President with respect to procurement and industrial mobilization, together with a study of statutory provisions relating to War Department procurement, particularly those that are restrictions or limitations; and of the legislative plan of The Assistant Secretary of War.

No. 31 - Control of Commodities. An application of the lessons drawn from our World War experience in commodity control to our present-day commodity planning for a national emergency.

No. 32 - Economic Planning for the National Defense. A review of the trend of modern economic developments and a consideration of their application to procurement and industrial mobilization in war.

No. 33 - Control of Foreign Commerce. An historical study of the War Trade Board - its origin, organization, functions and activities. An outline of ways and means of controlling foreign commerce in a future emergency.

No. 34 - Power and Fuel. A study of the power and fuel problems of the country during the World War; an analysis of the present situation in the U.S., and a study of the steps necessary to effective handling of the problem in a future emergency.

No. 35 - Self-Regulation of Industry. A determination of practical means and extent of self-regulation of industry to facilitate action in war procurement and industrial mobilization.

No. 36 - Price Control. A study of the necessity for and extent of government control of prices in the World War and of the planning activities in connection with this problem in a future emergency.

No. 37.- Priorities. A discussion of why and how the priority function was exercised in the World War; an analytical study of how Army and Navy priorities should be established and made effective in war procurement.

No. 38 - Control of Economic Resources in Certain Foreign Countries.
A discussion of the agencies and methods of economic control during the World War by Great Britain and Germany, together with the lessons to be learned therefrom that may be of value to us in our planning. Also, a study of their existing plans for future control.

No. 39 - Conservation. An historical study of conservation activities during the World War, carrying the study on as to how conservation may be best planned for in a future emergency.

No. 40 - Maximum Effort for National Defense. An attempt to define the limits of the nation's maximum effort in war.

No. 41 - Transition of the O.A.S.W. from Peace to War. A study of the steps necessary in changing the functions and methods of procurement and procurement control from those obtaining in peace to those contemplated in war.

No. 42 - Industrial Readjustment after War. A study of the means by which industrial difficulties incident to readjustment after war can be minimized.

No. 43 - Planning for Control of Economic Resources in War.
An opportunity of presenting individual ideas on

a planned war economy and the development, by committees, of general plans for the effective control and coordination of economic resources in a major war emergency.

Following all the foregoing which in general are problems requiring written reports, we then utilize a week in the inspection of industrial plants. By the courtesy of the Navy Department this includes the Navy Yard here in Washington, and the Naval Loading Plant at Indian Head, Maryland. We also spend three days in Pittsburgh inspecting some of the largest production facilities in the country. Finally, we hold a WAR GAME which is somewhat analogous to a Staff Ride or a Map Maneuver on the military side; that is to say, we assign each member of the class to some office or activity in the war-making machine and then assume certain situations regarding procurement or industrial mobilization and endeavor, as a matter of practical application, to run those situations through the machine.

Off and on during the course we have lectures on pertinent subjects by men who are experts in their respective fields. About twice a month we have moving pictures showing large-scale production methods from reels loaned by the Department of Commerce.

You remember I said something a few minutes ago about details and fundamentals. Alright. But we will leave out any further details of the course. They will come along in due time. However, let's be sure that our feet are on the ground in regard to the fundamentals. As indicated in the order establishing the College, we have two broad, major studies in war planning - first, for procurement, and second, for industrial mobilization. But please note that procurement plans and industrial mobilization plans are not the same at all, although the soundness and workability of the former are absolutely dependent upon the soundness and workability of the latter. Further, the procurement plans are made by the Supply Arms and Services under the supervision of The Assistant Secretary of War. In war those same agencies carry out their own plans. The industrial mobilization plans are prepared in the Planning Branch, Office of The Assistant Secretary of War, in collaboration with the Navy, through the Army and Navy Munitions Board. In war those agencies do not carry out their own plans. It is contemplated that this will be done by civilian super-agencies to be set up by the President under the war powers inherent in his office, or, granted him by the Constitution, or, pursuant to special acts of Congress. No man can say in advance what the plans will be or who will execute them. That will depend upon the personality of the

President, the temper of Congress and the psychology of the people at the time, not now. Meantime it is the Army and Navy's job to keep those plans up to date and ready to submit to the consideration of Congress and the President at any moment. Now I want to illustrate the difference between a procurement plan and an industrial mobilization plan by taking a very simple example. The Quartermaster General makes a specific procurement plan for motor trucks. This involves (1) computing the number of trucks required to meet the General Staff plan, (2) an apportionment of those requirements to the procurement districts in the field, (3) survey of manufacturing facilities by the Quartermaster district chiefs, (4) allocation of those facilities to the Quartermaster Corps by The Assistant Secretary of War, (5) acceptance by the facilities of the required schedules of production, (6) the assembly and coordination of all this data in the Office of the Quartermaster General into a single plan for the procurement of trucks, which is submitted to The Assistant Secretary of War for approval. The principles here involved are, we see, covered in problems Nos. 6 and 7. Now, the coordination of all the specific procurement plans of the Supply Arms and Services which involve the automobile industry, plus those of the Navy, plus due consideration of civilian requirements, all head up into a plan for the mobilization of that industry. Why, right now, the Government is mobilizing the industry for operation under a code for self-regulation mutually agreed upon. Well, see our Problem No. 35. We have had one of this nature in the course for several years. The difference is, ours is for a major war which we hope will never come, whereas the Government's is for a major peace-time depression which we have on our hands today. Anyhow, we see by this illustration what procurement planning is, who does it and how far the Supply Arm or Service carries it. Also that from there on planning for industrial mobilization begins by The Assistant Secretary of War but never stops. It has no stopping place short of the will of Divine Providence. Let's consider this endless chain for a moment and carry the illustration on. A motor truck requires semi-finished products, as for example, steel. Is steel an emergency problem? Ask General Johnson and his N.R.A. Also, see our Problems Nos. 11 and 12. It takes some 13 pounds of manganese to make a ton of steel. Have we sufficient manganese in our continental limits? We have not. It comes from Russia and Brazil and is only one of some 25 strategic raw materials brought to us from various parts of the world. We have a problem on such materials (No. 31). To get them into our ports in time of war brings us to Problem No. 33, the big subject of War Trade, - the control of foreign commerce. Then there is power, fuel, labor, transportation, finance and so on - all major problems in the mobilization of industry. We cover every one, problem by problem, as I have already indicated. Finally, toward the end of the course, we spend several weeks on Problem No. 43, wherein each student officer will take these several threads that we will have spun during

the course and weave them into cloth of his own design. In other words, each one of you will have an opportunity to lay out the functions of and set up an organization for the control or regulation of the nation's economic resources in war.

As I have said before, procurement planning is relatively simple of understanding. That is in its conception; the mechanics and the final carrying-out of the plans are enormous tasks. On the other hand, even the conception of planning for the mobilization of industry is rather hazy, especially in the beginning. What is it, anyhow? The five year plan in Russia was said to be a planned peace economy. What the President is trying to effect now is a planned peace economy. Planning for the mobilization of industry in war is nothing more nor less than a planned war economy. Since our economic structure is from its very nature such a snarled-up maze of innumerable interdependent elements, in planning this structure for war we seem, especially at first, to have entered a vast cave with radiating endless caverns. There is no end to such planning. When Professor Charles A. Beard lectured to us last year on "A Planned Economy" members of the class pressed him with some very knotty questions. Finally, that scholarly economist and historian answered, "Gentlemen, you know we must leave something to Providence."

However, since Providence helps those who help themselves, the National Defense demands that you do considerable research and original thinking. We know that you have the intelligence, the background, and the will to apply yourselves to the task. That is not a bouquet but a simple statement of fact. I do not know how the Navy makes its selections for detail to this College but judging by the general average of past years we expect some splendid results from the fourteen Navy and Marine officers in this class. I do know how the Army officers are selected. Your efficiency ratings are excellent or superior or you wouldn't be here. Further, you have proven to your Chief of Arm or Service and to the War Department your adaptability to this work, that you have some imagination, a keen sense of individual responsibility and that sine qua non for which there is no substitute, brains.

Higher authorities in both War and Navy Departments, therefore, feel justified in looking for great things from this class, and we of the faculty are honored in helping such a body of men accomplish them. The time has passed when officers of the Army and Navy can sit around the conference table on a question common to both and vital to the National Defense and anyone suspect cards up the sleeve of any other. We trust that, in our approach to these problems, we will, for the time being, forget that we belong to the Quartermaster Corps, to the Ordnance Department, or any other

Arm or Service, or, even to the Army or Navy. What I mean is, let us disregard anything savoring of personal or professional advantage and try to think primarily in terms of the National Defense; get up on a high plane and take the view of a high mind with high intent.

From time immemorial military men have been planning military strategy and tactics but this is the first school on earth to concentrate on planning the ways and means of making the materiel plans meet the military plans and supporting both with national economic plans.

In general, instruction here is self-instruction. There are no approved solutions or approved textbooks. You will do your own thinking and arrive at your own conclusions. When we are engaged upon some specific assignments in the service we all know that we must carry out loyally and cheerfully the policies of higher authority regardless of whether we agree with those policies or not. But this is a school and a graduate school at that, and if any officer has something on his chest that he thinks is good for the National Defense he can get it off "without fear, partiality, favor or affection." There are no restrictions on this whatever, except those manifest in any assemblage of gentlemen, viz.: stick to the point; courtesy; constructive intent; and, in our conferences, parliamentary decorum.

The War and Navy Departments respectively have allotted to The Assistant Secretary of War two vacancies for Army officers each year at the Army War College and one at the Naval War College. It has been The Assistant Secretary of War's practice, the Chief of Staff concurring on the command side, to select these from among the students outstanding in each preceding class at the Army Industrial College. In other words, you Army officers have an opportunity to seek these details for the school year 1934-1935 provided, of course, you are otherwise eligible under the law and regulations.

A word about rank. Of course there are certain customs and traditions of the Service which we would not change if we could. All we have in this life is our rank which is attained by growing gray in years and years of hard lines in the Service; but, in our academic work, you are all on the same footing exactly. To illustrate, specifically:- the chairman of a student committee may be the junior officer in rank on the committee but, so far as his status there is concerned, he may as well be the senior.

We make no company here of the Navy and Marine Officers. To the contrary, we are all in the same boat and we pull stroke in unison. Accordingly, they will please feel absolutely at home. We

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don't put on any airs around here, anyhow. Personally, I am glad to talk over our work with any of you at any time. The Executive Office is here to help you rather than to watch you. Any Instructor on the problem in hand is more than glad to discuss it with you with perfect freedom, but for obvious reasons, he will never tell you in advance what, in his opinion, the correct solution may be.

It seems to me that back about forty years ago my attention was called to something in the Bible about the yoke being easy and the burden light. It is a little different here. The burden is the course of study and from its very nature there is no way to make it light. On the other hand, we make the yoke as easy as we can-so long as the burden rides. This yoke consists of certain minimum routine requirements both administrative and academic which are found in Bulletin No. 1 wherein we endeavor to waste no words. So, we would appreciate it if you will read that bulletin carefully and comply uniformly with its provisions.

Now, gentlemen, I have asked the heads of the activities with which we are going to be in close contact, to come down here this morning. That is, those activities which help us here in our work and with which we tie in very closely. In the first place, you will notice in our course that we have several problems directly involving current procurement, others indirectly. So I have asked the Chief of The Assistant Secretary's Current Procurement Branch to say a word. Major Earl North, Corps of Engineers.

Major North:

You have all heard of that famous bird who always flew backwards because he did not want to know where he was going but he did want to see where he had been. I take it from Colonel McCain's excellent orientation talk that that kind of bird will not fly around this course.

I represent the branch of the Assistant Secretary's Office which supervises the procurement of supplies. As you know, the eight Supply Arms and Services procure their own supplies but it is our duty to see that they are procured economically, efficiently, in accordance with laws and regulations and the policies of the Department. You will get a great deal of war procurement in this course but I hope you will not lose sight of the importance of knowing something about current procurement. Colonel McCain has given you one good reason why you should know something about it. In addition, we want you to get current procurement training because we need good purchasing officers in the Army. Most officers are pretty efficient buyers when they are spending their own money but that is not always the case when

they are spending Uncle Sam's money.

We have an office in the State, War and Navy Building and one down here, so any time you want any information about our current procurement set-up, how we function, etc., come and see us. We will be glad to assist you in any way we can.

Colonel McCain:

I want to add that that Current Procurement force has not only been good enough to us when we went up there but they have come down here and helped us by the hour.

I have mentioned the Army & Navy Munitions Board and how the Materiel Division of the Navy parallels the Planning Branch of the O.A.S.W. Officers of that Division have been fine to us heretofore and I know they are going to continue to be. The present chief of the Division who occupies ex-officio one of the key positions on the Army & Navy Munitions Board is here. He was in last year's class and was one of the best. Commander (soon to be Captain) William S. Farber.

Commander Farber:

Appearing on this platform is not a novelty to me for, as Colonel McCain has told you, I was in last year's class. The difference, however, is that then I was "on the spot."

It should be obvious to anyone with a military mind that when plans are made they depend not only on men for their successful execution but those men must be equipped and subsisted, and there must be a follow-up line of munitions flowing in. It must also be obvious that if a man makes plans without being able to get the material necessary for them they will fall down. He must know if the facilities of the country will produce the total requirements necessary. The military commander must be informed of all these things as it will make considerable difference in his planning. It is better to find these things out first, than after trouble starts. The course here will give you a good command viewpoint and a good procurement viewpoint. My experience here was that we learned a lot, we had quite a little fun, and just enough grief to make the fun appreciated.

Colonel McCain:

Thank you Commander.

When we found that The Assistant Secretary of War could not be here and open his own school we tried to get the Chief of Staff

to come down and address the Class, but you know that he has been carrying a tremendously heavy burden during the past year. The whole Army knows and appreciates that. Anyhow, he was unable to come himself but designated his senior aide to come down and speak for him. That is a very happy selection for us because that officer has not only had experience in General Staff work but he went to duty with the Chief of Staff from the Office of The Assistant Secretary of War, where he had been for several years. He knows both ends of the game of war planning. We are glad to have him with us again. Major Dwight D. Eisenhower, Infantry.

Major Eisenhower:

To me it seems just a little odd that the Chief of Staff should have to send to a group of Army, Navy and Marine Corps officers a special invitation to visit the offices and officers under his control. It is not only your privilege, it is your right and almost your duty to make such a visit whenever you feel that your work will be advanced by doing so. You don't need a telephone call from your wife to tell you that you can come home. Every office in the War Department belongs to you just as your home belongs to you. Moreover, I can assure you of a hearty welcome in each of them.

Probably the real reason for the feeling that a message of this kind from the Chief of Staff is particularly opportune is found in past history. When the Office of The Assistant Secretary was established there was a difference of opinion between the General Staff and The Assistant Secretary as to the wisdom of giving statutory duties connected with procurement planning to a civilian official of the War Department. This argument at times grew acrimonious. But all that has disappeared. Mutual antagonism has been replaced by the closest and friendliest cooperation. This situation has existed ever since the present Chief of Staff took office. I assure you too that General MacArthur, General Drum and the several G's attach the greatest importance to your work -- and watch your progress with sympathetic concern. They look to this school and to its graduates in the Planning Branch and in the Supply Arms and Services to suggest and develop solutions for problems of the utmost importance to effective war planning. In working out such solutions you will always find the General Staff officer willing and anxious to confer and cooperate with you in any way he can.

Colonel McCain:

I thank you, Major Eisenhower.

You will find during the course that you will frequently be going to and asking aid of the officers of the General Staff, especially in G-3, G-4, and War Plans. They have been cooperating with us 100%.

Our closest contact, however, is with the Planning Branch, O.A.S.W. Why? Because, as I have said, its officers prepare the industrial mobilization plans and review the procurement plans. Whereas both the Planning Branch and this College are working to the same end, their work is actual while ours is academic; they work on a plan, we will say, for price control, the year round while we have time only to examine it and theorize about it for a few weeks. I will now ask The Director of the Planning Branch to say a word to you. Colonel Alvin C. Voris, Signal Corps.

Colonel Voris:

I am not going to tell you how and where we will meet each other hereafter during your course, but on behalf of the Planning Branch I wish to extend to you a very hearty welcome. I hope you will find the course at this College both pleasant and beneficial.

The Planning Branch really considers itself a part of this school - perhaps we are half brothers to the students, although your Director has never treated us like step-children. I hope that our relations may be intimate, cordial and frank throughout and that we are both benefited by our association.

The Planning Branch considers it a duty and, indeed, a pleasure to be of assistance to you at any time. In return, we hope to get something out of you - suggestions and help in our knotty problems. We welcome your criticism, particularly if it is constructive. Our records and files are open to you at all times; we hold nothing up our sleeves.

Colonel McCain:

I know from experience that he means what he says. This is my fourth year at this school and I know you can get cooperation from the Planning Branch. But because they are so accommodating, let me ask that when you go there, get what you want and get out. Don't take up their time unnecessarily.

The Executive of the Assistant Secretary of War is here. Of course he can always say what he wishes to say to us, and I am going to ask if he has anything for us today. Colonel J. K. Crain, O.D.

Colonel Crain:

Colonel McCain warned me specifically not to talk very long, and for that reason and other obvious ones, I shall not try to make the speech which The Assistant Secretary would make. He will be here later. I only want to express for him his regret that he could not be here, and to explain to those who do not know it, that he is attending to the important business of getting married.

I would like to tell you a few things about him. His dominant characteristic is force, which is a very important one for a man high up in our organization to have. Also, he has gone out of his way to express the highest admiration and respect for the personnel of the Army. He would have the same enthusiasm for the Navy had he been in contact with them. He has only been in contact with the Army for a short time, but he is an ardent supporter of the Army and the national defense.

He is a very strong character. You will see that as soon as you meet him.

As to the school, Colonel McCain has been a little modest about what he has said in this regard and in regard to the faculty. I have been on the side lines for three years and I think it will help the picture if I say a few words. This school is the only one in the world that has dealt with this problem of a planned economy and it has been dealing with that problem for a number of years. Under wise guidance the school has grown and it has as able a faculty as you could gather together. The school has done some very remarkable things and will undoubtedly continue to do them. The mission of the school, and the mission of you gentlemen perhaps in coming to the school, is to improve your knowledge so that in turn you can benefit the Government. My observation has been that it is much deeper and more important than that, because, due to the policies that have been followed, topics studied, discussions, and the throwing of a searchlight on our organization and methods, some very important changes have been made in the organization and procedure of the Supply Services and they have been beneficial to an extent few people realize. I doubt if there are many people who know the contribution this College has made to current procurement, although current procurement is only a minor part of the course.

You gentlemen are doubly fortunate in coming to the school at this time. In previous years the studies and problems have been based on history and academic theories. You are here at a time when exactly what has been studied before is taking place in the country. The NRA is in effect a war-time organization and you will have access to a current solution to the problem you are studying, whereas

previous classes could only read what was done during the war and, like most histories, these are largely controversial and the viewpoint depends upon the author.

A special trust is imposed on an officer at all times in the performance of his duty, and this year a special trust is imposed upon you because the country is in a critical condition, and the knowledge you learn and contribute to current procurement and war planning will be the most valuable that can be obtained because of this fact - that the NRA is in effect a planned economy now being developed, has not reached its conclusions, and we do not know where it will stop. In addition, there has been a mobilization of men which tested the current procurement facilities of the Army. I am now referring to the Civilian Conservation Corps mobilizing three hundred thousand odd men. That puts you in an extremely valuable position to test out your theories and make recommendation as to how we can perfect our plans. That opportunity may not occur again in another generation.

I wish you on behalf of The Assistant Secretary of War a happy and successful year.

Colonel McCain:

Thank you very much, Colonel Crain, for your encouraging words and expressions of confidence.