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June 22, 1937.

WAR DEPARTMENT

I M M E D I A T E

R E L E A S E

ADDRESS OF ADMIRAL WILLIAM D. LEAHY, AT THE GRADUATION  
EXERCISES OF THE ARMY INDUSTRIAL COLLEGE, WASHINGTON,  
D. C., 10:00 A.M., JUNE 22, 1937.

It gives me great pleasure to be with you to-day and to extend my congratulations on the successful completion of your course of intensive study of those problems of governmental organization and service procurement whose successful solution will contribute so much to the satisfactory conduct of our operations in any future war.

We of the Navy are always more than pleased to lend our efforts toward increasing that cooperation between the two services which is being fostered on the Command side by the Joint Board, and on the Supply side by the Army and Navy Munitions Board.

We are firmly convinced that such voluntary collaboration will be vastly more effective in developing thoroughly sound joint plans for use by the Army and Navy than could be brought about by a combination of the two establishments under any possible single departmental organization

One of the most valuable lessons of the last war was that no nation can win by force of arms alone without adequate material support from the country as a whole. General Maurice has voiced the opinion that big factories rather than big battalions are now the receipt for victory. I still entertain a feeling that is almost an affection for big battalions; but it was a lack of appreciation of the value of industrial preparedness on the part of the Germans that was one of the foremost reasons for their defeat.

In Great Britain the rapid production of munitions was realized to be of such essential importance that a reorganization of their government was undertaken and a war cabinet consisting of three members was established. It was the sole duty of one of these members, Mr. Lloyd George, to coordinate British industry in such a manner that a sufficient supply of war time necessities could be assured.

We in this country who prided ourselves on our leadership in matters of business and industrial organization, spent a full year in working out a satisfactory War Industries Board, this in spite of the fact that for the three previous years we had been building up an industrial establishment to meet the excessive volume of foreign orders for the very materials we ourselves needed for war.

It is not generally realized in America, that, notwithstanding our vaunted efficiency in industrial production, it was necessary for us to obtain from France and Britain a full half of the total material requirements for our forces in France. Fortunately for us the Allies were able to render this aid because they could see that we would eventually be able to replace the munitions they sold to us, and also, doubtless, because they saw that such assistance to American troops was vital in order to stave off defeat.

Since the last war the principal nations have been giving constant increasing attention to building up industrial support for their military forces. With the very recent initiation of an extensive re-armament program the British have gone so far as to appoint an Industrial coordinator, and with the erection of their "shadow factories" they have undertaken a development far in advance of anything so far conceived in America. As their approach to this problem is more nearly in accord with the democratic principles which should govern our own solution, we are watching their efforts with the greatest interest.

France is attempting at the present time to completely nationalize her munitions industry, however reports seem to indicate that this effort is not meeting with complete success.

The Fascist Government of Italy, and the Nazi Socialist Government of Germany have assumed such complete control of their industrial facilities that they can definitely insure the production of their military requirements for as long a time as the essential raw materials are available or can be provided.

Russia has carried the regimentation of national forces even further, controlling not only the output of industry but also the daily life of her people to such an extent that they appear to be virtually slaves of the Central Organization. C. F.

In planning for industrial mobilization in America every effort must be made to guarantee the continuation of our democratic institutions, and the liberties of our people, with the maximum amount of individual liberty that is consistent with assurance of victory.

In spite of the lessons learned by some of us in the last war, it is exceedingly difficult to get Americans to make serious plans for any future military effort. Of course, as we all know, the one certain thing about the future is its uncertainty. Nevertheless, I think we all agree that there should be more effective laws for controlling industry in a national emergency than exist in America at the present time.

The development of this great continent, protected as it is on both sides by broad oceans and with its traditional policy of isolation, has led to a provincial attitude on the part of our people which even the severe lessons of the war did not change.

As those of our countrymen who are familiar with the war-time efforts in 1917-1918 become older, and their recollections of our prodigious difficulties at that time become indistinct in memory, there is a steadily increasing tendency, even in the halls of Congress itself, to fail to realize the sacrifices that have been and always will be necessary for the protection of American locals.

There are even those among our citizens who, in league with active foreign agitators, seem determined to undermine the imposing structure builded with such labor by our Fathers, and to place us in a position of impotence in international affairs.

An exceedingly important duty of those of us in the military services is to assist in the defeat of these subversive tendencies by inspiring in our citizens a strong confidence in America's high standing in the world. America has to-day attained a commanding position in the family of nations, and all of us, civilians and military alike, should do everything in our power to maintain it.

While endeavoring to take full advantage of the lessons of the last war, we have, in the formulation of an industrial mobilization plan, fully appreciated that the next war will be radically different, and that unless we are prepared to place our military machine in the field without avoidable delay, and to support it with a smoothly operating industrial organization from the start, we will run an enormous risk of prolonging the war, and adding greatly to the loss of life and property.

Our people will want quick action when a final decision has been made, and our present efforts in planning for both operation and supply should be constantly reviewed and revised so as to insure an early and satisfactory ending to any war in which we may unhappily become engaged.

It is fully appreciated that this nation is comparatively young and inexperienced and that we are working hard to develop and preserve one of the finest experiments in popular government that the world has ever known. We have not been able, however, to organize our governmental structure so that it functions with the same degree of efficiency that is evident in our mass production industry and our business organizations.

If it is possible to set up, during peace, and have in readiness when war comes, a sound democratic governmental organization which will have adequate authority to take the important and necessary initial steps, we will be able to pass through the critical transitional period from peace to a war footing without that chaotic condition which was so apparent at the outbreak of the last war.

Some of us may have forgotten that the law requiring the Council of National Defense to guide the industrial side of the nation in war is still on the Statute Books, and that this Council was originally organized on a basis of personalities without regard to the inclusion in its line up of two of the most powerful departments of the government whose active participation in such a body is absolutely essential. Steps should be taken to correct this situation and to provide the President, in addition, with a small but adequate War Council.

The War Industries Board was developed and implemented by force of necessity under the guidance of the leading business executives and industrialists in the country at the time, and represented the highest degree of cooperative effort between government and business that was then attainable. Unfortunately post-war investigations, carried out years afterward, have alleged that the patriotic citizens who rallied so strongly to the support of the nation during this crisis were governed, at least in part, by the ulterior motives of large profits and self interest.

Individual agitators have even tried to show that some of these men were responsible for forcing the country into war. Fortunately they have been unsuccessful in these attempts and the country still maintains its high regard for the political and industrial leaders of the time who, in the nation's hour of need, put every ounce of power that money and industry could produce squarely behind our military and naval forces.

At the time of the Armistice America was well started in the process of developing the most powerful industrial and military machine that the world has ever known, and, had the war continued, we should have had a more effective war organization than all the other nations of the world combined could have produced at that time. The display of this vast power more than any other factor buoyed the morale of the Allies and convinced Germany of the absolute hopelessness of her position. 1095

After the Armistice the Army, having started the war less well prepared for the gigantic effort than the Navy, realized more quickly the essential need for industrial planning for the future, and with the experiences of the war as a background, encouraged members of the Congress while the lessons were still fresh in their minds to amend the National Defense Act. This amendment placed the Assistant Secretary of War in a position of responsibility for the assurance of adequate provision for the mobilization of the material and industrial organizations essential to war-time needs.

With the aid of many of those same men who had actively participated in the War Industries Board, and with the cooperation of the Navy, the revised Industrial Mobilization Plan of 1936 was finally evolved after fifteen years spent in its development.

Efforts are now underway to place in the hands of the President during peace, the necessary authority to put this plan into effect immediately upon the declaration of war, or in a time of national emergency due to the imminence of war.

These steps are clearly outlined in bills now before the Military Affairs Committees of the Senate and House. Not only are these bills supported by the War and Navy Departments, but also by the American Legion and other patriotic elements in our social organization. One of the principal features of these bills is authorization for the President to place the Selective Service Law into effect, registering all citizens from twenty-one to thirty-one years of age, inclusive.

Radical elements in the country have seized upon this particular provision, claiming that it calls for a complete draft of labor, and have consistently refused to note that this draft is for military purposes alone, leaving labor free to be employed in industry under existing laws.

We of the military services should appreciate the work of the farseeing and experienced members of the Congress who with their co-workers on the Committees have labored so consistently to make certain these laws, when passed, will be entirely adequate, but will not infringe on the liberties of our civilian population to any greater extent than is absolutely necessary to guarantee adequate support for the nation's military and naval policies.

One of the urgent needs in our present method of planning for war appears to be a closer degree of cooperation with other departments of the Government outside the War and Navy Departments. War plans made without the knowledge and approval of the Departments of the Treasury, State, Commerce, and Labor will almost certainly be found wanting in some essential when it becomes necessary to use them. I sense a lack, at the present time, of necessary cooperation between Executive Departments in the preparation of war plans.

The war planning agency should be organized so as to insure this cooperation, and to see that our whole governmental organization for war purposes is set up in such a way as to produce the maximum result with the minimum of effort, and with the least expenditure.

This college and its graduates will play a leading part in molding the thought of our country along these lines. Not only should you fully appreciate, as a result of your special training here, the needs of our military forces but you should also know the requirements of the civilian population. 1096

America owes a debt of gratitude to those of our military leaders and their civilian assistants who have toiled so untiringly to insure that full advantage is taken of war-time lessons, and who have made such persistent efforts to make certain that in the next conflict these lessons will be correctly applied.

It is believed that the services of the men who graduate from this Institution, with a full knowledge of the difficulties of effective Industrial Mobilization, will be of untold value to the nation in the future and I have the privilege of expressing the Navy's sincere thanks to the War Department and to the Faculty of the Army Industrial College for their untiring efforts in training these graduates.

We are particularly gratified by the inclusion of Naval students in an educational program which will enable them to be of such great assistance to the Navy Department in preparing its plans for a more successful cooperation with other Governmental agencies in time of emergency.

So far as you graduates from the Navy are concerned I can speak with a full appreciation of our needs, and say that the Service is waiting to take advantage of the special knowledge you have acquired in this College -- that the Army has long realized the importance of the services of its graduates is very apparent.

It should give you all a feeling of personal satisfaction to know that the months of effort devoted to this course of special study have better fitted you to render effective service to the common cause of National Defense to which we have all dedicated ourselves.

For the Navy I wish for you all continued success in the service of your Country

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AN EDITORIAL

# A Rebuke Is Due Admiral Leahy

off against a friendly nation whenever he feels like it?

This is an important question for the American people, now fearfully watching the storms of war gathering in so many directions.

Yet, yesterday a leading Naval officer, Admiral William D. Leahy, chief of American Naval operations, dared to insult the Soviet government in an official speech.

Speaking before the Army Industrial College in Washington, D. C., the Navy's highest ranking officer suddenly felt an urge to attack the Soviet people as "slaves." And he followed this piece of impudence with a shyster plea for tyranny in case of war, defending the proposed "M" Day Plan for industrial mobilization, universally denounced by American labor and progressives as a plan which has all the earmarks of fascism.

In this speech, Admiral Leahy did not speak as a private individual. He spoke as a high Naval officer at an official occasion.

Congress has the immediate duty of asking Admiral Leahy where did he get the permission to insult a friendly nation at an official government function?

Recently, Rear-Admiral Stirling was publicly rebuked by the State Department for inflammatory articles against the Soviet Union in the yellow Hearst press.

Is Admiral Leahy also in the pay of the jingo

Hearst whose press has been persistently yelling for the severing of diplomatic relations with the Soviet government?

Is Admiral Leahy connected with the secret group of Naval officers charged last year with plotting the defeat of Roosevelt in the presidential elections?

Does Admiral Leahy look with approval on the anti-Soviet plottings of Nazi fascism and Japanese militarism in the Far East?

Not only is Admiral Leahy's speech a flouting of peaceful relations with a friendly country, it is a blatant piece of ignorance, echoing the fascist propaganda of Hitler and the Japanese militarists.

If Admiral Leahy wishes information on the Soviet Union and its "slaves" let him consult the public statements of America's ambassador to the USSR. There he will find warm praise for the progress which the Soviet peoples have made toward prosperity and happiness. Ambassador Davis has publicly praised the Red Army as "an army of peace."

Shall ranking Naval officers echo the anti-Soviet propaganda of German and Japanese fascism in the face of the public position of our Ambassador in the Soviet Union?

Admiral Leahy's speech is a treasonous provocation against the country's peace! Like Rear-Admiral Stirling before him, he must be publicly rebuked!

Let him answer to Congress and the President on the purposes of his deliberately insulting speech!

JUNE 23, 1941