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THE ORGANIZATION AND FUNCTIONS OF THE WAR PLANNING SECTION,
FLEET MAINTENANCE DIVISION, OFFICE OF NAVAL OPERATIONS

by

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I am glad to have another opportunity to contribute in so far as I am able to the ultimate objective of this and all other Joint Service Schools, the "meeting of minds" of the officers of the Army and Navy in an academic atmosphere where by discussion and argument each can gain a clearer understanding of the other's problems so that we can work together in the practical application of this knowledge in Joint Operations in the field and in adjusting industry to support our combined efforts in time of war. That such close cooperation does not always exist is clearly indicated by Mr. Baruch's remark the other day when Colonel Harris introduced me to him and assured him that the two services were now in complete accord. "My", he exclaimed, "you must have something good on one another." It is unfortunate that such a great man should have acquired this point of view even if only for a quip, for such an attitude cannot be tolerated by either service in cooperative work as we are both working to accomplish the same joint mission.

When we actually engage in any campaign, be it in the Atlantic or the Pacific, neither service can force the enemy to conform to our national will without the other. The Army without the Navy can only sit on the shore and wait, and the Navy without the Army can only brush the shores of the enemy or defeat his fleet at sea. As the present fighting clearly proves, and as General Craig indicated in the papers only the other day, the infantryman must still be depended on to win the war. I like a metaphor I used frequently at the Naval War College - the Army is the shield and the Navy the sword in the Nation's armor.

Last week you heard Colonel Harris clearly outline the work of the Planning Branch in the Office of the Assistant Secretary of War and describe its background - the National Defense Act. On Thursday last, Rear Admiral Richardson outlined the organization of the Navy Department and sketched its operation. Following the latter I want to carry you through the Naval Organization to our point of "Industrial Mobilization" contact with the Army, giving particular attention to the difficulties experienced by all joint planners in adjusting the rather different methods of approach to our common end.

I would like to devote some time not only for your benefit but for my own to showing some of the outstanding differences in the legal background and administrative and operating organization of the two services which can only be appreciated by long and patient study, but suffice it to say that the main difference is, that the Army as a whole is rigorously organized along German General Staff lines and the Navy less rigidly more on the order of our British cousins, from whom we drew all our original regulations and most of our customs. It is difficult for the Navy to realize the strong corps lines which dominate the Army organization as against our own line organization where officers serve as engineers, gunnery officers, and navigators without the corps distinction. In addition, it must be remembered that the Navy's line is composed practically entirely of graduates of the Naval Academy whereas in the Army only about 25% of your officers come from the Military Academy. Then, too, our officers have a great advantage in our wardroom contacts aboard ship where during cruise periods as many as sixty or seventy officers are thrown together three times daily. In the Navy Department itself our organization is such that most of the duties now performed by your own General Staff and the office of the Assistant Secretary of War are coordinated into a single organization in the Office of the Chief of Naval Operations. I believe that our present staff organization afloat is such that it can be developed along lines somewhat similar to your staff arrangement and operated successfully in the field, but that it will probably take a great campaign to bring about this field organization.

Time alone can show whether or not the Navy has over-rated the individual ability of officers to cover the present extensive diversity of assignment satisfactorily, and eventually we may have to come nearer to your present distribution or follow the British practice by confining our officers more extensively to specialties in the lower grades. It is this policy of diversity in assignment that is responsible for my detail as Chief of the War Procurement Planning Section for which it might seem a Supply Officer would be better suited.

Appended you will find a series of organization charts which show in so far as it is possible by line drawings the position of war procurement planning in the Navy Department. Chart #1 shows the Department organiza-

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tion as a whole, Chart #2 the Office of the Chief of Naval Operations, Chart #3 the Fleet Maintenance Division of his office, and #4 the War Procurement Planning Section.

An interesting feature of the Navy Department organization is that the Office of the Chief of Naval Operations, while it controls the operations of the forces in the field and practically controls the Bureaus of the Navy Department, has no money responsibility and consequently has to exercise that control in a very, we might say, loose sort of manner, but one which has produced results, as Admiral Richardson clearly told you the other day. It is not the same rigid control that we might expect from an organization where the Chief is charged with all the features of financial as well as the administrative management. There was a great deal of controversy at the time the Office of the Chief of Naval Operations was established over this particular feature as many of our officers felt that if all the responsibility were placed in the hands of the Chief of Naval Operations his office would eventually expand and duplicate the work of the Bureaus. The fact that for the past twenty-two years, the office has not so duplicated the work of the Bureaus but has successfully coordinated their activities has, I think, supported the original idea.

The divisions into which the Chief of Naval Operations Office has developed are indicated on Chart #2. I do not know that we followed your idea of supply arms and services but we now have the services in the Navy. They are: Naval Intelligence; Naval Communications; and Naval Transportation, the latter under the Ship Movements Division. Those three services are handled from the Navy Department and they are represented in every District. The recognition of the necessity for these services indicates one of the moves toward the General Staff idea which we may have to come to in a big campaign. The other divisions are indicated on Chart #2: Secretarial, Technical, etc. The War Plans Division should not be confused with the War Procurement Planning Division in the Fleet Maintenance Division. The War Plans Division itself is the one which corresponds to your War Plans Division, General Staff.

The Ship Movements Division ordinarily handles ships in peace time and directs their movements. The Naval Transportation Service has only two ships operating in peace time and consequently is just a nucleus of an organization which in war time would be very extensive.

The Intelligence Division operates about the same in peace as in war. The Communication Division operates probably almost as extensively in peace as it will in war as they make an effort to overload the peace time Communications Division in an effort to get in as much training as possible. In war, as you know, the radio part of the Communications Division would be greatly reduced.

The Fleet Maintenance Division is the Division which would have developed to supplant the Bureaus if the financial responsibility had been placed in the hands of the Chief of Naval Operations. As organized at the present time it is a very essential but a comparatively small, compact group composed of twelve officers, who keep continuous track of the condition of all ships in the Navy; direct their overhauls, and are prepared at all times to advise the Chief of Naval Operations as to whether he should order the OMAHA repaired in Norfolk or New York, or where they should send the ships for modernization. They have to maintain the balance of labor requirements in the various yards and also take into consideration the political factors involved in the various Districts. It is a very difficult job and Captain Reed, who is its head at present, is handling it very well indeed. The Division is developed along the usual functional lines; one section looks out for the battleships; one for the destroyers, submarines and one for aircraft.

The Naval Districts Division advises the Chief of Naval Operations as to the management of the Naval Districts. The Inspection Division inspects all Naval ships. The Fleet Training Division is the operating division for insuring the immediate and constant readiness of the fleet for action. It directs target practices, engineering competitions, and work of that nature.

The War Procurement Planning Section in the Fleet Maintenance Division is the section that has duties more nearly corresponding to those of The Assistant Secretary of War than any section in the Navy Department and it is therefore through this Section that we make our closest contact with the Army for procurement planning. It is composed of three line officers and one Supply Corps officer. Its principal duties are the coordination of the Material Contributory War Plans prepared by the Bureaus and Naval Districts, the coordination of the procurement of material in time of war and the assurance

of adequate logistic support for all Naval Operations. It is assisted, as far as the operation and expansion of material war plans in the Naval Establishment is concerned, by the whole or part time services of an officer or officers in each of the Bureaus or Offices in the Navy Department and in each of the Districts. Such field work as has been required up to the present time is carried out by the Naval Inspection Service.

Before taking up the actual operation of coordination in war procurement a brief description of the principal joint agencies may be conducive to a clearer understanding of the whole question of combined operations between the two services. As it can be clearly demonstrated that logistic and industrial plans are solely for the support of strategic operations, the Joint Board, which designs the strategy, is the principal joint planning agency. This Board consists of the following members:

For the Army

- The Chief of Staff
- The Deputy Chief of Staff
- Assistant Chief of Staff, W.P.D.

For the Navy

- Chief of Naval Operations
- Assistant Chief of Naval Operations
- Director, War Plans Division

The pick and shovel work for this Board is carried out by the Joint Planning Committee which consists of three or more Army members from your War Plans Division and three or more Navy members from our War Plans Division with the addition of one officer from the Office of the Assistant Secretary of War and one from the Office of the Chief of Naval Operations as procurement planning advisors. This gives what practically amounts to an interlocking directorate in the organization and has done a great deal to insure more effective cooperation between command and supply divisions.

The Army and Navy Munitions Board, which is responsible for the Joint Industrial support of the military operations, consists of the Assistant Secretary of War and the Assistant Secretary of the Navy with an executive committee composed as follows:

For the Army

Executive Assistant to the
Assistant Secretary of War.
Director of Planning Branch.
A representative of G-4.

For the Navy

Director of Fleet Maintenance
Division.
Chief of War Procurement
Planning.
A representative of the
Bureau of Supplies and
Accounts.

Two permanent secretaries are assigned, one from each service.

The original authority for the organization of the above mentioned board is contained in the Joint Board's letter #JB 346 (Serial No. 181) of 27 June 1922, approved by the Secretary of War and the Secretary of the Navy June 29, 1922. The Board is authorized and directed to:

- (a) Formulate and keep up to date such pertinent plans and policies as in the opinion of the two Departments should be adopted by the Federal Government for coordinating and controlling national industrial effort in an emergency.
- (b) Assure the necessary coordination in the procurement war plans of the two services and in all plans, studies, and appendices thereto intended to facilitate the Government's efforts in an emergency to promote an orderly mobilization of industry.
- (c) Form and direct the activities of such joint committees as may be necessary to consider, investigate, and make recommendations concerning pertinent subjects falling within the purview of the Board's responsibilities.

Approval by the Joint Board of all actions of the Munitions Board before submission to the Secretaries of War and Navy is not required. Where such actions affect joint war plans and Joint Army and Navy policy relative to the National defense, however, the approval of the Joint Board is required before submission to the two Secretaries. The Army and Navy Munitions Board has had a very peculiar sort of existence. It did not function

from the Office of Naval Affairs and from the Army and Navy, with one member each from the Office of the Assistant Secretary of War and the Assistant Secretary of the Navy.

particularly well for several years. Finally about four or five years ago it was given a new lease of life, was reorganized, and is at the present time fulfilling a very essential mission in joint operation. One of the reasons for that, I think, is the fact that on the Army side within the last two years they ordered a representative of G-4 in the Army General Staff and a representative of the Bureau of Supplies and Accounts in the Naval organization as members. This gave another interlocking directorate because it gave the Army-Navy Munitions Board closer touch with the General Staff on one side and with the Bureau of the Navy Department, which makes most of our purchases, on the other.

The Aeronautical Board, organized 1927-1932, composed of the Chiefs and members from the two Air Corps considers matters of common interest to them and acts to increase cooperation and prevent in so far as possible duplication of effort.

The Joint Merchant Vessel Board established in 1916 inspects and classifies merchant vessels with a view to their possible use in war.

There are local joint planning committees consisting ordinarily of three Army and three Navy members, organized in the corps areas and districts for coordinating local plans in these areas.

The Joint Economy Board is charged with reporting to the Joint Board economies which can be affected from time to time without loss of efficiency by the elimination of overlap or the simplification of procedure in the two departments.

Another important Joint Committee is the Selective Service Committee with members from the G-1 of the General Staff and one member from the Assistant Secretary of War's Office for the Army, and a representative from the Bureau of Navigation, one from the Marine Corps, and one from the Assistant Secretary of Navy's Office for the Navy. It is preparing joint plans for the acquisition of man power for each service.

A joint Public Relations Committee has been recently organized for peace time planning for war and coordination with other Departments of the Government composed of members

from G-2 for the Army and from the Office of Naval Intelligence for the Navy, with one member each from the Office of the Assistant Secretary of War and the War Procurement Planning Section for the Navy.

In addition there are many committees of a more or less permanent nature for the study of particular problems appointed by the Joint Board through the Chief of Staff for Army members, and the Chief of Naval Operations for Navy members.

The Army and Navy Munitions Board also appoints through the same agencies a continuing organization for the various Sections of their peace time slate and their Commodity Committees. This gives a skeleton organization similar to that of the War Resources Administration for war and the Joint Committees so formed produce studies called Annexes covering such subjects as War Labor, War Trade, Price Control, etc. Commodity Committees prepare studies and plans for the production and adjustment of supply between the two services of various key commodities. Allocation sub-committees are appointed by the Army and Navy Munitions Board from lists of officers submitted by both services to make the actual adjustment of available facilities for items shown by study to be insufficient in quantity to satisfy the needs of both. One of the most successful of these latter committees has been the Powder and Explosives Committee which is constantly working on the problem of an adequate and properly adjusted production of propellant powder, and is continuously in contact with the principal manufacturers in order to insure their immediate and active cooperation.

The basic difficulty in procurement planning between the two services is due primarily to the fact that the Army maintains, in peace, only a very small nucleus of the force which it will employ in war and intends to expand its war time supply on the basis of the increase in man power, whereas the Navy must base its expansion of both man power and supply on the number of ships it must commission and man. The Army's new Protective Mobilization Plan indicating the rate of induction of men into service is a carefully considered revision of the 1933 Mobilization Plan adjusted to accord more nearly with the possibility of supplying equipment and munitions. Even this plan, however, contemplates the expansion of man power for the Army to about eighteen times its peace time strength in the first year, whereas the Navy in the same time will expand its man power only about six times.

So many of the items required for ships are widely different from any similar items required by the Army that it is only in those items commonly used by both services that the necessity for allocation is indicated in peace time planning. The Army and Navy Munitions Board determines what these items are, but due to our existing organization and a lack of emphasis on this procedure, the major part of our investigation of industry and the surveying of its capacity has been done by the Office of the Assistant Secretary of War. It is unfortunate that this work cannot be more equally divided between the Army and the Navy as greater Naval participation would lead to a clearer understanding of the problems involved. This is partly due to the larger peace time Naval Establishment which maintains such an extensive current contact with industry that the necessity for war time plans is not so apparent.

The real serious difficulty, however, in basic ideas is that the Navy believes that the only satisfactory method of planning the necessary logistics is to base them on a definite strategic conception of the objectives to be attained by all the forces employed, whereas in the Army the necessity for the rapid increase in man power and its training into an effective military organization before it can be used in strategic operations, leads them to feel that the preliminary planning must be based primarily on the mobilization and training of this force, with less consideration of the possible strategic employment of it against any particular enemy. As the country is now spending a half a billion dollars a year to maintain the Navy ready for immediate action on M-day, Navy plans must be such as to support the strategic conception of a prompt movement that will admit of no delay.

Then, too, the Army due to its legal and traditional history is broken up into nine supply arms and services, each of which has its own purchasing organization, whereas in the Navy we have a centralized purchasing system. Practically everything we buy is contracted for by the Bureau of Supplies and Accounts and it does all the accounting and pays all the bills. The Army contemplates an extensive decentralization in war time buying to the procurement districts with general supervision of all procurement in the O.A.S.W. This system is not in full effect in peace and I believe that without a test and perfection of it before war comes, it is questionable whether it will work satisfactorily. The Navy, on the contrary, has developed a

buying system which will only need to be expanded to carry the war load, using its regular peace time procedure. The actual test of this system in the last war indicated the soundness of it.

The modern conception of any major war, not only among soldiers and sailors but among civilians as well, is that the conflict is between the whole nations involving not only the military and naval forces, but also the most effective use of civilian industry to support the military effort. To do this successfully requires such a type of government that every right minded American, whether in service or civil life who desires the maintenance of our present democratic form does not want to see centralized control brought about in peace time particularly with the glowing examples of national regimentation in the European governments now under dictatorships, and the difficulty we experienced in an effort to regiment industry under the N.R.A.

However, our national organization should be such as to bring about, under our Commander in Chief, the President, the closest cooperation in both peace and war between the three great government departments, State, War, and Navy, particularly during the period prior to, during, and subsequent to any major emergency. Excellent examples of the lack of this cooperation are the giving of the mandates for the Marshalls and the Carolinas to Japan by the Versailles Treaty after the last war, and the application in 1931 of our Central American policy to the situation in Manchuria. The first may make any westward movement in the Pacific difficult for us, and the second was made without due regard to the ability of our military forces in case of war to properly support it. As members of a military organization we can all appreciate the fact that when you give an order that cannot be obeyed you weaken your position. There is absolutely no question in my mind that the efforts of Mr. Stimson to apply our Central American Doctrine to Manchuria without apparent consideration of the necessity of having the force of the military and naval people in the country behind it to insure its success is responsible to a great extent for the position we are in in the Far East at the present time.

When our diplomatic strategy fails and it becomes necessary to use the military forces to support our national policies, it is essential that the joint strategy employed be such as to use both services to the fullest advantage

and to support them with an industrial program of such a nature as to insure the satisfactory fulfillment of the strategic requirements.

Some of the Naval students in the class may have read Vice Admiral Wolfgang Wegener's exceedingly illuminating treatise on the Naval strategy of the World War, and I want to highly commend it to all officers, both Army and Navy, who are interested in the proper coordination of the two services in our next war. It was written after the war and was a very definite and a very clear study by a German Admiral of the way in which the great German General Staff designed the strategy to be used by the Navy during the war and shows how badly they estimated the situation as far as the Navy was concerned. He shows clearly what the lack of appreciation on the part of the General Staff as to the real value of the Navy had on the grand strategy of the war. They used it for the defense of the German Bight, which the British had never intended to attack anyway, instead of against the Channel Bridge. The position of the British was sufficiently strong in their control of the sea areas so that they didn't have to attack the Bight and if the German Navy had been used against the Channel Bridge before the battle of the Marne the probabilities are that so applied it would have changed the whole character of the war, and probably resulted in a German victory. They may have lost their fleet in doing it but it was better to use it in some effort to improve their strategic position rather than surrender it as useless at the end of the war.

What we have got to do is to strive to produce with our existing joint agencies a coordinated and properly balanced policy for the fullest use of our military, naval and industrial forces. As we have no National Defense College, to increase the knowledge of how to do this, we have got to continue our policy of interchanging of both students and instructors between the two services in the Army and Navy War Colleges and the Industrial College so as to bring about a reasonable degree of cooperative understanding which can be translated into action in time of national emergency. In times of peace this coordination must be brought about by the operation of all our joint planning agencies.

While admitting that history shows clearly that the logistic support of the strategic operations of any campaign is essential to its success, it must be constantly kept in

mind by the procurement planning agencies that any tendency to over-emphasize the industrial features of this logistic support to the detriment of the proper weight being given to strategic operations should be continually counteracted. Supply and Industrial planning must at all times be kept in a properly subordinated position and the objective of logistic planners should always be to support to the fullest extent possible the operations designed by the command elements in the organizations.

In closing I desire to express my appreciation of the work being done by Colonel Harris in the development of closer cooperation with industry and the Navy in which his personal influence in both directions has played such a prominent part. There is hardly a week goes by that some man in civil life whom Colonel Harris has contacted isn't brought into my office by the Colonel or I am invited to his office for a talk. They are such men as Mr. Knudsen, the President of General Motors, or the head of the Machine Tool Builders Association. Those contacts, many of which are due to the personal interest he has taken in getting to know them, have tended greatly to increase the ability of both the Army and the Navy to talk successfully to the men on whom we are going to depend for our industrial support under war conditions.

I also want to say that Colonel Jordan and his predecessors have ably assisted in this work by affording all the students here so many excellent opportunities to listen to the particular leaders in the industrial and business world. Such cooperation must certainly result in properly carrying out our mission to insure that when the next emergency comes the military services will be fully prepared to work so smoothly with industry and our civilian population that victory for our forces in the field will be assured.

DEPARTMENT OF THE NAVY

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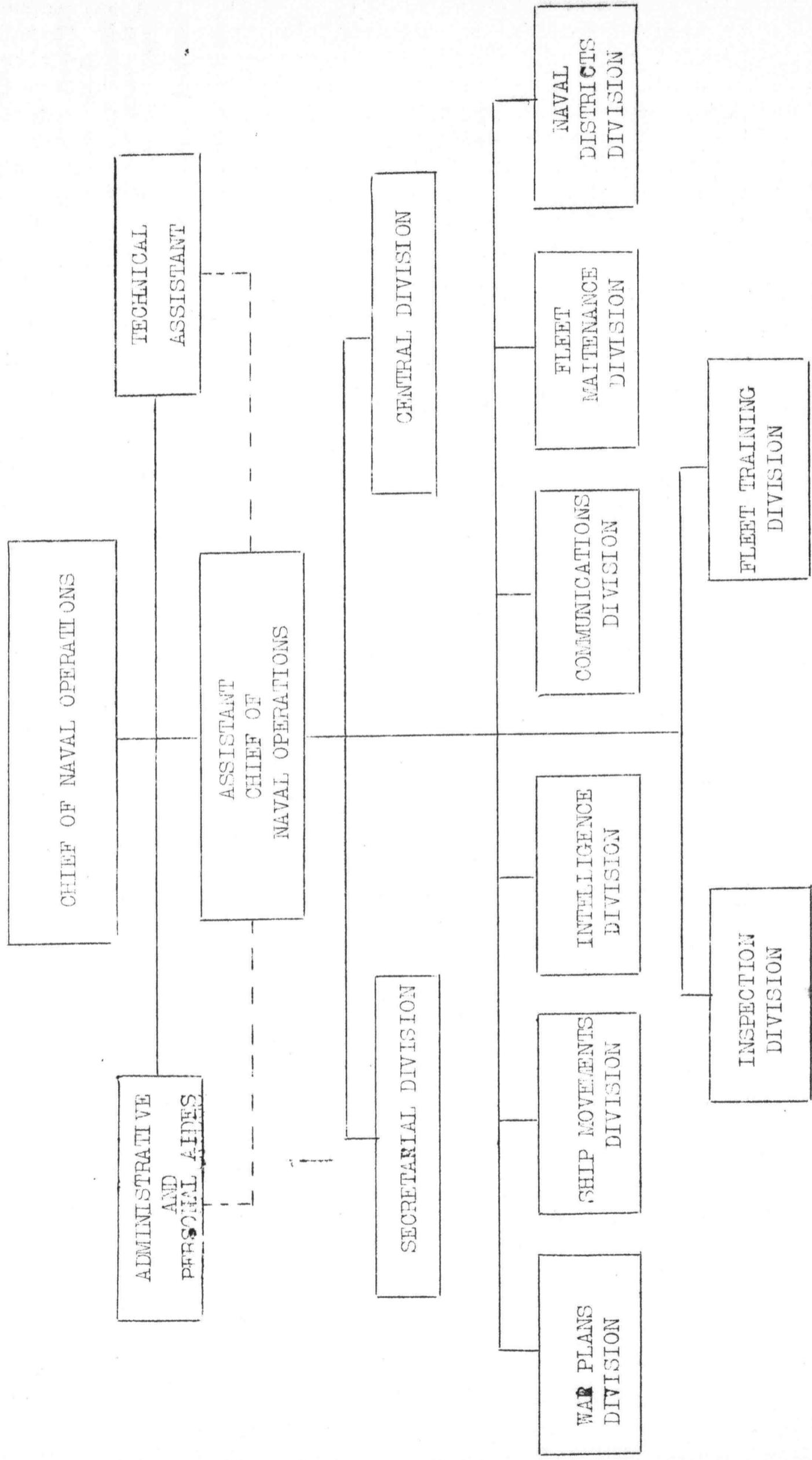
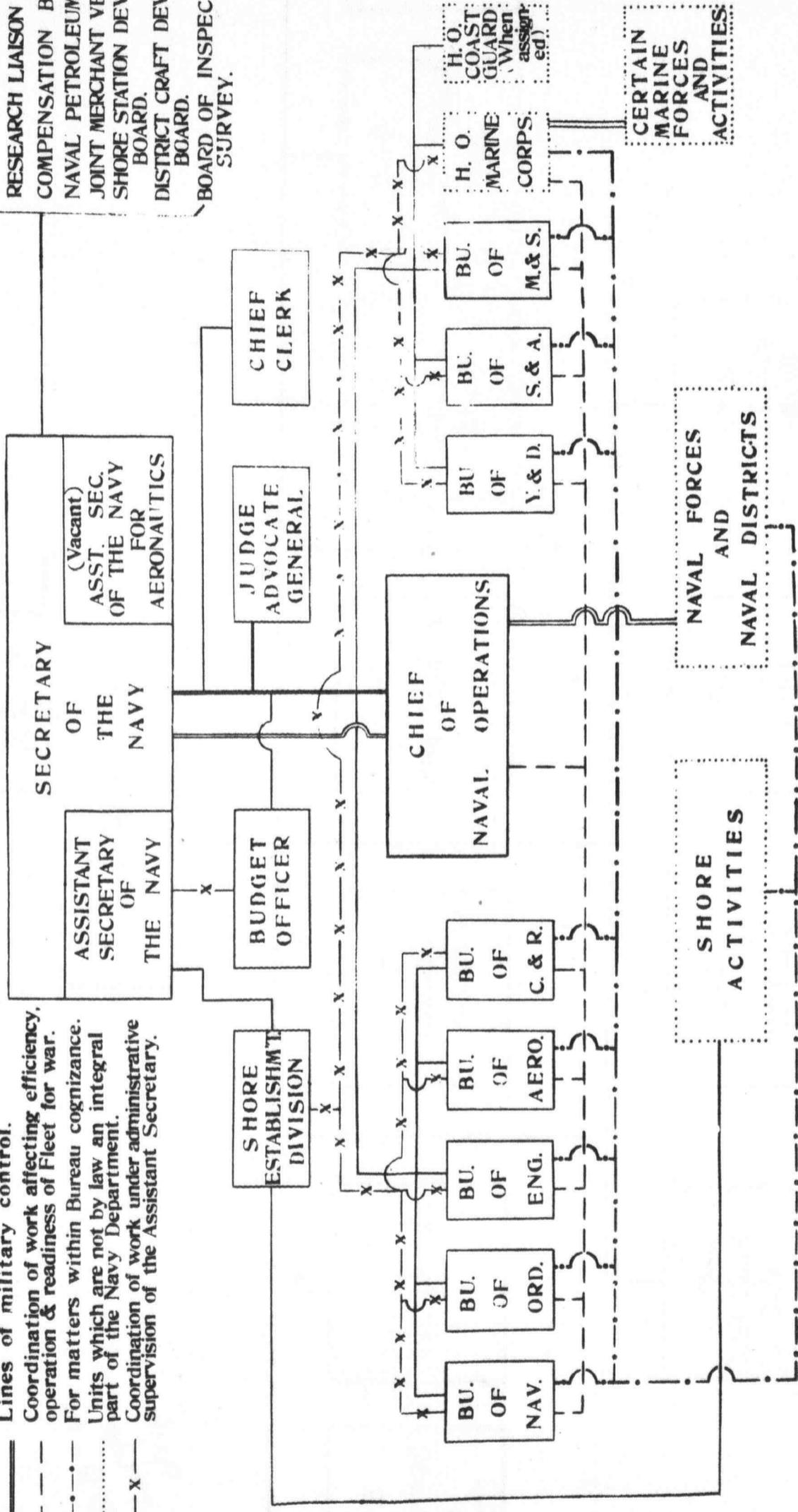


CHART NO. 1

NAVY DEPARTMENT ORGANIZATION

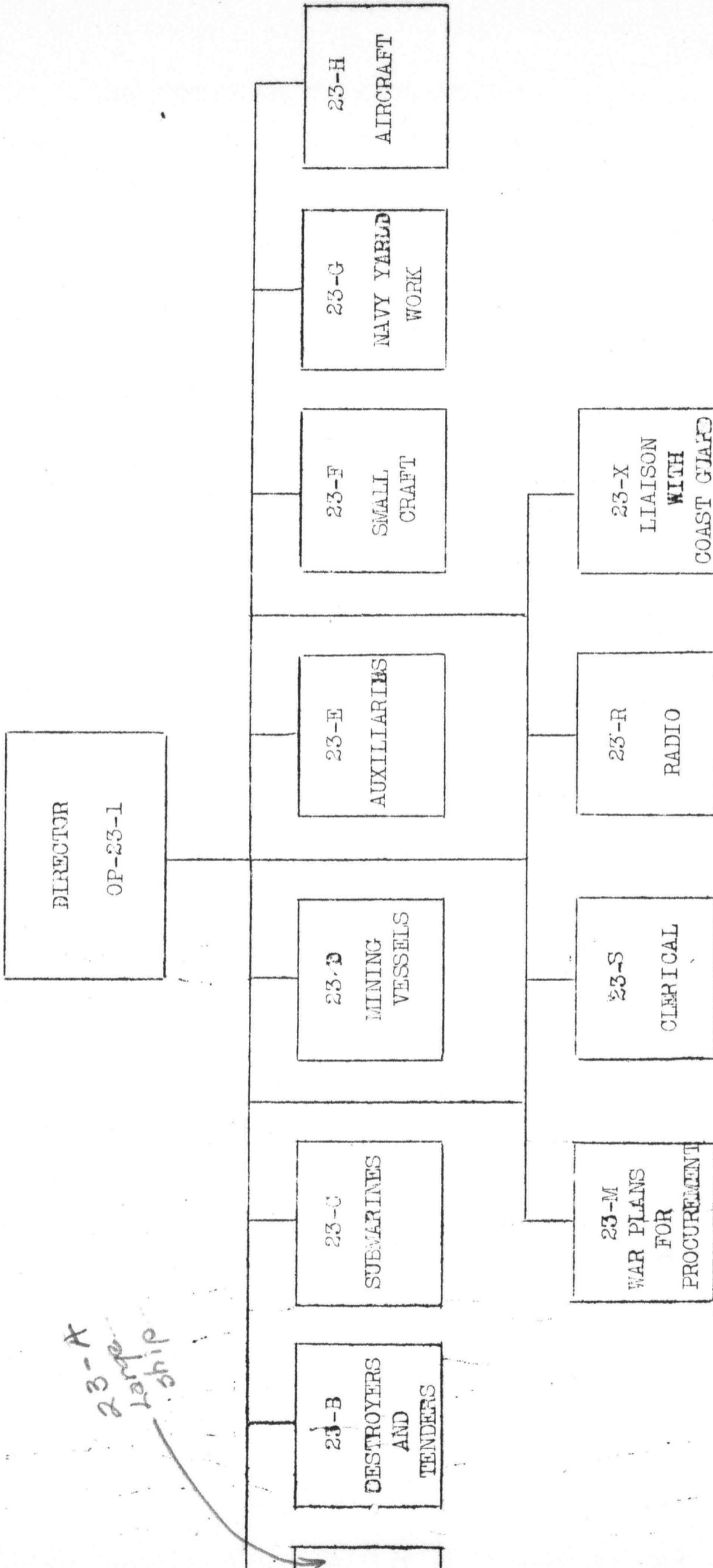
- Lines of administrative authority.
- Lines of military control.
- - - Coordination of work affecting efficiency, operation & readiness of Fleet for war.
- · - · - For matters within Bureau cognizance.
- Units which are not by law an integral part of the Navy Department.
- x - Coordination of work under administrative supervision of the Assistant Secretary.

SECRETARY'S ADVISORY COUNCIL.
GENERAL BOARD.
RESEARCH LIAISON COMMITTEE.
COMPENSATION BOARD.
NAVAL PETROLEUM RESERVES
JOINT MERCHANT VESSEL BD.
SHORE STATION DEVELOPMENT BOARD.
DISTRICT CRAFT DEVELOPMENT BOARD.
BOARD OF INSPECTION AND SURVEY.



Army Industrial College

FLEET MAINTENANCE DIVISION



23-A
Large
Ship

CHART NO. 3

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WAR PROCUREMENT PLANNING SECTION

23-M

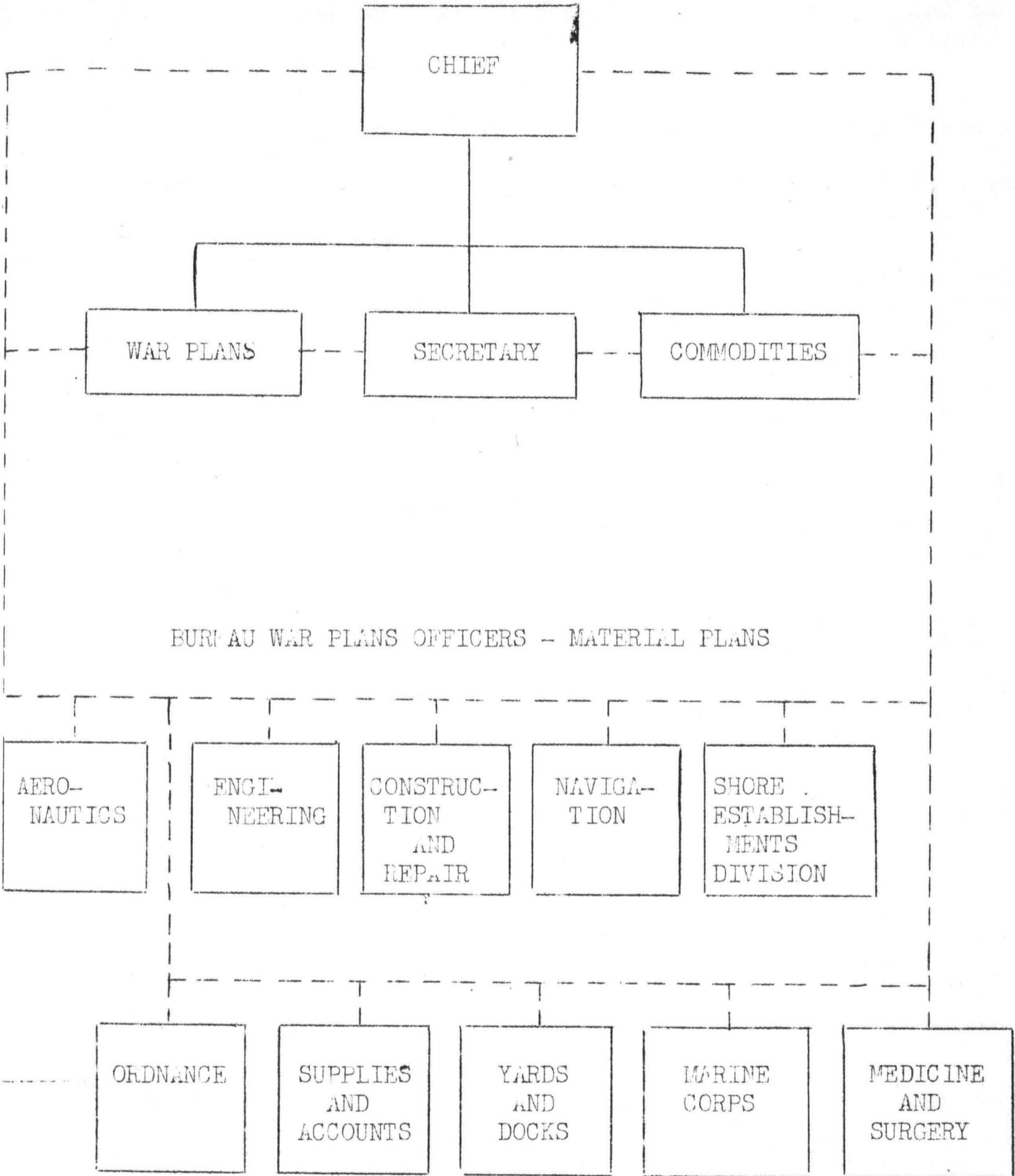


CHART NO. 4

Discussion following Captain Allen's Lecture

Colonel Jordan: Gentlemen, do you wish to ask the Captain any questions? He has been on this platform before as a student, and he knows exactly how to come back at you.

Q. I would like to know about these naval reserve vessels such as the present line, about flying the naval reserve flag. Is that done through the studies of the Joint Vessel Board?

A. That is under the control of the Bureau of Navigation, Naval Reserve Section. They have a Naval Reserve Section in the Bureau of Navigation which takes care of the whole problem of enlisted naval reserves and the question of flying the naval reserve flag means simply that a large percent - I don't know the exact percent - but more than half of the personnel are in the reserve force.

Q. That vessel hasn't been allocated or assigned any war mission?

A. No, it simply means that the major part of its personnel is in the reserve force.

Q. Captain, we have in the Army, of course, a National Guard Bureau and now and then I read in the press - and that's about all I know about it, sir, - about a naval militia. If you consider it relevant, would you indicate how the naval militia is administered and what it comprises?

A. It follows the same line. We have a Naval Reserve organization under the Bureau of Navigation. It is a section in the Bureau of Navigation with a captain at the head of it, Captain Geiger. He is

over there now at the head of that section, and they keep the organization operating to handle the law end of it down here. In addition, they have a Board of Inspection for the Naval Reserves - two or three officers who go around the country inspecting the various naval reserve units. They have prizes offered for the units that turn out the best form. The actual organization of those units is, I think, partially supported by the Navy and partially supported by the states. I think the states still furnish some of the money. I have never gone into the actual operation of that thing of late years sufficiently to know the exact details of it, but it is very similar to your National Guard organization only under the Bureau of Navigation.

Q. Captain, we have heard a great deal of discussion here as to the centralization of the Navy's procurement system and the decentralization of the Army's procurement system. As a matter of fact, I can't see any marked differences between the two systems. True, we in the Army buy in the individual bureaus. Now in the Navy you have a centralized purchasing office but actually all of your requirements are prepared in the bureaus and likewise all of your inspections and your actual making of the awards as between competitive bidders has to go back to the technical bureaus. When it comes right down to it, I can't see a great deal of difference. I was just wondering if you might say something more on that line.

A. I have heard that same line for the last two or three years, ever since I have been working on it, and I don't know that there is any fully correct answer to it; but as far as I can see, it is just

exactly the same as if you had a chain store organization or a bunch of individual store keepers in a small town. It is the same proposition, as I see it. We have one central purchasing organization and there is no chance for competition between the bureaus of the Navy Department in buying because the buying is controlled and the bids are let through that central organization, the Bureau of Supplies and Accounts, whereas with your set-up at the present time, I grant you that your Quartermaster buys most of the stuff and the contact may not be as extensive as you might think. Seven or eight of your supply arms and services, that is, would unquestionably be in the market as independent agencies buying for the same concern. At least, that is the way I understand the situation. In addition to that, if you decentralize it into the districts you are not only going to have your supply arms and services in the field to buy, but you are going to have your buying officers in the same diversified organization in the districts themselves buying. You are going to have the whole organization spread out, a network spread out all over the country, not the Army organization buying but the Supply Arms and Services buying. I think in the final analysis, to be very frank with you, that there will be lots less conflict between the Army and Navy in buying in the next war than you will have between your own Supply Arms and Services in the field if you don't watch out. That is the way it looks to me.

Colonel Jordan: Major Ritchie, I would like to hear from your, sir. This question hits the Planning Branch pretty forcibly, and I would like

to hear something from you.

Major Ritchie: Well, we hope, of course, to take care of a lot of that conflict in war time buying by the method of allocation -- by the method of which Captain Allen is rather familiar. I don't know whether I have anything else that I should add at this time. There is always, of course, that question about centralized procurement, just how far each system does go -- the Army, the Navy. I think Captain Allen has told the features.

Colonel Jordan: Then you do regard the possibility of competition between services as something that we can look forward to?

Major Ritchie: No, sir. I feel that in our system of allocations and war time procurement that we are going to materially eliminate any confusion and conflict with figures in procurement.

Colonel Jordan: I have got to say that I thoroughly agree with Major Ritchie. I don't envision the trouble that you do at all.

Captain Allen: Just a minute, I'd like to answer that and say that if you put that system into effect in peace time I'll agree with you, but if you wait until war comes to put your system into effect and then try to control these fellows that have been accustomed to a given practice in the market, you are going to have a very difficult time handling it. That is my opinion.

Colonel Jordan: I can't agree with you.

Q. You have mentioned, as I recall, that in order to coordinate war time purchasing we should have schools like this and interchange officers, etc. I am wondering if you care to discuss the question of carrying that coordination still further. I'd like to explain. In

numerous cases when the Army has gotten into communication difficulties the Army has gone in to the Navy and purchased Naval radio sets, that is, the Signal Corps - I shouldn't say the Army. I have talked to an Air Corps officer and Naval officers on the question of design of that type of equipment and they tell me that the technical conditions and so on are so different that you can't do any joint work. I would like to ask a question. We have used Naval equipment and been tickled to death to get it. What is the possibility or correct procedure, for instance, of getting these civilian engineers of the Signal Corps laboratories in a school like this for two months or three months and the Naval engineers on radio only? What is the possibility of having general orders and special orders for this personnel similar to the general and special orders, for instance, that we have in the Army? It seems to me that some of this coordination has got to start with our design personnel. The reason for it, it would seem to me, is the Assistant Secretary of War passes on the question of specifications for mass production and yet I happen to know that the specifications for receivers and head sets of naval aviators and army aviators aren't the same. Your specifications are different from ours. There's a lot there and I am trying to get at the thought of whether it is practicable to have common training for some of our design and research personnel.

A. I think it is possible, but I think those things all have to grow. I happen to know that the Army and Navy, the Signal Corps and the Communications Divisions, have been trying to work together and have been working together as much as they could over the past twenty

or thirty years, practically every since we started the development of radio; and I think as far as the design is concerned we perhaps got along together more satisfactorily than we have in the actual operation. I gravely doubt even though the joint regulations are promulgated and joint action for communication operation together, they are as close together in operation as we should be, to say nothing of design. I was talking to Colonel Hoorn no later than Saturday morning about this whole problem. If at the present time you could assign in the Signal Corps some officer in a corresponding position to that of now Admiral Hooper in the Navy Department, a technical assistant who would work with him on the proposition continuously, there will be greater progress made in the future than has been made at the present time. There is a very interesting thing in connection with that. For the first time you have as a head of your Signal Corps a former telegrapher, I think this is the first time, who could sit in and send and receive messages. I think you will find that that will perhaps have an interesting influence on your coordination and development with the Navy. I don't think many people know it but one of the reasons why Hooper was so successful in his ability to control the situation was because he was an expert wire operator before he ever took up anything in connection with radio. He was a wire operator as a young man before he came into the Navy and it was his ability to sit in on the circuits and control them, which he started doing in the days in the Carribean when the air was full of messages from one fleet to a man on the shore.

When a ship wanted to send a message he would find the air full. That was where he initiated this control. Of course he developed the idea of the bands, and breaking the radio down into what practically is a bunch of wire systems came about later. He has known the circuits himself so well that he has taught not only our own communications men in this country but to every nation in the world and has exerted an international influence on the development of radio which is far in excess of anything that most people in this country realize. I think you will find if you get someone in your present organization who can work continuously -- Hooper told me this himself. He said he has difficulty over here in finding an officer who is assigned to the same type of duty that he is assigned to that can control this technical development on the thing. It may be that in the set-up of somebody, probably in the Signal Corps, but perhaps an even broader officer maybe under the Assistant Secretary of War, a technical assistant who will work with him in bringing this thing out, I think you can bring about exactly what you are striving for.

Q. Captain, I would like to have the centralized purchasing system in the Navy cleared up just a little bit more if I can. I was over in one of the bureaus of the Navy Department the other day and I attempted to find their methods of procurement and compare them with the Army's methods of procurement. I was told that after they had approved the design they drew the specifications and, as I understand it, drew up a contract which was accomplished by the Secretary of War without going through the Supplies and Accounts Bureau, and the contract was awarded by the Secretary of War. They inspected the material and then after the material was inspected and accepted they forwarded the vouchers to

the Supplies and Accounts Bureau for payment only. I wondered whether that was misinformation or not. From what I have heard from the platform from you today, sir, and previously, I understand that the Supply and Accounts Bureau does all of the purchasing.

A. What bureau did you go to?

Q. I happened to have been in the Bureau of Ordnance, sir.

A. Oh, yes. The whole situation there is one that you have got to make certain exceptions to. For instance, the Bureau of Supplies and Accounts does not let the contract for a whole ship. In spite of the fact, however, there is a Supply Corps officer who handles the contract in the office of the Judge Advocate General in connection with the contracts even for ships. They also have to do the inspection of the expenditures, the accounting business in connection with ships under the Vinson Travel Bill where they limit the profits on the ships to 10%. The same situation exists in the Bureau of Ordnance and while unquestionably under the law the Bureau of Ordnance can buy about seven items, including guns and armor and particular items of that kind under the law, I think you will find that in the Bureau of Ordnance there is a Supply Corps officer on duty who sits there and works up the contract for the Bureau of Ordnance. While it doesn't actually go through the Bureau of Supplies and Accounts, the methods used by the Bureau are applied by this officer in whatever bureau he happens to be in. Aeronautics also has a supply officer. The officers, on account of their experience and ability in this direction, are placed in the bureaus in a position to actually do the work. It is something more tangible than simply an

assignment because the Supply Corps officers have all been trained in the same school. It represents practically a continuing knowledge not only of the methods employed in the Bureau itself but in all the other bureaus as well.

Q. I would like to state that they did tell me that the Bureau of Supplies and Accounts was charged with the actual accounting for the funds.

Commander Dunham: I wanted to say just this: it might be well to hold up anything until Admiral Conard speaks. He was scheduled to speak today and Captain Allen after. I think he will be able to clear that up entirely and give us a complete answer on it. I think questions of that nature could be delayed until Admiral appears.

Colonel Jordan: I think the Captain has given us a very good answer.

Q. On M-Day, as you know, the Planning Branch and Procurement Branch merge and they form a procurement section under a Director of Procurement and they will coordinate the purchasing of the various bureaus in Washington here and make such adjustments as are necessary to articles for two, three or more services, raw materials and things of that kind. It becomes more or less an operating agency. They actually make the decision as to who gets what. What is the corresponding division in the Navy Department that will act that way? In other words, will the Bureau of Supplies and Accounts make the decisions or how will it be done?

A. The coordination will probably be done through the Fleet as a coordinating agency, only with no control except through the power of the Chief of Naval Operations as aid to the Secretary of the Navy.

By that I mean there won't be any action taken by the Fleet Maintenance Division. It must be approved by the Chief of Naval Operations. The Fleet Maintenance Division can't handle decisions of that character by direction. Decisions involving a definite break or settlement between two bureaus would have to be settled by the Secretary of the Navy, not even by the Chief of Naval Operations.

Q. Say Yards and Docks and Engineering and some two or three other bureaus who have a specific influence on Navy construction become tangled up in their priority decisions, who is going to say who gets what at that time?

A. Well, the Fleet Maintenance Division will make the decision but it will be approved by the Secretary of the Navy and they will tell the Bureau of Supplies and Accounts which have priority. For instance, we are endeavoring to control the purchase of strategic war materials and the way it is possible for us to do it is to write a letter for the Secretary of the Navy to sign directing the purchase of a certain amount of strategic raw materials by the Bureau of Supplies and Accounts to be charged to the strategic war materials appropriation.

Q. At the War College when Colonel Harris made his lecture a Naval instructor raised the question as to whether the Navy Department was giving suitable attention to the fact that the National Defense Act, Section 5(a), placed the entire methods of war procurement in the hands of the Assistant Secretary of War. Colonel Harris made a very fine answer. I don't think that Naval instructor realized the Assistant Secretary of War on M-Day completely stops his influence as a national planner. The

plan has been made. It will either rise or fall on the soundness of the plans. It is through the Army and Navy Munitions Board which, if necessary, is the super-agency. They have complete coordination between the two departments. It seems to me the Assistant Secretary of War will never attempt to make a decision over the Navy Department realizing that it is all a planning function in peace. Would you care to comment about the Navy's worry or possible worry over the Assistant Secretary interfering after M-Day?

A. I don't know that anybody over there has been into it any more than I have in connection with the study of this thing, but it never even occurred to me that there was the slightest possibility of any interference of that kind because there is no chance, that I can see, of the law being applied to indicate in any way that an assistant in one executive department of the Government has any power to control the operations of another department of the Government. Coordination yes, but actual control or guidance, no. I don't think I ever heard that question brought up before.

Q. Will you tell how the coordination procurement plans originated, where they return to and final disposition of those plans, the coordination between the two bureaus?

A. The way that thing is worked out is that our office works on these so-called Navy contributory plans as a coordinating agency for the districts in the bureaus and I don't know that we could give a very clear idea of the whole set-up. It would go completely into the Naval planning

system, but we have two types of planning over there. One plans for operations in which a certain amount of logistic data is determined and handed over to the bureaus to collect the information necessary to insure the supply of this material, and then they have established this office that I am in, the Fleet Maintenance Division to insure that all the items that are required by the Navy are taken care of and the principal supervision that we have to use is insuring that a complete effort is made by each bureau and district to determine the Naval requirements. That is the major part of our work there, to try and have the Naval requirements for any campaign set up in as clear and effective a manner as possible. We work in connection with the Army on this allocation proposition but as far as our own bureaus and officers and districts are concerned, we are concerned primarily with insuring that the organization for war time in the district that the directives for the operation of that organization and the actual physical requirements to set up the existing organization in accordance with the basic plan are so thoroughly covered and coordinated, not in our office but in the War Plans Division of the Bureau of Supplies and Accounts, that they will be prepared immediately on M-Day to buy every element required to set up the organization.

Q. In view of the basic divisions in the Army and Navy supply problem, in your opinion, sir, could the Navy system be duplicated in the Army to advantage?

A. Well, I didn't intend to get started on that. I came over here full of enthusiasm about two years ago when I started in on this course, and I talked with Fenn over here and Barnes and everybody else, and I

had a funny idea that we could revamp the Army's system and make it similar to the Navy's, that you made a great mistake when you threw P.S. & T. away and you should have stuck to it and really centralized your buying in peace time and then you would have had a going concern that would simply have to be expanded in war. However, the more time I spent over here the more thoroughly I became convinced that when you try to change the legal background and the traditional operation of an organization as big as the Army that got by fairly successfully in the present organization during the war, at least most of them seem to think so, even in spite of the fact that they organized P.S. & T. -- it was something too big for any one man to tackle. When you have the top of the Army, consisting of the heads of all your various supply arms and services, that have got to be changed in their relations to the Army organization it is too big an undertaking to ever be brought about by peace time reorganization. The only possible chance of squaring the thing away in that way at the present time would be to have something happen in a great war similar to the situation that finally arose under P.S. & T. and have it continue to operate under that system for a long enough time to actually put it into effect. That is the only way I can see that would ever bring about a reorganization of the Army to meet the Navy system. Of course there is a possibility that the development of your Assistant Secretary of War's office -- you can see that going up to some extent and contracts being signed by the Assistant Secretary of War for planes and trucks and very extensive elements of that kind. You

may see the Assistant Secretary of War's office growing, with a responsible man in there, to gradually absorb and become an operating function instead of a supervisory one. But I don't think that there have been too many strong men at the head of these Army bureaus and they going to continue for the rest of time unless they have a real cataclysm or something to break up the whole system.

Q. I would like to ask about the procurement of Naval auxiliary requirements. The Maritime Commission is going to build twenty new ships. The plans are sent to the Navy Department and gone over by them and any additional cost to put guns on those ships is born directly by the government. Do those plans go to the Joint Merchant Vessel Board for check?

A. As far as I know, the Joint Merchant Vessel Board has only operated of late years in a very few cases to jointly inspect existing merchant ships. To the best of my knowledge the Joint Merchant Vessel Board has never been called upon to pass on the designs gotten out by the Maritime Commission. I think those are handled entirely by the Navy. There is a phrase in the existing Army and Navy joint plan which says that the Navy will furnish for the Army all water transportation, and on that basis I think the Navy has felt that we were in a position to design them both as to transports and the military equipment of the ships.

Colonel Miles: In the British service a good deal of their supply work is done by actual operation on the part of Navy and Army officers associated together. The proving ground work at the time I was there during the war was under an Army officer and he had Naval assistants. Just

previously there had been a Naval officer in charge of the proving ground. Do you think any such combination would work out in our service?

A. I think that would always work out but whether the return that you are going to get from that sort of joint operations is any greater than by having two independent organizations working, not exactly in competition but at least with some pride of initiation, of ideas on both sides. I believe that in the end our system perhaps is worked out just as well as the British system. I am quite certain that in the Air Corps set-up it has been conducive of a much more rapid development than if we had had the thing organized under one outfit. Of course you can see what has happened to your British outfit. The British have gone into the Royal Arm of the British Air Force. They are practically breaking down to an actual assignment of a Navy and Army that will remain permanently with the Navy. There is a very unfortunate feeling on board ship between the aviators and the regular line British Naval officers because the attitude toward the Royal Air Force was that they were a damned nuisance on board ship. Consequently, I think that is one of the big reasons.

Colonel Miles: I want to say that I agree with what Captain Allen has just said. What little observation I could make during the war over there as to the supposed advantages of these relationships which I have referred to was that they were distinctly not advantageous to each branch and that the matter of control -- they got in one another's way and the Navy Department was sometimes shortchanged by the Army and the Army was sometimes shortchanged by the Navy by the very fact that although they were assigned to work together their interests remained

with their own service. Consequently there wasn't the degree of cooperation and success that there would have been if they had had their individual assignments based on the service lines of demarcation. I had the privilege at that time of talking with their so-called powder experts. Although I was a junior officer I realized the fact that I had been brought up in powder exclusively and that gave me an insight that very few of the officers who were engaged in that work, either from the Army or Navy, had. When their naval officers started to design powders for Army guns or vice versa it was a terrible mix-up.

Colonel Jordan: Are there any further questions? Captain Daubin, would you care to say anything?

Captain Daubin: All I want to say is that Captain Allen is my boss and I haven't any questions to ask him.

Captain Allen: I didn't know that I had you that well in hand.

Colonel Jordan: I wanted to say one thing about the concentration of procurement activity in the Army. I think the greatest tribute that has ever been paid to our present set-up of purchasing in the Army in the different services was paid by General Dawes in France. He went over there with the fixed idea that he was to have a central purchasing agency if he got a chance. Before he got through, and you can see it in his book, he says that the present organization we have is the one the Army should adhere to. I don't think we of the services could have a better tribute paid by anybody than by that man.

Captain Allen: I think it is very interesting in that direction, Colonel Jordan, that we are having a very clear example of what centralized

purchasing is and the limitations of centralized purchasing in the present organization of the procurement division of the Treasury Department. If you get into much of a discussion of that problem without going down there and talking to the people who are actually involved in that thing you cannot fully appreciate what it means to have completely centralized purchasing. The volume of material which they have to purchase in single lots on this completely centralized purchasing is so enormous that they can make no purchases in the open market in total lots but they must break it down. They have to break it down in time and in volume and spread the order out over an extensive area and an extended time to insure that they don't completely swamp the market with a single purchase. In other words, you can overdo the idea of centralized purchasing. You can also overdo it as far as the handling of the local situation is concerned. There is a strong tendency to loosen the immediate and definite control that they have in the Bureau of Supplies and Accounts to allow supply officers in the various districts to purchase without reference to the Bureau of Supplies and Accounts for the industrial establishment will be up sometimes for a hundred or sometimes \$500 in a single purchase to encourage the bringing in of that material from local sources. And so you can't say that centralized purchasing is the panacea or cure all the ills that we have in our supply system.

Colonel Jordan: Before I let Captain Allen go I want to read again one paragraph that he read in summing up his talk. He said:

"While admitting that history shows clearly that the logistic support of the strategic operations of any campaign is essential to its success, it must be constantly kept in mind by the procurement planning agencies that any tendency to over-emphasize the industrial features of this logistic support to the detriment of the proper weight being given to strategic operations should be continually counteracted. Supply and industrial planning must at all times be kept in a properly subordinated position and the objective of logistic planners should always be to support to the fullest extent possible the operations designed by the command elements in the organizations."

I don't believe we in the College here have any idea that there is any question about the command side of our operations being the key side. They have got to prescribe the things that the Army or the Navy are going to do but the command side can't pull off the things like the Mobilization Plan of 1933, which is absolutely impossible for the industrial side of the picture to meet, without the command side changing their plan. They have changed it and they are going to continue to change it and in my mind when anybody starts out to plan for a war campaign now one of the things you have got first to look into is to see whether you have the material with which to fight that war. You can get the men; the men are in this country. But you cannot improvise anti-aircraft guns overnight. You just can't do it, and the command side has got to envision what industry can do and be governed by it. So I say loyal cooperation is what we in the

industrial side of this picture and the economic side hope to give the command side, but we don't want the command side to give us impossible objectives to shoot at. That is the reason why, gentlemen, I hope that the time is coming when we are going to have a bigger representative of graduates of this College on the war planning section of our General Staff so that they don't pull off another model 1933 Mobilization Plan. I hope that meets with your approval, sir.

Captain Allen: Yes, sir.

Colonel Jordan: Captain Allen, I want to thank you sincerely for coming over here and talking to us.