

*Mobilization, Manpower  
(1952)*

# **AMERICA'S MANPOWER CRISIS**

*Edited by*  
**ROBERT A. WALKER**

**PUBLIC ADMINISTRATION SERVICE**

**INSTITUTE OF  
INDUSTRIAL RELATIONS**

**RECEIVED  
AUG 11 1952**

# **AMERICA'S MANPOWER CRISIS :**

**The Report of the Institute on Manpower Utilization and  
Government Personnel  
Stanford University, August 22, 23, and 24, 1951**

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**PUBLIC ADMINISTRATION SERVICE**

**1313 East Sixtieth Street, Chicago 37, Illinois**

**1952**

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PUBLIC ADMINISTRATION SERVICE

Publication No. 106

Price: \$3.00

LITHOPRINTED IN THE UNITED STATES OF AMERICA BY  
CUSHING - MALLOY, INC., ANN ARBOR, MICHIGAN, 1952

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# INTRODUCTION

Those old enough to remember clearly the great depression still find it difficult to take seriously the fact that the United States is facing a shortage of manpower. A decade of war, postwar, and defense prosperity has not entirely erased the memories of unemployment and its evils. During World War II all parts of our economy—government, business, labor, and agriculture—eyed postwar demobilization with apprehension. Postwar planning revolved around the need for rapid reconversion and backlogs of public work projects, and such publicity as was given these efforts stressed the danger of our again being faced with too many workers and too few jobs. Those who wrote of sixty million jobs were visionaries. Pessimism was intellectually more respectable than optimism.

As it happened, no serious crisis in employment arose after the war. Today an already prosperous post-war economy is being further stimulated by defense contracts while an increasing number of men are again donning uniforms and leaving the labor market. The result is a looming manpower shortage. But, short of all-out war, there remains a marked danger that we will, as a nation, be better attuned to the spectre of unemployment over our shoulder than to the consequences of too little manpower ahead.

These consequences can be serious. An inflated economy is intensifying the demand for workers in factories, on the farm, and in government. There is talk of lengthening the work week, of encouraging overtime, and of otherwise returning to a wartime basis in employment practices. There are voices calling for the compulsory assignment of labor (universal service), a draft of women, and other measures unfamiliar to Americans. There is a louder demand that universal military training, in addition to the drafting of men for immediate service, be instituted at once. There is intensive pressure from agricultural interests in the southwest for the relaxing of immigration controls, so that Mexican nationals entering the country illegally (the "wetbacks") can be retained as a source of cheap labor. Finally, there is a mounting cry from government officials, including the President of the United States, that they cannot find a sufficient supply of high-level administrative officials for the public service.

All of these, and other similar tokens of discontent, are indicative of growing pressure on our manpower supply. There is no immediate prospect that this kind of pressure will be decreased, and the longer it continues the more clear will become the likelihood of its affecting the private lives of large numbers of people. Major issues of public policy are involved which will have to be decided in the period just ahead.

It was to seek a better statement of these issues and to secure an informed discussion of possible solutions that the Institute on Manpower Utilization and Government Personnel was held at Stanford University on August 22, 23, and 24, 1951. The Institute was sponsored by the presidents of three major universities in California—J. E. Wallace Sterling of Stanford University, Robert Gordon Sproul of the University of California, and Fred D. Fagg, Jr., of the University of Southern California. A number of professional organizations cooperated in the arrangements: the American Political Science Association, the American Society for Public Administration, the Western Political Science Association, and the Pacific Coast Board of Intergovernmental Relations. A grant from Public Administration Clearing House, drawing on funds made available by the Ford Foundation, provided the financial support. An executive committee representing each of the sponsoring institutions and cooperating organizations did the detailed planning.

This volume is the report of the Institute. It follows closely the organization of the Institute itself, and a word on that subject may help make clear the arrangement of the pages which follow.

The subject matter was first divided into three principal areas: (1) Government Policies for Manpower Allocation; (2) More Effective Utilization of Manpower; and (3) Developing and Recruiting Administrative

Leadership for National and International Programs. Persons of outstanding competence were invited six months prior to the Institute to prepare background papers for the three seminars, or round tables, planned to consider each of these problem areas. The purpose of the papers was to present a summary of the known facts on the subject, and to state the principal issues or problems in need of consideration. These papers were duplicated and distributed in advance to each of the participants.

The background papers for Seminar I on Government Policies for Manpower Allocation were prepared by Dr. Eli Ginzberg and John J. Corson. Dr. Ginzberg is Director of the Conservation of Human Resources Project at Columbia University and he has served the Department of the Army in several capacities as an advisor on manpower problems. His paper is a rich source of information on the military manpower problem. Mr. Corson, who has held a number of important posts in the federal government, is currently a consultant with McKinsey and Company, management consultants. He has written several articles on the emerging manpower crisis, notably for the New York Times Magazine. His paper, "Manpower Allocation—Present and Future," is an excellent statement of the issues which the country faces in this field.

Two papers were likewise prepared for Seminar II on More Effective Utilization of Manpower. One was written by Dr. Rensis Likert, Director of the Institute for Social Research at the University of Michigan. Dr. Likert has been a leader in the use of interview and sampling techniques for research in the social sciences. He and his staff have in recent years turned their attention to problems of motivation and supervision. His paper in this volume, "Motivational Dimensions of Administration," is an important contribution to the study of human behavior in administrative situations. The companion paper is by James M. Mitchell, a member of the United States Civil Service Commission and former executive director of the Civil Service Assembly of the United States and Canada. Mr. Mitchell brings his intimate acquaintance with public personnel management to bear on the current problems in using federal manpower effectively.

The background paper for Seminar III was prepared by Dr. Paul T. David, senior staff member of the international studies group at The Brookings Institution. Immediately before undertaking this assignment, Dr. David had directed the preparation of a report for the Bureau of the Budget on the organization and staffing of the executive branch of the federal government for the administration of foreign affairs.<sup>1</sup> Thus he had a running start for the outstanding paper which he has written here. It is significant not only for the clarity with which it states the issues to be faced in staffing the higher administrative posts of the government service, but also as a model for presenting alternative solutions in a manner suitable for group consideration.

The background papers were not presented orally at the Institute, although they were in most cases summarized by the authors at the beginning of the seminars. Formal addresses were confined to the opening session, the luncheons, and the dinners. The opening addresses by Dr. Peter H. Odegard, Robert L. Clark, and Assistant Secretary of the Army Earl D. Johnson, together with the first luncheon talk by Robert C. Goodwin, were designed to state the nature of the manpower problem and to review the present stage of governmental planning to deal with it. These addresses are printed here as the four chapters under Part I, "The Present Status of Manpower Mobilization." The other luncheon and dinner talks were designed to bring before the group significant points of view bearing on the issues under consideration. The stimulating addresses by Boris Shishkin, Dr. Charles E. Odegard, and Dr. Harold D. Lasswell are printed in this report as Part V, "Labor, Education, and Democratic Values Under Stress."<sup>2</sup> No attempt has been made to eliminate completely the informalities in their presentations.

<sup>1</sup> The Administration of Foreign Affairs and Overseas Operations; A Report Prepared for the Bureau of the Budget, Executive Office of the President (Washington: Government Printing Office, 1951).

<sup>2</sup> The transcript of an illustrated address by Dr. Rensis Likert did not, for technical reasons, lend itself to adaptation for publication. The results of his research into supervisor-employee relations, to which the talk related, are presented in Chapter 8 below.

Parts II, III, and IV of the report contain the background papers and the rapporteurs' summaries for each of the three seminars. The papers have not been revised to reflect the discussions during the Institute. The results of the seminar sessions are embodied in the summary chapters, and in the "Findings and Recommendations" which follow this introduction. In each case, the seminars used the papers as the point of departure and the discussions tended to revolve about the issues and data presented by the authors. Thus the papers and the seminar summaries are an integral unit and should be read as such.

It was noted above that the Institute was planned to secure serious and informed consideration of the issues involved in an era of manpower shortage. It was not, therefore, an open conference. Attendance was necessarily limited to the number that could be expected to carry on effective discussion. Those attending were invited for their potential contribution to one of the three seminars. They were further asked to remain with the seminar throughout the sessions, in order to insure continuity of development. It should be observed that everyone cooperated wholeheartedly. The quality of the results attests to the excellent spirit with which participants devoted themselves to the job at hand. The group assembled at Stanford included persons of high responsibility and rich experience in dealing with the problems under consideration. It seems unnecessary to add that the conclusions which they reached are deserving of the most serious consideration by public agencies, private organizations, and individual citizens concerned with the important issues of public policy in this field.

It should be clearly understood that all conclusions and recommendations represent the consensus reached in the seminar. No formal votes were taken, either in the seminars or at the final plenary session at which the findings were presented to the Institute. It is not to be assumed, therefore, that any one participant necessarily endorses the conclusions reached, singly or as a whole. Many of those attending hold official posts which would make such endorsement inappropriate, and differences of opinion are inevitable on many of the points covered. On the other hand, the chairmen and rapporteurs endeavored throughout to determine the consensus of the group as issues were discussed. In some cases the questions were threshed out until there was virtually complete agreement; in others, the prevailing view was sought with little effort to obtain unanimity. In general, the specific recommendations reflect a high degree of agreement. The point here is that participation in the Institute, or in a seminar, does not necessarily mean concurrence in the stated conclusions.

## Manpower in the Present Crisis

It is not possible in this introduction either to analyze the manpower situation or to summarize the conclusions reached at the Institute. It may, however, be useful to state briefly a few essential elements of the problem, to indicate why certain aspects were selected for special attention during the Institute, and to note the principal themes running through the discussions.

Underlying all other aspects of the manpower problem is the question of how our scarce resources should be allocated among competing demands in a period of prolonged crisis. The best available estimates indicate that our total working force in the United States is not likely to rise much above 65,000,000 in the foreseeable future. Proper balance in the distribution of this resource among industry, agriculture, education, government, and the military establishment is essential, yet the criteria which are to govern allocation are at present poorly defined. This is particularly true when the problem is stated in terms of maintaining our long-range supply of trained leadership and skilled workers, or when domestic manpower supplies are discussed as an aspect of the total manpower resources of the free world.

The first and basic problem considered by the Institute, therefore, was the allocation of manpower among competing demands under conditions of partial mobilization. One basic assumption seems to have been accepted by all three seminars: that the present international tension and defense mobilization could



be expected to run until at least 1960, and probably beyond that. The stated requirements of the military establishment for an armed force of 3,500,000 men was accepted by Seminar I, but it pointed out forcefully that this cannot be maintained without severe dislocations—particularly affecting youth and educational institutions. The present legal requirement for a twenty-four-month rotation cannot be retained without a marked increase in the size of the "career" army, for the simple reason that there are not enough young men reaching eighteen years of age each year. It appears that the period of service may well have to be closer to three and one-half years. The disruption of normal education implied in such a program is serious not only for the youths themselves and the institutions of higher learning, but over a period of even a decade it will have marked deleterious effects on the supply of professional, technical, and highly skilled persons upon which our total strength so clearly depends. Thus Seminar I held it essential that present statutes and governmental policies be amended to guarantee that an adequate proportion of those coming of military age each year be selected for specialized training, to be available for service as later needed.

It was significant that the Institute rejected compulsory assignment of labor in favor of a system of positive aids and incentives which will identify the jobs of highest priority and provide the inducements to attract, hold, and utilize the necessary manpower. These inducements must include such things as adequate housing, community facilities, and transportation assistance, as well as wage incentives. This emphasis upon the importance of community facilities appears again in the recommendations of Seminar II on Effective Utilization. Here it was also pointed out that such facilities as good child care centers have a vital effect on the availability of women workers. Seminar I and Seminar II were, in fact, in agreement in rejecting compulsory measures, it being stressed by the latter that pressure should not be applied to women to force them into the labor market.

To minimize future stresses in the labor market, Seminar I emphasized the peculiar responsibility of government agencies for looking to our occupational needs in the decade ahead and taking appropriate measures to supply the most pressing of these needs. The present manpower machinery of the federal government was found to be highly dispersed, and perhaps it leans too heavily on committees and coordinating groups to deal adequately with the more serious problems to be anticipated in the period ahead. It is suggested that a central manpower organization may be necessary within a year or so.

Another finding which relates directly to the question of who, or what agency, is to have primary responsibility for manpower policy is that Universal Military Training and Service will place a large number of men under the primary control of the armed services by reason of their reserve status after training. Assuming 800,000 to be trained annually, there would be some 4,000,000 in the reserve at the end of five years. The seminar recommended that the consequences for the national welfare of this large reserve be given a great deal more study than they have received thus far.

While raising a number of basic issues and urging more complete awareness of the implications of certain manpower policies, Seminar I closed on an essentially optimistic note, holding that the manpower problem is manageable without serious infringement on individual freedom of choice. Sacrifices will be necessary; dislocations will strike particularly at our youth and the universities. But those in the seminar evidently agree with Boris Shishkin and Harold Lasswell, who both stress in their talks that the value of freedom must never be lost to sight. As Mr. Shishkin says, the surrender of freedom of choice for a limited time for military service is not an argument for giving it away in other areas and for longer periods.

## Securing More Effective Utilization of Manpower

Beyond the fundamental question of the allocation of manpower and the measures to be used to secure it lie a number of more specific and technical questions. Not all of these are readily adaptable to public debate, but they are matters of the utmost importance to public officials, industrialists, workers, and

university faculties. Prominent among such questions is that of how we can secure the more effective utilization of available manpower in industry, agriculture, government, and the armed forces. The answer to this question includes, in its broadest sense, a wide range of possibilities. At one end, it suggests the more widespread use of mechanization and technical advances in industry and agriculture. Peter Odegard points out, for example, that the diversion of men and materials to the manufacture of cotton-pickers could mean a tremendous saving in the migratory manpower needed to pick California cotton. Another vital aspect of this subject is the better utilization of unemployed or underemployed groups in our society. The range here is large, encompassing women, minority groups (notably the Negro), the physically handicapped, the teen-aged, the over-age and others. Still another approach is to increase individual productivity through the application of modern knowledge about human motivation. Closely allied to this is the question of better education and training, which could conceivably augment greatly the effectiveness of workers in industry, in the armed forces, and in government administration.

It was not possible, in the limit of three days, for Seminar II to explore all of the ramifications of manpower utilization. It concentrated its attention principally upon psychological and social barriers to attaining maximum productivity from our human resources. Three major themes are reported as having run through the discussions: (1) the importance of putting to better use our presently available knowledge about the nature of human motivation; (2) the need for further research to increase our fund of knowledge in this field; and (3) the necessity for discovering ways of bringing about the social changes which modern insight shows to be desirable.

The background paper prepared by Dr. Likert, "Motivational Dimensions of Administration," had a strong effect on the direction of discussion in Seminar II. With a number of psychologists participating and underwriting his findings with penetrating analyses of the personality factors involved, it was concluded that the more effective utilization of the working force within the plant is largely the product of better supervision. This involves such matters as an interest in employees' successes and problems, the degree of emotional maturity reached by the supervisor, the way in which job assignments are presented, and the supervisor's personal embodiment of the qualities desired in subordinates. These positive factors were held far superior to fear, guilt, or other negative means of motivating people.

Closely allied to the foregoing is the importance of good social organization within the plant or agency, so that employees have a feeling of belonging to the organization as a whole and to the immediate work group. This is not, however, to be taken to mean the abdication of leadership by supervisors and management. Nor does it mean the abandonment of good personnel practices, as these are now understood in better managed industrial plants and governmental agencies. These were endorsed by the group as contributing in important degree to the more effective utilization of personnel. As was pointed out above, morale and productivity can be strongly affected by such community factors as adequacy of recreational services, housing, and child care facilities. The community can also seriously interfere with mobility and the best use of skills by those legal or customary restrictions on hiring or licensing which are designed more to restrict entrance into trades and professions than to protect the public interest.

Another barrier to mobility which seems to have received little attention, up to now, is that created by such benefits as localized seniority, pensions, and social security rights. The seminar had no ready solution to this, but it urged that serious attention be given to finding ways of increasing mobility without such sacrifices.

There was agreement throughout the Institute that social discrimination is one of the most serious and least defensible barriers to effective manpower utilization. Peter Odegard emphasizes that we can no longer afford it; Assistant Secretary Johnson states that every group in our population must carry its full share of responsibility and of risk in the armed forces. Seminar II urged that steps be taken at once to utilize more effectively an estimated 22,000,000 underemployed workers in the United States. Likewise, measures are needed to bring 2,000,000 disabled and completely unemployed into the labor market.

Women are an important latent source of workers, but it was agreed that at present national policy should be designed to keep channels of employment outside the home open to women, rather than putting pressure on them to seek it. Teen-agers likewise are not now utilized effectively in the labor market, but it was agreed that education must be given priority over employment. For both women and the teen-age group, part-time work arrangements, involving short shifts and similar devices, are important possibilities.

Finally, Seminar II stressed the need for further research combined with an intensive educational program to gain more widespread acceptance of what we already know about productivity and morale. As Lasswell points out, the need is to disseminate widely good examples of high performance standards and to make large numbers of people aware of the practices that bring them about. And in this same vein, the seminar recommended a more positive program of enlisting private organizations in the continuing task of informing Americans about the threats to our national security and individual freedoms, including clarification of basic national goals. Knowledge about the magnitude of the threat and clear understanding of the positive goals we are pursuing are equally important in maintaining proper motivation and direction for our activities in a period of extended crisis.

### Recruiting Administrative Talent

One of the specialized but highly important aspects of locating manpower in times of emergency is that of finding capable leaders for national and international administrative organizations. Good administrators are always scarce, but in periods when public programs are expanding rapidly the situation becomes critical. One of the greatest handicaps to attracting competent persons into government is the lack of public understanding of the responsibilities which fall upon public servants, or even of the seriousness of the crisis facing the free world. The situation is further complicated, as Seminar III points out, by the fact that men of outstanding ability are reluctant to accept public office until they have some protection from irresponsible charges which, in effect, amount to defamation of character without recourse in law. Similarly, they must be assured that party and political patronage will not influence decisions that are outside the proper realm of party concern. This can be achieved only if lapses from the strictest ethical behavior are properly disciplined.

A major challenge to the long-time trend of thinking about the federal civil service appears in the endorsement by Seminar III of the principle of program staffing for emergency agencies. Program staffing is the practice of bringing persons in from outside the government service to staff a new agency at all levels, from the lowest to the highest. It is ordinarily assumed that they will return to private employment after the emergency has passed, but in extended crisis this may prove to be unrealistic. It was at least suggested in the seminar that it might be desirable to revoke the use of emergency and other restricted employment classifications which suggest impermanency, deny the employee established civil service rights, and otherwise make government employment less attractive. The seminar did not propose, however, that program staffing of emergency agencies replace career recruiting. On the contrary it recommended continued strengthening of the career service, with recruitment at an early age and with expectations for lifetime service. The proposal was for the carefully guided use of both program and career staffing in order, on the one hand, to maintain a ready cadre of experienced career talent to undertake increased governmental responsibilities in crisis periods and, on the other, to recognize the contribution which capable noncareer persons can make through temporary service when periods of rapid expansion arise. The arguments for and against program staffing in emergencies are carefully presented in Paul David's paper and discussed further in Albert Lepawsky's seminar report.<sup>3</sup>

<sup>3</sup>See also the report of The Brookings Institution mentioned above, The Administration of Foreign Affairs and Overseas Operations.

Almost equally important is the seminar's recommendation that agencies of the federal government develop an informal public service reserve, comparable in some ways with the military reserve corps but without the element of compulsory service. Through advance recruitment, security clearance, and "tours of duty" for training, the public service reserve would make possible rapid expansion of staff to meet emergency needs with a more carefully selected source of supply than would otherwise be possible. This is a relatively new concept as applied to civilian administrative agencies, although it is already in process of development by the Department of State. The implications of this recommendation, like those of the preceding one, are far reaching. We can anticipate that they will be debated with vigor for some time to come.

Only one step removed from the idea of a public service reserve is the recommendation that a more systematic program be developed for registering and inventorying experienced administrative personnel. The seminar pointed out that good biographical directories are lacking, and even lists of names of former federal administrators are not readily available. Beyond the mechanical job of assembling such material there is a need for further research to identify more adequately the administrative skills available in the United States, the shortage areas, and the techniques for developing needed skills.

An obvious source of executive talent is, of course, the intermediate grades of the federal service. The seminar's finding that better executive development programs are needed, both within agencies and to provide experience in several agencies, is of considerable interest. The writer knows at first hand the tendency of governmental training programs to concentrate effort on clerical and low-level supervisory problems. Some progress is being made in the area of executive development, but it has been painfully slow. The recommendation for legislation to permit full-time study at universities and that for the continuation of high-level in-service training institutions such as the Foreign Service Institute merit a great deal of attention. Here again the military services have firmly established programs of both types, but it will be a long battle to gain general acceptance for the idea as applied to civilian agencies. One of the most serious problems of government service is the stultifying effect of constant preoccupation with one urgent task after another. A periodic opportunity to regain perspectives, to sample trends of thought outside governmental circles, would do much to forestall cultivation of the bureaucratic mind.

The public service is recruited, at all levels of government, through examinations based largely on technical and specialist training. Like state and local counterparts, federal civil service examinations range through hundreds of specialized categories, from truck driver to atomic physicist. In the administrative field, the principal alleviating influence on this approach to recruitment has been the Junior Management Assistant category, which has emphasized administrative training and general education in the social sciences. Men and women entering the service through this examination have been increasingly in demand, and competition is now keen among federal agencies to capture a fair share of each year's eligibles. Seminar III noted the category with approval and urged continued attention to its improvement. There is, indeed, danger that the examination may become a means of recruiting still another type of technician—skilled in personnel work, budgeting, organization and methods surveys, and government housekeeping. The writer notes with perhaps more alarm than did the seminar the re-emergence in recent examinations of questions on techniques for moving furniture and laying out office space. It seems obvious that these are not the kinds of knowledge best imparted through a university education. It is to be hoped that the JMA examination, which is designed to recruit educated men and women of future executive promise, will be given the continued attention and improvement which Seminar III urged.

The further recommendations of the seminar for making careers in public employment more attractive through higher salary scales, greater mobility within the service, and more ready access to the highest level positions, repeat themes on which virtually all students of public administration are agreed. Progress is being made in each of these directions, though it is often unduly slow. It may well be that gains would be expedited by following the seminar's final recommendation for developing a more effective pattern of responsibility for executive personnel among the Executive Office of the President, the Civil Service Commission, and the various departments and agencies.



## Conclusion

As one looks over the findings of the seminars which convened during the Institute on Manpower he is impressed with both the variety of problems presented and the difficulties of dealing with them. How large an armed force do we need? The civilian members of the Institute could do little but accept the figure of 3,500,000 proffered by the armed services, although at least one voice was raised to question the need. This is a problem on which the opinion of military specialists is ignored at our peril. Yet it is at the same time a policy decision with the most drastic consequences for our youth, our educational institutions, and our future supply of professional and skilled talent. How is a force of this magnitude to be recruited? This question moves perhaps a little more into the realm of civilian decision. Do we want a larger corps of career military men, or do we wish to lengthen the term of draftees to something like the three and one-half years presented as an alternative? The voice of a democratic people is likely to make itself heard before the debate on this issue fades away, yet it is essential that the issue be clearly understood and not lost in a muddle of hasty and ill-considered actions.

Questions of like importance run throughout the Institute proceedings, and need not be restated here. Those who attended the Institute have not solved them. But it is of major importance that they have stated some of the basic issues more clearly than they had appeared before. They have developed a series of recommendations stemming from careful and calm discussion. They have, therefore, presented to government officials and the American public material deserving of the most serious consideration in the days ahead. Manpower problems in a crisis period will not be easily resolved. We can only hope that in dealing with them the public and its government will heed the warnings sounded here that we not quickly abandon our freedoms; that we keep clear the goals which we pursue; that we apply our knowledge about human motivation more effectively; that we not undermine with wanton accusation the public servants who guide our destinies; and that we keep always in sight our position as the hope of the free world.

## Acknowledgments

The writer is moved to superlatives with respect to the entire group that attended and played a part in the Institute. It was a most heartwarming and rewarding experience in the possibilities for cooperative endeavor. It is not feasible, however, to run through the entire list of those who took part and express my individual appreciation. I shall mention only a few whose contributions were a determining factor in the success of the enterprise.

Peter Odegard and Herbert Emmerich, who between them conceived the idea and made possible its execution.

Eli Ginzberg, John J. Corson, Rensis Likert, James M. Mitchell, and Paul T. David, whose excellent background papers set the high level of informed discussion which marked the seminars.

James K. Pollock, Henry Reining, Jr., and Floyd Reeves, whose skillful chairmanship of the seminars guided them through to tangible and constructive results.

William E. Haber, Maure Goldschmidt, and Albert Lepawsky, who handled most ably the difficult job of preparing the recommendations and summarizing discussion which often came into focus only reluctantly.

Joseph P. Harris, Joseph Rupley, Harry Kranz, Samuel May, Emery Olson, Frank Stewart, and Richard Graves, who as members of the executive committee gave generously of their time and talents through eight months of planning and coping with the innumerable problems that arose.

Erich Nielson, who handled relations with the press.

Finally, Alice F. Booth and Carl F. Stover, the capable and devoted assistants who between them did a masterful job of keeping me organized and coping with the innumerable details which made the Institute run smoothly.

ROBERT A. WALKER

## FINDINGS AND RECOMMENDATIONS \*

### The Allocation of Scarce Manpower

1. The defense effort is likely to continue over an indefinite period. The problems in such an emergency are radically different from those in a period of all-out war, which involves the entire economy but has a definite terminal point. Prolonged emergency is expected to involve only fifteen to twenty per cent of the economy directly, but it will have a disproportionately severe impact on certain segments of our society—notably on youth and on institutions of higher education.
2. The most significant policy issue faced in this situation is the size of the armed forces. The presently projected size, 3,500,000 men, cannot be accomplished within the present statutory requirements and administrative policies. There are not enough young men coming of age each year to provide for an armed force of this size on a twenty-four-month rotational basis. With an allowance of twenty-eight per cent as unfit, not more than 860,000 of the 1,200,000 men who reach eighteen annually are available for military service. Unless the standing army—those serving on a voluntary basis over a period of years—is substantially increased, the period of required service will have to be about three and one-half years, not twenty-four months, if an armed force of 3,500,000 is to be maintained.<sup>1</sup>
3. The consequences of such a program, maintained over even a decade, are extremely serious for the youths themselves. It will interrupt their education, often permanently. After so long a period many will not wish to return to school. This in turn will have serious consequences for our supply of professional, technical, and highly skilled persons, whose training requires a long period. Curtailed enrollments may also mean a basic alteration in the structure of higher education in this country, since from two-thirds to three-fourths of our colleges and universities rely heavily on student fees for financing.
4. It is essential that present statutes and governmental policies be amended to insure that an adequate proportion of the numbers coming of military age each year be selected for training in the scientific, professional, and skilled occupations. This group will then be available for specialized service where most needed, whether in the armed forces or civilian employment, after their training has been completed. If we are to continue with an armed force of 3,500,000, no one can be deferred in the usual sense. But failure to maintain our resource of highly trained profession and skilled workers over a period as long as a decade will seriously undermine our total strength.
5. Manpower is a key problem, and in our complex and intricate economy we cannot take important actions in military or production planning and assume that manpower will take care of itself. Decisions which determine requirements, production schedules, and the location of new facilities in effect allocate manpower within the economy. The manpower consequences of these decisions must therefore receive the most careful consideration. This calls for the closest collaboration between the manpower

\*Prepared by the editor from reports by William E. Haber, Maure L. Goldschmidt, and Albert Lepawsky, as rapporteurs for the three seminars, at the final session of the Institute on Manpower Utilization and Government Personnel. These conclusions and recommendations were later corrected and supplemented by the rapporteurs and, with minor editorial changes, the wording is theirs. Since qualifications and pertinent observations are necessarily omitted from this summary, it should be read in conjunction with the more complete discussion on each subject found in Chapters 7, 10, and 12 of this report.

<sup>1</sup>Whether or not the career or voluntary group can in fact be increased by the required number is uncertain. See n.1, Chapter 7.

organizations and the authorities responsible for planning production and procurement. Otherwise the task of manpower agencies in maintaining an orderly labor market becomes unnecessarily complicated and production goals are endangered. Much can be done to improve the integration between the production and procurement agencies, on the one hand, and the manpower organizations, on the other. In view of the higher production schedules ahead it is imperative that this be done without delay.

6. We have a labor force of about sixty-five million people. In peacetime they in effect allocate themselves among occupations through their private decisions. In a period of defense emergency, we have the problem of getting the right people in the places which best meet the national need. There are three principal alternatives:
  1. Compulsory assignment of men, as in selective service for the armed forces.
  2. Allocation of jobs or positions, a statistical and planning device for recognizing the claims of various industries and occupations for specified numbers of workers.
  3. Manpower guidance, identifying the activities having high priority and providing governmental assistance in recruitment, referral, and placement.

With respect to the civilian labor force, our experience suggests that it is not necessary at this stage of the defense program, and perhaps will not be necessary even during war, to resort to the specific assignment of men. A democratic society requires consent of the producers. Accordingly, our allocation devices should be confined to jobs and positions and to manpower guidance. They should not extend to the actual assignment of men and women.

7. We should develop to the maximum degree necessary those positive aids which will identify the jobs, the areas, and the end products which have the highest priority. We should then provide the appropriate incentives, inducements, and conditions to attract, hold, and utilize the necessary manpower. These conditions are concerned with housing, with community facilities, with transportation assistance, with wage incentives, and with related problems.
8. When critical shortages begin to appear in specific areas and for specific skills, direct allocation may be avoided through a system of "compulsory voluntarism." This would include such devices as employment ceilings on particular employers and guided referral policies through the local offices of the United States Employment Service. Labor market direction of this kind was reasonably effective during World War II.
9. Government agencies have a peculiar responsibility for examining our total occupational needs in the decade ahead, considering which are likely to suffer because of natural attractions away from them, and taking steps to safeguard occupations like accounting or teaching, which in the long run may be highly important even though momentarily less critical.
10. Government manpower organization is at present highly dispersed, leaning heavily on committees and coordinating groups. As the manpower problem becomes more serious, we will need to move away from the committee system and coordinating devices in the direction of a unified central manpower organization. Such an organization will be more effective if it is not a part of an established department of the federal government.
11. The federal-state employment service is not adequate for emergency operation on a national basis. Federalization is necessary if a national manpower policy is to prevail and suitable staffing is to be maintained. The fact that the step would be politically unpopular does not obviate the need. It should be done, however, through legislation and not, as in 1941, by executive order.



12. Advisory committees representing management and labor on the local, regional, and national levels will play a large role in a manpower program based on voluntary methods. They should not, however, be established until there is specific need for their participation.
13. If and when Universal Military Training and Service goes into effect it will create some very serious problems. One of the most significant is the fact that inducting 800,000 or more men a year for training, when they reach eighteen, will mean a total of over 4,000,000 in the reserves at the end of five years. Since the authority to activate the reserves carries with it the authority to decide whom not to call, we may have inadvertently adopted a system of compulsory allocation by the military departments of a large proportion of the nation's manpower in the younger age categories. Legislation to provide for civilian control of deferment can correct the obvious dangers of such a program. Military control of organized reserves could be retained, while relying upon the Selective Service System for occupational deferment. The consequences of Universal Military Training and Service for the educational system, for economic production, and for the attitudes developed in impressionable young men all justify careful and continuous study.
14. While the United States is rich enough in manpower and resources to do the job imposed by the present defense program, it will mean many dislocations and sacrifices on the part of many groups. We must be alert to avoid serious damage to our educational institutions and to the future supply of intellectual manpower.

### The Effective Utilization of Manpower

1. More general recognition should be given to the central importance of using positive human motives in increasing the productivity of employees, to the fact that the human relations skills of supervisors are particularly important in securing long-term increases in such motivation, and hence to the great desirability of more widespread use of techniques recently developed for increasing such skills.
2. Good supervision implies a degree of emotional maturity and objectivity on the part of the supervisor which enables him to rise above preoccupation with his own prestige and problems. He must be able to present job assignments in such a way as to build confidence in the integrity of the group, and embody in his leadership the qualities which it is desired that subordinates possess. This permits a healthful type of identification with the leader which is far superior to fear, guilt, or other negative means of motivating people.
3. The most desirable in-plant conditions are those which foster good social organization, providing for participation by employees all down the line. Encouraging such participation makes it possible to utilize most effectively the vast resources of ideas and suggestions from all employees.
4. Manpower authorities of the federal government are encouraged to set up an experimental program of supervisory training. The purpose would be to develop techniques for influencing organizations to accept and utilize recent research findings which indicate that production can be increased through improved skills in human relations among supervisors.
5. In order to reduce absenteeism, attention should be given to better integration and application of our knowledge and skills in the fields of industrial and public health, community services, job placement, training and supervisory practices, in cooperation with the public and private agencies administering social insurance for worker disabilities.
6. Community factors outside the plant greatly influence the effectiveness of personnel. Communities should think of their social services, such as health, recreation, housing, and child care, as essential

elements in a manpower program. Strengthening such services can make a direct contribution to worker productivity.

7. It is recommended that more adequate facilities, such as child care centers, be provided to make it easier for mothers of young children to seek employment, but that no pressure of any kind should be used to force mothers to work outside the home if they do not wish to do so.
8. It is recommended that legislation be adopted permitting the deduction of domestic expenses incurred in the production of income, such as payment for child care by mothers who are employed, as a business expense for income tax purposes.
9. Obstacles to full utilization of the physically and mentally handicapped who are presently unemployed or underemployed should be removed. Consideration should likewise be given to the extension of sub-contracting to sheltered employment and to the possibility of bringing work to those who cannot come to work.
10. It is recommended that state and local governments be encouraged to proceed with the systematic re-examination of the skills required in positions in their services in order to determine the maximum possible use of the physically handicapped and to rewrite job requirements to permit their employment.
11. Custom or legal factors in many communities work to prevent the best utilization of workers and to interfere with the provision of needed services. Among these are restrictions on entrance to certain trades and professions, including excessive licensing, residence, and health requirements. To assist in meeting this problem, it is suggested that organizations responsible for licensing professional workers, such as doctors and engineers, be encouraged to give adequate recognition to the needs of various states and localities in establishing standards for training and experience and in the determination of conditions governing reciprocity.
12. The mobility of workers is handicapped by such barriers as localized seniority, pension, and social security benefits which are lost if the individual worker takes advantage of other job opportunities. Thus a study should be made of the problem of transferability of workers' benefits established under both public and private authority, in the interests of needed mobility of labor.
13. A study should be made of the need for and value of a method of providing credit or financing to workers who are encouraged to accept jobs in more critical activities, especially in distant areas.
14. There is a valuable supply of experienced manpower in the older age group, many of whom have retired from their occupations. It is recommended that public and private retirement systems be adjusted so far as practicable to encourage later retirement ages.
15. It is recommended that studies of the manpower problems of the entire free world be instituted as a basis for working out plans for the more effective utilization of the manpower of the free countries as a whole.
16. It is recommended that review of selective service criteria for mental disorders be instituted. The aim would be to rely more on predicting success and failure in the service instead of on diagnosis, as at present. Criteria for discharge for neuropsychiatric reasons should be reviewed and consideration given to the use of rehabilitation centers rather than hospitals. Finally, it is recommended that greater attention be given to the possibility of the use of preventive rather than curative methods.
17. It is recommended that the United States Civil Service Commission sponsor utilization programs among the departments and agencies of the executive branch of the federal government, that the commission

give guidance and encouragement to the agencies, and that it perform generally a role of personnel leadership in the area of manpower utilization.

18. It is recommended that there be established in the office of the Director of the Defense Manpower Administration a small professional staff whose function would be to study the entire range of manpower utilization problems, to sponsor policy statements, and to recommend the necessary programs.
19. It is recommended that a national committee or institute on productivity and morale be established, preferably under the auspices of a foundation, for the following purposes: to encourage and sponsor (where necessary through grants of funds) research on productivity and morale, especially in defense-expanded organizations, and to make the general results of these investigations available; to persuade the American public of the necessity to increase production; to serve as a central clearing house to industry and government for all types of material relating to productivity and morale and their improvement, with special emphasis on materials immediately applicable to the limited war period.
20. Minority groups are an important source of underutilized manpower. Consideration needs to be given to the role of sanctions in effecting their full utilization in a time of crisis. While we urge chief reliance upon voluntary methods, experience has shown that negotiation, exhortation, and other voluntary methods are relatively ineffectual in the field of full employment of minorities. Nevertheless, the use of sanctions is not unrelated to voluntary action, for artful administration can employ and has employed sanctions requiring fair employment as part of a pattern of extensive negotiations for full use of minority groups.
21. It is recommended that there be a follow-up to this conference, either by the present sponsors or by other organizations that can be interested in taking the needed steps, to carry on a continuing program of public education on the manpower problem. This would include the following:
  - a. The material from the proceedings of the Institute should be used to organize a presentation of the manpower problem, including suitable film strips and charts, for selected audiences. The aim would be to clarify the goals sought and to promote understanding of the policies adopted by the government or recommended by responsible persons. Among the possible audiences are public officials directly or indirectly involved in manpower policy and administration; business, labor, agricultural, and professional organizations; women's associations; and student groups. Existing organizations should be encouraged to take the lead in presenting programs and conducting discussions on the subject at national, regional, and local levels.
  - b. A program should be developed to help secure public understanding of the importance of national service during our continuing crisis of defense. It should be stressed that everyone ought to perform his best service to the nation, whether it be in uniform, in a civilian capacity with the armed services, in other governmental positions, or in private activities. Part of the task is to secure a more realistic understanding of government employment, so that common distortions will not be a barrier to public service.
  - c. The nation should be provided with the best available estimates of the losses which result from underutilization of human energies. The estimates should include not only productivity, but also suitable data on other vital areas of national life. Thus contrasts between actual and potential civic participation (voting, voluntary public service, and activity in civic organizations) should be noted. The estimates should be given wide publicity and channeled through suitable media to the specific audiences composing the American public.
  - d. Private organizations should be enlisted in the continuing task of informing the nation about the best estimates of present and prospective threats to our national security and individual freedoms. This

calls for a clear statement of our national goals, stressing a positive rather than a negative approach to motivating our activities during this crisis period. Organizations might be encouraged to set up committees on national security and individual freedom to present both the nature of the threats and a statement of the goals in a form adapted to their memberships.

### Recruitment and Development of Administrative Leadership for National and International Programs

1. It is essential to develop more satisfactory conditions of employment in the public service under which men invited to serve the public are protected from irresponsible charges which constitute, in effect, defamation of character for which there is no recourse in law.
2. If our top political and executive leaders are to attract and hold other necessary executive and administrative leaders in the public service, they must keep party and political patronage from influencing decisions that are not properly within the realm of party issues. Any lapse from the strictest ethical behavior must be disciplined.
3. Emergency programs should continue to be staffed with administrative leadership drawn from sources outside of the established civil service of the federal government, but the career service should continue to be used and strengthened in order to have a ready cadre of administrative leadership to undertake the increasing governmental responsibilities associated with this period of continuing crisis, whether in peace or war.
4. In order to recruit qualified executives quickly from nongovernmental employment, it will be necessary to rely mainly on a combination of positive recruiting by the agencies directly concerned; continued use within a safeguarded merit system of emergency and indefinite appointments, so far as is possible on a competitive basis; continuously open civil service examinations; and the rating of selected eligibles by agency boards on the basis of specific job requirements.
5. In order to be prepared for sudden expansion and possible contraction of the public service, an informal public service reserve should be developed. Among the elements of this reserve would be:
  - a. Recruitment and appointment as consultants, or under some equivalent title, of highly qualified individuals who have expressed their readiness and availability to serve in a more definite administrative assignment in case of emergency.
  - b. Recruitment on a departmental or agency basis, but with the roster of the informal public service reserve centrally located. This will be in keeping with the need for program staffing and at the same time recognize the need for a government-wide personnel program for administrative leadership in emergency periods.
  - c. Opportunity for the individual to resign from the reserve at any time.
  - d. Prior official clearance of such individuals not only for suitability, but also for security, in order to waste no time in their assignments when called.
  - e. Prior opportunity for induction and orientation training through a brief period of active service before emergency assignments, not unlike the practice in the military reserve.
6. A more integrated program should be developed for the registration of and research concerning the talented and experienced administrative personnel in the United States. Specifically, it is suggested that:

- a. The publishers of biographical directories explore the possibilities of publishing a more adequate directory of administrative personnel.
  - b. The Civil Service Commission, the Executive Office of the President, or some other federal agency take every feasible action to list the names of persons formerly in responsible administrative positions in the federal government, and to put the facts about them in immediately accessible form.
  - c. The efforts of the American Council of Learned Societies to prepare complete registers of personnel in various fields of specialized knowledge and experience be endorsed.
  - d. Further study be given to current proposals for establishing and maintaining a central file of talented personnel available for administrative leadership in the United States, and to the prospects for using to perform this task not only official personnel agencies but also nonofficial agencies already working in this field, such as the personnel exchange of Public Administration Clearing House.
  - e. More intensive research be carried on concerning the manpower problem at the administrative or executive level of responsibility, in order to help us identify the skills available, the shortages in such skills, and, by comparative study, the best techniques for recruiting and developing such skills.
7. Positive and concerted efforts should be made to identify more effectively the available executive talent in the intermediate grades of federal service and to accelerate and broaden the development of such talent. Specifically:
    - a. Executive development programs in individual federal agencies should be strengthened.
    - b. Systematic measures should be taken for developing a greater number of career executives who have had experience in several federal agencies.
    - c. General legislation should be enacted to authorize the assignment of qualified federal employees for periods of intensive full-time training in university graduate schools and other educational institutions.
  8. The experience of the existing high-level in-service training institutions of the federal government, particularly in the training of civilian executive personnel, should be examined objectively to determine the significance of that experience in the further development of civilian executive training institutions.
  9. The Junior Management Assistant category in the federal service is noted with satisfaction and it is urged that continued attention be given to the improvement of the Junior Management Assistant examination and to the most effective use of eligibles from the JMA register.
  10. Public employment in national and international programs must be made more attractive to qualified executives. To this end:
    - a. Salaries at the executive level should be increased, and in any event the existing disparity in executive salaries between government and industry should, as far as is possible, be prevented from widening.
    - b. Existing policies with regard to W.O.C. (without compensation) employees should be continued with emphasis upon the safeguards contained in existing regulations.
    - c. Further organized attempts should be made to recruit university personnel.

11. A more effective program should be undertaken to make the upper-level career administrative personnel of the federal government more immediately available for new activities, programs, and program agencies. This should include:
  - a. Continued and intensive measures intended to help identify and secure transfer of qualified career executives.
  - b. Further study of the possibility of providing that the high-level nonpolitical positions should be filled by career and reserve officials who are compensated and hold rank on the basis of their individual capacities, and who, in the case of the career officials, would be available on a government-wide basis.
12. The assignment of responsibility for the selection, placement, and development of high-level executive personnel in the federal service is a matter of great complexity with many unsolved problems. It deserves intensive consideration as a matter of urgency, in the hope that a more effective pattern for the distribution of the responsibility among the Executive Office of the President, the Civil Service Commission, and the various departments and agencies can be rapidly developed and placed in effect.

**PART I.**

**THE PRESENT STATUS OF MANPOWER MOBILIZATION**

## CHAPTER I.

# THE PROBLEM WE ARE FACING

**PETER H. ODEGARD \***

I feel under a handicap because I am not an expert on any of the problems that are scheduled for discussion in this Institute. My position reminds me of a story Dorothy Thompson liked to tell about a dinner party where she sat at the speaker's table next to the speaker. He was very nervous, and kept drinking water and fiddling with his silver all during the preliminaries. Finally Miss Thompson turned to him and said:

"What makes you so nervous?"

He told her, "I have to speak here tonight."

"I know you're an experienced speaker. You have done a lot of it. Why should you be so nervous?"

"Tonight, I am going to speak about Borneo."

"Why should that make you nervous?"

"But," he said, "you see the bald-headed fellow sitting down there at the table just in front of us, the little one wearing glasses?"

"Yes, what of him?"

"Well, he has been in Borneo!"

As I look over the people assembled here, I realize I am talking not to one bald-headed man who has been in Borneo, but to a whole room full of people who have lived in Borneo most of the time. I am glad, therefore, that my job is not to make a speech or to try to contribute much enlightenment to the deliberations of this Institute.

I think no one will question the importance of the manpower problem. Anyone who has touched it at any point, whether as educator, public official, employer, or prospective draftee, is aware of the magnitude, complexity, and urgency of our manpower needs. Manpower problems, like water problems in California, get a great deal of attention under two quite different sets of circumstances: First, when there seems to be an excess, and second, when there seems to be a shortage. When the supply of labor is fairly adequate we do not have Institutes on Manpower Utilization, any more than we have commissions on water resources when the supply is abundant but not excessive.

## Contrast With 1931-41

During the thirties, our problem arose not from a shortage of manpower but from a surplus, and we undertook a program not to find people for jobs but jobs for people. I think there were times when men like

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Harry Hopkins and others in Washington might well have wished that our surplus manpower could have been deported; that we could have sent some of it to Mexico, as Mexico is now sending its surplus labor to us. Not being able to do that, we developed the FERA, the PWA, the CCC, and other alphabetical agencies and enterprises to deal, as it were, with a manpower problem in reverse; that is, a manpower problem arising out of surplus. The defense program of 1939 and 1940 was even denounced by some people as another "made work" scheme of the New Deal. I vividly remember a conference in the Treasury Department in the spring or summer of 1941, at which a very distinguished group discussed the necessity of continuing and even expanding WPA, because at that time we had eight to ten million unemployed in the United States. This was early in 1941, and I remember Mr. Morgenthau's great concern as to how we were going to sell defense bonds to people who were not employed.

Today the picture is quite different. We move into this emergency not with a vast army of unemployed, not with tremendous unused plant and industrial capacity. On the contrary we are confronted by a new world crisis at a time of full employment—when industry is operating at full or nearly full capacity. Today we face the necessity of building an army presumably of three to five million men, and a much larger reserve force. Moreover, we face an emergency that is not temporary. One of the assumptions underlying this conference is that we must expect a period of extended emergency in which we must be prepared at almost any time to move from partial to total mobilization.

Now, if this is a basic assumption of the conference, it will help to define the scope and substance of our discussions. To build an armed force of this magnitude means not only pressure upon our manpower supply for military and naval personnel, but increasing pressure from industry and agriculture as they are called upon to expand the volume and rate of production.

In addition to our own needs, we must contribute to those of Western Europe through the North Atlantic Treaty Organization, and at the same time carry on a limited "hot" war in Korea.

### Some Basic Issues for Decision

Today, in contrast to 1940, we have very little fat to draw upon. We do not have eight million people unemployed. We do not have idle mines and factories. We do not have the kind of reserve we had in 1941. We have to look for additional people to do the jobs that have to be done within the structure of an economy fully employed or very nearly so. This poses a much more difficult problem than the one we faced in 1941. Where are we going to get the manpower to meet these urgent, almost desperate needs? Obvious sources that have been suggested include better utilization of those now employed; release of manpower from non-essential to essential industry; and increased use of women, youths, minority groups, the handicapped, and the aged, now only partially employed and poorly used when working. Suppose we undertake to increase the number of women employed. What are the implications of such a policy in terms of the home, marriage and fertility patterns, housing, education, child care centers, and so forth? We cannot, for example, draw women away from their homes and children and, at the same time, cut down appropriations for kindergartens and child care centers as nonessentials.

What can we do to make better use of our youth without betraying the future? What are the implications of manpower policies for our schools and colleges, public and private? These are problems of great importance, not only to educators, teachers, and students, but to those who have concern for the future of our civilization and the future of our free society. We need to examine how far such things as illiteracy stand in the way of a full employment and the best utilization of our manpower. I was impressed by reading in Eli Ginzberg's paper, for example, that 750,000 people were rejected during the last war because of illiteracy, and another 600,000 had to be released shortly after induction because of educational deficiencies of

of one kind or another.<sup>1</sup> We can no longer afford the luxury of illiteracy in our society. The great success of American industry and of the American economy is attributable in a large measure—much larger than I think we are aware of—to the fact that we have had a universal system of free education. What this has done to increase productivity, and to create a more effective working force than is to be found in Asia and many parts of Europe, would be hard to estimate.

What are the implications of racial discrimination for manpower policies? It seems to me we have reached a point where we can no longer afford discrimination, quite apart from the inequities involved, quite apart from its conflict with the basic principles upon which the country is founded, quite apart from the fact that it is in glaring conflict with the explicit language of the Constitution of the United States. Leave these reasons aside, if you please. In the language of so-called hard-boiled management, racial discrimination costs too damned much. We cannot afford it any more. What it costs in the mobilization and utilization of the manpower resources of the United States is something that I hope this Institute will explore.

I could go on and ask a lot of other questions that I, as a man who doesn't live in Borneo but who is talking to people who do live in Borneo, would like to have answered. The search for sources of manpower supply and the problems of more effective utilization are ultimately related. What are the advantages and disadvantages of direct and indirect ways of going about it? The Russian way is a fairly direct way. They need labor, they take it. The whole legal system is geared to the mobilization and regimentation of the working force. Obviously this way is closed to us if we are to conserve a democratic order.

We might close down the automobile industry—if we stop the private manufacture of automobiles and other so-called nonessentials we would get a great deal of labor for other industries. This is one way of doing it. The trick is to decide what is essential and what is nonessential. Is the bartender essential? Is the soda-pop industry essential? What about beer parlors and saloons, motion picture houses and race tracks?

Again, should we concentrate today on manpower for the production of end-items or increased capacity for future production?

Shall we throw manpower into the manufacture of labor-saving equipment? I think of the great demand for cotton pickers in the state of California, and what a fully mechanized cotton harvest would do to release manpower for defense industries. Shall we stop production of cotton-picking machines, and then import 500,000 Mexicans to pick our cotton for us, with all the consequences that flow from that kind of policy? We need to examine carefully the wasteful use of manpower on our farms.

By what devices and inducements shall we attract manpower into essential industries? By higher and higher wages with all the dangers of runaway inflation? By better working conditions, better housing, better medical care, better schools? Or shall we try the Russian method of compulsory allocation and assignment?

I know some people, both in and out of Washington, who would like to play at being God by establishing a national labor draft and telling the people just what they ought to do. Is that what we need to do? Is it really effective? I do not know; but I hope this Institute will come out with some kind of answer.

What are the responsibilities of government in this field? In the first place, it is one of the largest users of labor and, if my experience in Washington is any criterion, one of the most shameless hoarders of labor in the United States. But the hoarding of manpower by government and industry is not to be cured by the stupid policy of ordering the dismissal of every fourth man. Such a policy is like the Nazi method of dealing with hostages, and I don't like a hostage method of manpower administration.

<sup>1</sup>See Chapter 5.

Government is not only a major claimant on our manpower resources, it determines the policies under which we are all going to operate. Moreover, it is our system of free government that we are concerned with preserving and defending in the present crisis.

Since the threat to our security extends around the globe, our defense program must be global in scope. We shall have to examine here, therefore, the global implications of our manpower problem. The manpower problem is not confined to America, but includes at least the Western Hemisphere and the Atlantic community. What are the manpower resources of the free world and how can we make the best use of them in some equitable, systematic, and rational way? If we are committed through the North Atlantic Treaty to the development of a unified army in Europe, what about a unified manpower policy with NATO?

These are some of the things that I hope will be discussed.

### Underlying Assumptions

I should like to conclude by emphasizing again what I regard as some of the basic assumptions of the Institute. First, we should strive to meet this emergency within the structure of our free economy, and without destroying our open society. I happen to believe that the method of freedom is not only more humane but is more efficient than the directed method of the dictatorships. I can see no incompatibility between a free society and the solution of the difficult problems with which we are confronted. Second, and a corollary of this first assumption, is the belief that voluntarism and voluntary methods are preferable to compulsion. I hope in this connection we will explore some of the suggestions in Rensis Likert's paper showing the importance of a sense of participation and of a sense of human dignity in getting the best and maximum service from our people.<sup>2</sup> A third assumption points to the importance of the general atmosphere in which people work and the conditions under which they live. We should make sure this atmosphere and these conditions are consistent with our basic political and moral principles. Unless we proceed on this assumption the moral basis of our strength will be undermined and we shall be fighting not for freedom and human dignity but merely for survival.

Finally, therefore, I hope the Institute will never lose sight of the importance of bending every effort toward the conservation of our cultural heritage. We can impoverish the future immeasurably by what we do today. We can do it by closing down our universities, by crippling our colleges, by saying that music and literature and philosophy are not necessary in these times, but engineering and technology are. We can destroy not only the present but our future by what we do today. The policies that government and industry adopt with reference to manpower may be the key policies in determining the future of our civilization. The essential difference between a democratic and a nondemocratic society is that in a democratic society we treat human beings as ends and not as means. If we begin to think of manpower in the same terms in which we think of horsepower, then we shall have lost our sense of direction, and shall become what someone described a fanatic to be—a man who redoubles his effort after he has lost his aim. I hope we will not do that.

<sup>2</sup>See Chapter 8.

## CHAPTER 2.

# THE MOBILIZATION OF MANPOWER FOR THE NATIONAL SECURITY

ROBERT L. CLARK \*

It is important that we note at the very beginning that this Manpower Institute is being held in a partial mobilization period and not, as so often happens, after a full crisis is upon us. Perhaps this means that we have learned something from experience—or possibly it may only mean that it is later than we think.

In any event, we are here to get our mental house in order. We are trying to arrive at a common understanding of the problems which face us and the steps which must be taken if we are to direct the full force of our human resources toward maintaining the security of our nation. At the same time, we are trying to clarify what we must do if we are to build a world in which men can live in freedom and in peace.

Since we must marshal our human resources to meet these dual though coordinate objectives, it is extremely important that we begin our discussion here with a brief look at the world in which we find ourselves today.

### The World Setting

In many respects, the world problems we face now are strikingly different from those which would have been faced by an institute of this sort in 1941. Then we were mobilizing to take part in a large-scale armed conflict against known enemies who were using almost exclusively direct military methods. Today we are faced with both armed strength and a pervasive ideology. World War II was rather simple, ideologically, since our enemies clearly represented a total dictatorship with scientific overtones. Our planning today must envisage the possibility of a war with the same authoritarian principle but one with extensive social overtones. Of the two, the latter is potentially far more dangerous, for reasons obvious to every one of us.

In 1941 the underdeveloped nations of the world, particularly in the Orient and the Middle East, were just beginning to cast off the yoke of foreign colonization. Today many of these nations have learned that as a result of the technology developed largely by the United States, they are not necessarily committed to lives of poverty, disease, and illiteracy. They are in revolt, too, against the world forces which they believe responsible for their ills.

According to the Report to the President by the International Development Advisory Board—the so-called “Rockefeller Report”—over one billion people outside the Soviet world live in these areas. To them underdevelopment has a very practical and personal meaning. It means that when they are born their chances now stand at one in two of living to maturity, one in four of learning to read, and perhaps one in twenty of enjoying good health.

Their annual income averages \$80 per person as against \$1,453 per person in the United States.

They do not think they are getting a square deal, and they intend to do something about it. Even if Soviet Russia were to disarm today, the revolutions which are sweeping the vast underdeveloped areas of the world would continue unabated.

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It should be noted in passing that over half of our imports, including many of our strategic materials, come from these underdeveloped areas. They supply virtually all of our natural rubber, manganese, and tin, as well as one-quarter of our zinc and copper. One-third of our lead, one-third of our bauxite for the production of aluminum, and the largest part of our uranium ore are imported, mostly from these underdeveloped areas. Of the imports which are of sufficient military importance to be included in our stockpiles, 73 per cent in total value are obtained from these areas. They supply 65 per cent of the required imports of our allies in Western Europe.

It is obvious not only that we are faced by a powerful potential enemy, but that we are surrounded by vast areas in the ferment of unrest which makes them ripe for exploitation by international communism. We cannot contemplate their loss to the enemy with equanimity.

Ten years ago we were relatively safe from an attack upon our shores and upon our industries. Today, though perhaps secure in the initial phase from direct invasion by land, we face the possibility and even the probability that significant segments of our industrial productive capacity can be severely damaged or destroyed by enemy action in the air. It is quite plain that the United States can expect no durable national security without world security.

These are the basic factors which must condition our action. These are the factors which create the new and different realities for which we must mobilize if we are to be secure.

To deal effectively with today's realities, we must do the following things, all of which require the intelligent and wise use of our resources—especially our human resources:

1. We must create a military strength capable of deterring or destroying armed aggression wherever it may threaten us.
2. We must maintain our lead in scientific and technological fields.
3. We must develop more effective relationships with foreign peoples, particularly with those who have now joined us or who may be persuaded to join us in seeking a common security.
4. We must raise our productive capacity, both industrial and agricultural, well above present levels.
5. We must create a program for national and international development which will give stability to our own economy and increase the military and economic strength of the free world.
6. We must direct all our will and energy to the fulfillment of our own well-thought-out objectives. We must never fall into the error of being swayed by the superficial alterations of Soviet policy designed to keep our economy off-balance and our people confused.

The question of national security cannot be answered in terms of immediate national defense measures alone, for the very necessity of strong national defense is evidence of grave national insecurity. It should also be clear that short-range defense measures are not enough unless we want to live in perpetuity as a garrison state.

Within this broader setting of national security, I would like to discuss one or two of the major considerations involved in marshaling our greatest human resource—manpower—for the advancement of our cause.

## Manpower in a Democracy

Manpower is a dynamic word. It implies human beings in action—human beings motivated and driving toward an objective. It is important, then, that we understand what stimulates men to action and what sustains and what retards action. This will be a major factor in our discussions here.

It is important to remember that manpower is much broader than the industrial labor force and the personnel of the military establishment. Manpower includes every person in the nation. Even those persons not actively engaged in military or industrial activities are contributing to the formation of attitudes and behavior patterns within their families and immediate social groups. In a more generalized, but nonetheless definite way, they help to shape the concepts and systems of belief which have profound importance in the administration of national policy.

It is therefore essential that we broaden our approach to the subject of manpower so as to encompass the sum total of our people, since they are all in various ways contributing to, or withholding from, our effectiveness as a nation. For example, the fallacy of considering manpower as a commodity is evident when we consider that the individual who is in the restricted sense "manpower" during a work day will, during the course of a normal week, become consumer power, political power, and will function as a member of many institutions, each of which is playing a different but important part in the total effort.

Furthermore, as we are well aware, the behavior of people in industry and in the armed forces is conditioned strongly by experiences outside their industrial or military jobs as well as by experiences in those jobs. Consequently it is imperative that all programs directed at stimulating, guiding, or governing the various aspects of the individual's relationship to the national effort be harmonized so that they make sense in terms of his total experience.

This concept is of particular importance to the various elements of government which have responsibility for manpower planning and administration, since it is here that the illusion of manpower as a commodity presents its most serious problems. However much agencies of government may feel that manpower must be subjected to the same processes of controlled administration as raw materials and manufacturing, the inescapable fact is that people, who are in one aspect manpower, do not share this conviction. They very correctly think of themselves as free people, and of government as their instrument. They expect government to recognize them as responsible, intelligent, and total individuals.

Whenever the American people begin to detect evidences that government is proceeding upon mechanical assumptions or upon a philosophy of animal husbandry, a very large part of the effective leadership of the government is lost.

To summarize, manpower is not to be dealt with like other resources. It is the activating force for all national effort. The unique character and role of manpower, therefore, require above all else deep understanding, leadership, and wise guidance both for its effective development and for its use.

The principle we have been discussing suggests the need for a careful appraisal of just what the beliefs, sentiments, habits, and customs of the principal segments of the American people actually are and would be in regard to any policy or action under consideration. This involves continuous evaluation and flexibility based upon the changing circumstances and the reaction of the people to those circumstances. It requires also that we always think in terms of the twin faces of reality—what are the facts, and what do people believe the facts to be? Both are equally important to effective action and both are subject to change. This is true because policies which are unacceptable in one phase of our national existence receive widespread support in another phase.

This does not mean that all manpower planning and operation must be twisted to coincide with primary beliefs and sentiments, but that they must "take intelligent account of" those beliefs and sentiments. Consequently, when it is deemed necessary to plan or act in contradiction to these feelings, a calculation must be made of the importance of negative reactions, an appraisal made of the probable net gain, and cooperative steps taken to minimize these negative reactions.

In making such an appraisal, considerable reliance must be placed upon consultation with labor unions, management associations, professional societies, agricultural organizations, and racial and other groups. However, it must be recognized that although these institutions can provide a substantial amount of valuable counsel and information, they do not necessarily reflect accurately the real beliefs and sentiments of the majority of our citizens or, in some instances, even of their individual constituents. This is particularly true on matters not specifically related to the area of activity for which the organization was created.

Planning in the human resources field must therefore go beyond consultation with special interest groups and rely additionally upon collaboration with universities and other institutions which are equipped to conduct competent investigations of psychological and sociological developments and trends. This institute is an outstanding example of the kind of collaboration we need.

As a basis for our joint collaboration this week it may be useful if I outline in broad detail the steps which have already been taken, and those which are under consideration, for the full and effective use of our human resources.

## **National Manpower Mobilization Policy**

One of the first and most significant of these steps was the establishment of a National Manpower Mobilization Policy. This was promulgated by the President on January 17, 1951, on the advice and recommendation of the National Security Council.

This policy rests on three clearly stated principles. The first is that the nation expects each individual to make his maximum contribution to the common effort. The second, that each employer, public or private, will provide the opportunity and the conditions under which the individual can make full use of his abilities. The third, and last, that the government will attempt so to design and administer its manpower programs that they will draw forth voluntarily from the individual his best effort.

The policy then proceeds to state a series of objectives which have been agreed upon.

1. Persons possessing critical skills will be distributed among military and civilian activities in a manner which will contribute most to the mobilization effort. When the demand exceeds the supply, machinery will be established for allocation purposes.
2. Military personnel procurement policies will be designed to assure the best utilization of persons possessing irreplaceable skills.
3. Systems will be established for the occupational deferment of skilled persons and the deferment of an adequate number of students in training for the professions and highly skilled fields.
4. Provision will be made for the effective use of nationals of other friendly nations for work in the United States, or their services will be utilized within the borders of their own country on work of value to the mobilization program.

5. Production will be scheduled, materials allocated, and procurement distributed with full consideration of the availability of manpower.
6. New production facilities, contracts, and major subcontracts will be located at the sources of labor supply in preference to moving the workers.

In addition, the statement outlines the major types of controls upon which the government will depend if such controls are needed.

### Present Administrative Structure<sup>1</sup>

While this policy was being formulated, the Department of Defense had taken steps of its own to provide a new administrative base for the manpower program within the military establishment, by the appointment of an Assistant Secretary of Defense for Manpower. Immediately following the issuance of the Manpower Policy, the Secretary of Defense designated the Assistant Secretary for Manpower to act for him in coordinating its execution.

This coordination has taken the form of a series of decisions on the call-up of reserves and the delay of call; a plan for the qualitative distribution of manpower among the three services; and the development of an integrated and orderly reserve program to be achieved through legislation.

Next, it is important to note the steps that have been taken organizationally to carry out the President's program. The executive order establishing the Office of Defense Mobilization places upon its Director the responsibility of directing, coordinating, and controlling the various aspects of the defense mobilization program, including manpower. This is the first time we have even attempted to bring production and manpower operations under single effective control and direction.

In order to discharge this responsibility, the Director of the Office of Defense Mobilization provided for the appointment to his own staff of an assistant who would exercise leadership for him in the manpower field. In addition, he provided for the establishment of an Interagency Manpower Policy Committee and a Labor-Management Manpower Policy Committee.

The Interagency Manpower Policy Committee is made up of representatives of the Departments of Defense, Agriculture, and Labor, the Selective Service System, the Defense Production Administration, the Civil Service Commission, the Housing and Home Finance Agency, the Federal Security Agency, and the Wage Stabilization Board. Representatives of the Bureau of the Budget and the National Security Resources Board sit by invitation with the committee as observers. This committee, for the first time, provides an interagency coordinating device which can review and integrate the manpower policies of the operating agencies.

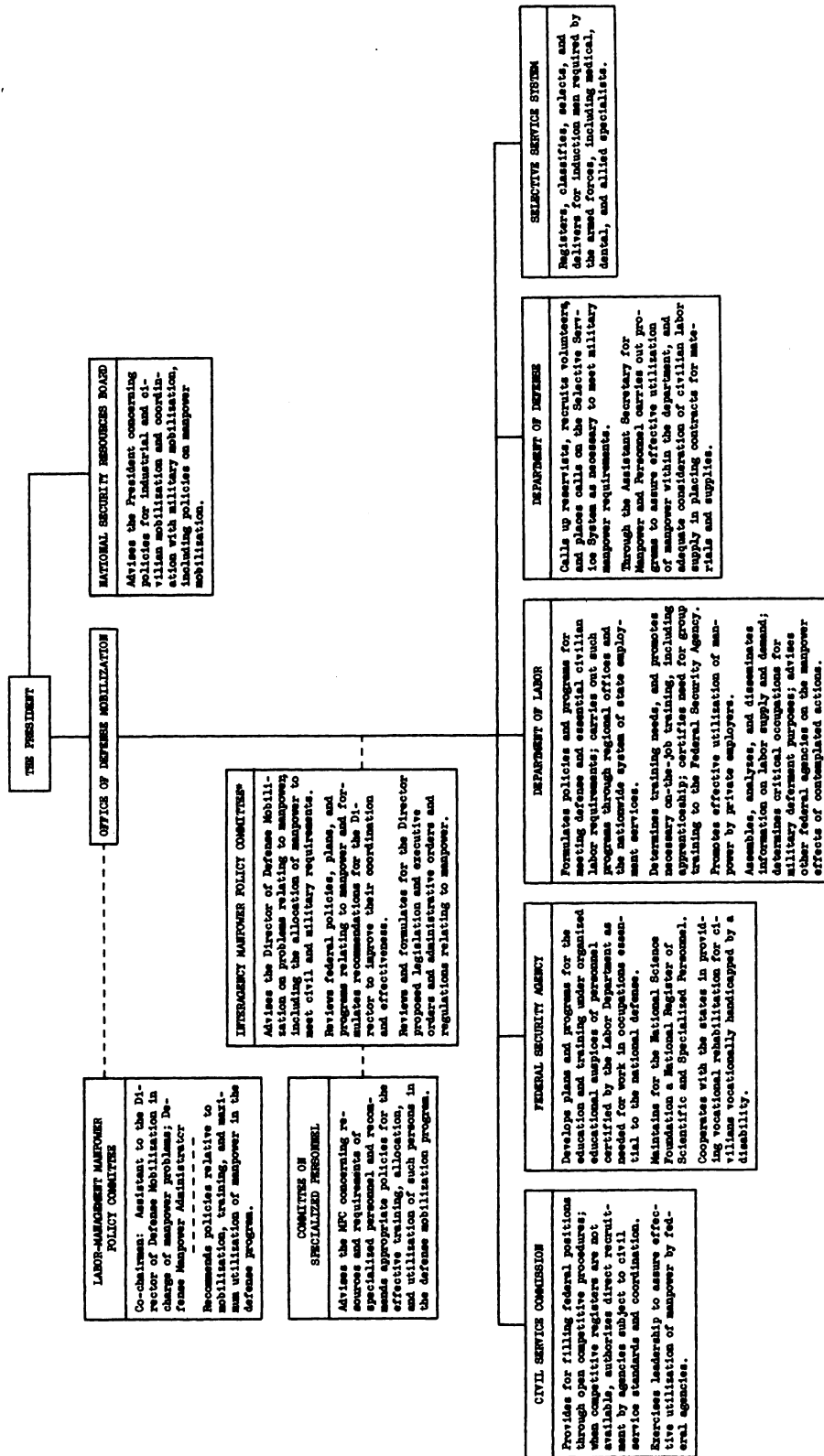
The Labor-Management Manpower Policy Committee, with the Assistant for Manpower, Office of Defense Mobilization, and the Administrator of Defense Manpower, Department of Labor, as co-chairmen, consists of seven representatives of organized labor and seven representatives of industrial and agricultural management. Counterparts of this committee have been established in regional centers and in six of the major defense areas. The local committees are under the sponsorship of the Department of Labor.

Under the procedures which have been established in the Office of Defense Mobilization, all questions of policy in the manpower field are referred to both of these committees for recommendations before any final decisions are made.

<sup>1</sup>Organization is presented graphically in the accompanying chart.



## PRINCIPAL FEDERAL AGENCIES HAVING MANPOWER RESPONSIBILITIES



\*Includes representatives of the Departments of Defense, Agriculture, Labor, and Health; Service Systems; the Defense Production Administration; the U. S. Civil Service Commission; the Housing and Home Finance Agency; the Federal Security Agency; and the Wage Stabilization Board. The Assistant to the Director of the Office of Defense Mobilization in charge of manpower problems is Chairman.

In addition, the Office of Defense Mobilization has established a Committee on Specialized Personnel to advise both of the policy committees on the training, utilization, and placement of specialized personnel. This committee includes representatives of the public.

The Office of Defense Mobilization has not developed its own staff in the manpower field. It relies on the agencies which have operating responsibilities in that field and at the same time receives assistance from other parts of the Executive Office of the President, notably from the National Security Resources Board and the Bureau of the Budget. The formulation of manpower programs and the drafting of policy papers rest largely with the major operating agencies concerned.

The Department of Labor has been assigned the major responsibility for planning and administering the civilian manpower program. It has created immediately below the Secretary of Labor a Defense Manpower Administration under the direction of a full-time administrator, who plans and directs all activities of the department in the manpower field.

The principal manpower field operations are carried out through the regional offices of the Defense Manpower Administration and through the state employment systems. We must recognize that these systems create problems which did not exist during the last war, when the state employment services were federalized. It may affect materially some of the operations and will certainly change the lines of authority.

## Emerging Manpower Policies

At the coordinating point in the Office of Defense Mobilization, a number of policy matters have been considered. They include:

1. Manpower factors in location of plants and in placement of contracts. This question was under consideration for several months. Recently the Director of the Office of Defense Mobilization issued a policy statement directing the several departments and agencies to take steps to insure that manpower considerations play an important part in procurement and plant location decisions.

The statement provides that the Defense Production Administration and the National Production Authority are to consider labor market conditions before issuing certificates of necessity or granting defense expansion loans. Procurement officials are to give detailed consideration to the manpower situation before placing contracts in areas classified by the Labor Department as defense shortage areas. (At the present time six areas have been placed in this classification.)

In addition, the director specified that agencies responsible for the allocation of materials are to consider the employment situation before taking action in the materials field. One objective of this provision is to hold down unemployment resulting from conversion from nondefense to defense activities.

2. Hours of work. Two statements have been approved by the Director of the Office of Defense Mobilization in this area. The first outlines the factors which should be considered before deciding to lengthen hours of work. The second takes a firm stand against any change in existing provisions for premium pay for work in excess of 40 hours per week.

3. Selective service policies. One of the first actions taken by the Interagency Manpower Policy Committee was to recommend approval of the plan for deferment of college students, which is now in effect.

Under present procedures, all major policy matters affecting selective service will be passed upon by the Office of Defense Mobilization. This means that the three committees referred to can make recommendations on these matters before the director forwards his recommendations to the President.

4. Federal scholarship and loan aid for college students. The present plan for deferment of college students was criticized vigorously by some because it represented favored treatment for those persons who can afford to attend a college or university. Although it is recognized that many persons without financial resources of their own can still work out arrangements to complete a college course, we cannot ignore the fact that some persons with outstanding ability will find it impossible to complete their education. A government, therefore, that finds it necessary to draft persons for service in the armed forces and at the same time finds it necessary to postpone service by some in order to provide the nation with the trained personnel needed both inside and outside the armed forces, must in all fairness do everything it can to eliminate the financial obstacles which stand in the way of higher education for its citizens. A program designed to achieve this has been approved by the Interagency Manpower Policy Committee and by the Committee on Specialized Personnel. It is under consideration by the Labor-Management Manpower Policy Committee.

5. Assistance for the machine tool industry. Several weeks ago the Office of Defense Mobilization determined that special consideration should be given to the machine tool industry. In the manpower field this resulted in the issuance of a policy statement specifying the action that should be taken by the various agencies in the manpower field in order to alleviate the present serious situation.

6. Manpower aspects of wage stabilization. A policy statement has been issued by the director which sets forth the conditions under which manpower factors will be considered by the Wage Stabilization Board. This statement sets forth the procedures which are to be followed in considering the so-called "rare and unusual" cases. This represents an interesting departure from World War II policy. During World War II, the War Labor Board was called upon by various agencies of the government to process cases of this kind. These agencies, however, presented their cases to the War Labor Board without feeling that they were bound by any general policy. The existence of a basic procedure issued by the Director of Defense Mobilization means that all agencies connected with the mobilization program will be expected to operate in accordance with the policy.

7. Specialized personnel. As I have indicated, a Committee on Specialized Personnel has been established to advise the Office of Defense Mobilization on policy matters in this area. This committee is made up of outstanding leaders in the physical, biological, and social sciences, from both inside and outside the government. At the moment they are giving primary consideration to a comprehensive review of the supply and demand situation in the field of scientific and specialized personnel. No important decisions in this field will be made without obtaining the recommendations of this committee.

It should be noted that the Office of Defense Mobilization is assigning to the operating agencies of the federal government the responsibility for carrying out the policy decisions of the director. It recognizes, however, that its responsibility does not end with the issuance of a policy statement and the delegation to the operating agencies of authority to act. Procedures are therefore being put into effect under which the agencies primarily concerned with a particular policy will present periodic progress reports to the Interagency Manpower Policy Committee and the Labor-Management Manpower Policy Committee. These reports will be evaluated by the Office of Defense Mobilization and if action by the director appears necessary, such action will be taken.

In addition to the actions already taken in the policy field, the Office of Defense Mobilization and the operating manpower agencies have a series of major policy questions under active consideration. They include:

1. Defense training. There is urgent need for a clearly defined policy which sets forth the objectives of the federal government in the defense training field. It must also provide the basis for dividing responsibility among the federal agencies involved.

While it is recognized that the initial responsibility for training rests with the user, i.e. the employer, either public or private, nevertheless responsibility remains with the government for encouragement, guidance, and a certain amount of financial assistance. It is expected that the government's plans in this field will be announced shortly.

2. Forecasting employment and unemployment levels by areas. Any intelligent national or local manpower program rests very largely upon the ability of manpower authorities to forecast employment and unemployment for the nation as a whole and by geographic area. This is, however, one of the most difficult problems confronting the federal government at the present time. For this reason a major task force of the Interagency Manpower Policy Committee, with a chairman from the Department of Labor, has been assigned to recommend improved methods and techniques for employment forecasting.

3. Pension plans and mobility of labor. It is clear that writing various types of pension plans into collective bargaining agreements could have serious effect on the mobility of labor. The Department of Labor, with the assistance of a special subcommittee of the Labor-Management Manpower Policy Committee, is developing a policy statement in this area. It has not yet been considered by either the Labor-Management Manpower Policy Committee or the Interagency Manpower Policy Committee.

4. Relationship between military manpower plans and civilian manpower planning. The Secretary of Defense has indicated that consideration is being given to a possible increase in the armed forces above the present authorized strength of three and one-half million. If this decision is made, it will highlight once again the interrelationships between selective service policies and policies relating to the recall of reservists, on the one hand, and the urgent needs for skilled industrial manpower, on the other. This will bring to the fore again, as it did immediately after the invasion of Korea, the importance of a policy for the orderly allocation of manpower between the military and the defense-supporting civilian economy.

We can all agree, I am sure, that this was not done effectively at any time during World War II. That it proved to be a difficult problem during World War II and that it is still in large part unresolved are no reasons for believing that a solution is not possible. The Office of Defense Mobilization and the agencies involved intend to give major emphasis to this problem in the weeks ahead.

During the Institute, there will be further discussion of manpower operations in the field. It is at the local level that the real job is done. But it cannot be done unless it can get the support of intelligent and integrated decisions at the national level.

The government has taken major strides toward the accomplishment of its objectives in the utilization of our human resources. The lines of organization and authority are clearer than they were in World War II. Better machinery is available for coordination. Nevertheless, the situation today is potentially far more serious—far more complex and difficult to deal with—than it was the last time.

Many of the most critical problems remain unsolved.

We are asking you to "come over to Macedonia" and help us.

## CHAPTER 3.

# CERTAIN ASPECTS OF ARMY MANPOWER PROBLEMS

**EARL D. JOHNSON \***

You have been listening to some very excellent papers here, particularly the questions posed by Dr. Peter Odegard, and the broad approach and organizational outline that Robert Clark has given you. Mr. Clark mentioned a number of policies which were formed and, to the greatest extent possible, are designed to help the operating agency in the field.

The Department of the Army is one of those operating agencies. This morning I would like to digress from the very broad approach that has been used previously and give you some specific examples of the problems which contribute to the difficulties of our operating agency in realizing the maximum effective utilization of manpower.

In the first place, we are in a different position today from where we used to be. Formerly the Secretary of the Army was really the Secretary of War. As the Secretary of War, he sat as a member of the President's cabinet and helped in the formulation of broad policy decisions. Today the role of patriarch is reserved for the Secretary of Defense, and the Secretary of the Army is really operating vice-president in charge of one service. Of course, we contribute in some measure to the policies. However, every policy in the federal government is a compromise, and sometimes from our niche down in the field we are not able and do not like to compromise. Frankly we do not have quite the broad viewpoint required. Instead we are endeavoring to do the job that has been outlined for us by the National Security Council and the Joint Chiefs of Staff and dictated by the international conditions which face the country.

### Manpower Ceilings and Limitations on Service

At the present time the armed forces, as you know, are limited to approximately three and one-half million men, and the Army to approximately one and one-half million. That figure is really misleading, because actually we total about two million persons when you figure that we are authorized an additional five hundred thousand civilians. As far as contribution to the national defense is concerned there is no difference between the man in uniform and the man in civilian clothes. The latter is just as much a part of the organization, and just as important a part, as the man in uniform.

Now, I would like to outline the conditions under which we operate. In the first place, we operate within the democratic framework. We do not want to get out of that framework. If we are building an army to protect what we have, there is no use destroying that in advance by adopting dictatorial methods to achieve our purpose.

The result of operating within this democratic framework is that we are subjected at the present time to the most anomalous condition that the Army has every faced. The Navy and the Air Force are also experiencing this problem. That is, we are charged first with mobilizing; second with developing an effective fighting force and maintaining that effectiveness at a certain minimum level; third with fighting a war; and finally with demobilizing. And we are doing all these at the same time.

\*The Honorable Earl D. Johnson is Assistant Secretary of the Army.

During the last war we were given men for the duration plus six months. The important thing is that we were given them for the duration, no matter how long it might last. Today we mobilize, we build an army, we achieve effectiveness, we maintain effectiveness, we fight an action, and we demobilize simultaneously. Today we are carrying on much the same activity as we did during World War II, but we have the added burden of doing all this with personnel who have not been committed to us for the duration of the emergency.

Naturally, people place different emphasis on different aspects of this program and, fortunately or unfortunately, they have a lot to say about it. Their demands constantly come down to us, and we are asked to work them into our planning and activity. My hat is off to the men in personnel, in G-1, for the job they have done in producing, and, at the same time, in meeting these demands.

We made certain assumptions as to personnel planning just as Korea broke. For instance, we planned on having men available to us for a certain length of time. But that condition and assumption have been changed, and changed, and changed.

The Joint Chiefs of Staff lay out the requirements and put down certain rules. Nobody in a civilian capacity has a right, really, to question their analysis of the military situation and the needs that the situation dictates in the way of manpower. It is rather our job, as civilians, to make certain that we do not have a military oligarchy established in the government which will eventually destroy citizen control over that government. It is our job, certainly, to strain and measure and weigh the decisions of the Joint Chiefs, but we weigh them not from the standpoint of whether they are necessary militarywise, but from the standpoint of whether they can be supported within the framework of the country's manpower strength, its natural resources, and its ability.

One of the requirements they put down was that of achieving a certain level of strength. We knew, from our viewpoint, that we could not achieve that level just by going out and calling indiscriminately on anybody to build up a huge manpower pool. We could not say, "We'll train these men and once we have them trained, we will hold them indefinitely." Nor could we say, "We'll train this pool to a certain level, and as we release some of them, we will bring others in to replace them."

A numerical ceiling was placed on us, a numerical ceiling which today is three and one-half million. The Joint Chiefs have determined that out of that three and one-half million we must organize and operate a certain number of divisions and supporting units. To get these within the maximum that we have been limited to requires the finest kind of timing. I think that this is important to you because this is where utilization comes in.

In the first place, we can plan on keeping men for a certain time only. One of the things that happened to cause that is this: When we found it necessary to begin to recall reservists, a very understandable hue and cry was put up by these men. I say understandable, because I probably would have entered into it had I been called in. My life has been interrupted twice for military service, and I just do not want it interrupted again.

These boys had had recent experience in military service. While it is true that they were drawing some pay benefits and were looking forward to retirement benefits in the future, most of them were not really positive in their minds that they were ever going to have to serve again. The time came when they were called unexpectedly. The result was that they said, "I made my contribution in the past. I gave three years, four years, or whatever it was, and it is time that somebody else made a contribution." Well, this naturally found its way to Congress. Congress, in turn, rightfully said, "This is a great segment of the population. It deserves representation in law." And they immediately put down in the law the limitation that at the end of seventeen months we had to release every reservist called as an individual. Then, of course, in the National Guard and in the Organized Reserve Corps units there were also a large number of veterans who had

made their contributions previously. Congress established a twenty-four-month limitation on the service of these men.

The other day, the appropriations committee of the House added another qualification. This is introduced in a provision that no funds contained in the proposed appropriation can be used to pay a reservist with twelve months' World War II service if he is kept on his current tour of active duty beyond one year. So, now we have a possible twelve-month category to be released from service.

The result of all this can probably best be shown by use of an example. Let us take an individual whom we have recalled to service. We planned originally to keep this man in for twenty-seven months. That was what we were told to base our planning on. It has turned out that we are going to keep him only seventeen months.

Individuals called in as members of units, either in the Organized Reserves or the National Guard, can be kept for twenty-four months. A new category has now been introduced whereby we would have to get a large number of reservists out at twelve months. So we have a group to release at seventeen months, a group to release at twenty-four months, and a group to release at twelve months.

What does this mean as far as the individual and his utilization by the Army are concerned? Let me take, by way of example, an individual reservist who will be used in overseas combat which is, of course, our primary requirement. First of all, when we recall this individual we have to give him refresher training. To be fair to the man and to the country we should keep him in training three or four months before we send him overseas. After his training, we use up additional time because it is necessary and desirable to give him a little pre-embarkation leave. It is then necessary to process him through a port of embarkation. When he arrives overseas, he must be given another period of training to acquaint him with his unit and to teach him something about the difficulties and problems of his particular sector and his specific assignment. We have used additional time over there. Finally, he is ready for full utilization.

Remember that this man can be kept in for only seventeen months. Before that seventeen-month period is finished, he must be returned to the United States and processed for separation. During this whole period of service, he has also been accumulating leave credit, and this must also be absorbed within the seventeen months' time.

When you consider all of these various processes and the length of time each takes, you find that we are actually able to utilize this man fully a total of about forty per cent of the seventeen months he is on active duty. We are able to get forty per cent effectiveness, from the standpoint of time, out of this man.

Unfortunately, even this is too high an estimate. An additional problem is created by the manner in which we must send these individuals overseas. We cannot stagger them in shipment, sending them one at a time as they become available. We send a large number of them over in a group. However, when we get ready to return them to the United States we cannot pull all of this group out of overseas assignment at once. If this were done, the combat unit would suffer, would be of no value to us. Our main concern must be to maintain the efficiency of the unit. It has to continue fighting. So we can only take a few individuals out at a time. It is necessary to stagger our demobilization, and this staggering has to be accomplished within the seventeen-month period. Actually, then, our percentage figure gets down to something like thirty-six per cent. Thirty-six per cent of this individual's time on active duty can be used to full advantage.

What happens in the case of the individual also happens in the case of the unit called to active service. Let us consider a National Guard division, for example. This division comes in at about fifty per cent strength. Actually it comes in with almost one hundred per cent officer strength, for the civilian components have had more success in attracting officers than enlisted personnel. The enlisted strength is actually somewhat below fifty per cent.

Before this unit goes abroad, it has to be built up to full strength. What we do is build it up to approximately one hundred and ten percent of strength because we expect to lose about ten per cent through injuries, sickness, and so on. This means that from one-half to two-thirds of the National Guard division has not been training with that division prior to entry into active federal service. A considerable portion of the so-called untrained filler group will be made up of selectees who have had no training, basic or otherwise. We must therefore usually figure on giving that division, on an accelerated basis, nine months' training on active duty.

Here, too, we must deduct the time spent for leaves and processing and transportation. In addition, to send a division overseas we have to provide divisional equipment, which also takes time. And the possibility is always present of changes in the international situation which might require large changes in the disposition of these units.

Eventually the division is overseas. Again the primary emphasis must be to maintain the efficiency of the outfit so that it is impossible, when the time for demobilization comes around, to take out this division all at once. The Joint Chiefs have determined that the unit must be kept as an operating force. However, the individuals within that division can be kept on duty for only twenty-four months. It is necessary therefore to start turning over the personnel of that unit some months in advance of the end of the twenty-four-month period, which date will be the same for a large portion of the personnel. Let us say it takes four months to completely turn over this personnel. When we take into consideration the time used up in traveling and by leaves which these individuals have earned, we find that we probably have about forty-five days remaining in these men's twenty-four months. What are we going to do with those forty-five days? Are we going to send these men to Camp Hood or Fort Knox? If we do, they are probably going to have to find a place to live. They have been overseas; they now want to live with their families. If we assign them to one of these places, we will have to help them find quarters for those families. And all the time this forty-five-day period is dwindling. Rather than put them on duty, we let them go because it will actually save the government money. In reality approximately three-fourths of the men in these units will not therefore be kept in service for the twenty-four months that have been allotted to us.

All this has to be done within the framework of the three and one-half million men, of which the Army's portion is one and one-half million. We are in the terrible predicament of having to maintain fighting effectiveness and at the same time meet this problem of depletion.

This chart (see Figure 1) illustrates much the same things, in reference to officer personnel. The solid line shows what we are authorized. Congress then imposed a provision that will lower our effective strength from that authorized to the one marked "17 months." The comeback in this group is figured by making allowances for such things as canvassing every officer and asking him personally if he is willing to stay beyond the seventeen months. It also takes into account such things as accelerated output from Officer Candidate Schools and from the Reserve Officers' Training Corps. Then the twenty-four-month provision comes in and knocks us down to the 24-month line. And if that twelve-month provision hits us (see 12-month broken line on chart), I do not know where it is going to land us. Remember, we are supposed to be at full authorized strength.

The problem is not one of whether we know how to utilize manpower so much as of whether we can get the right kind of ground rules which will allow us to employ the personnel we have. I do not mean to imply that this is Congress' fault. Congress represents the will of the people.

There is one other major difficulty here—the problem of universal service. The people and Congress have demanded universal service, and in a democracy they have a right to demand it. I for one am very much in favor of it.



# OFFICERS

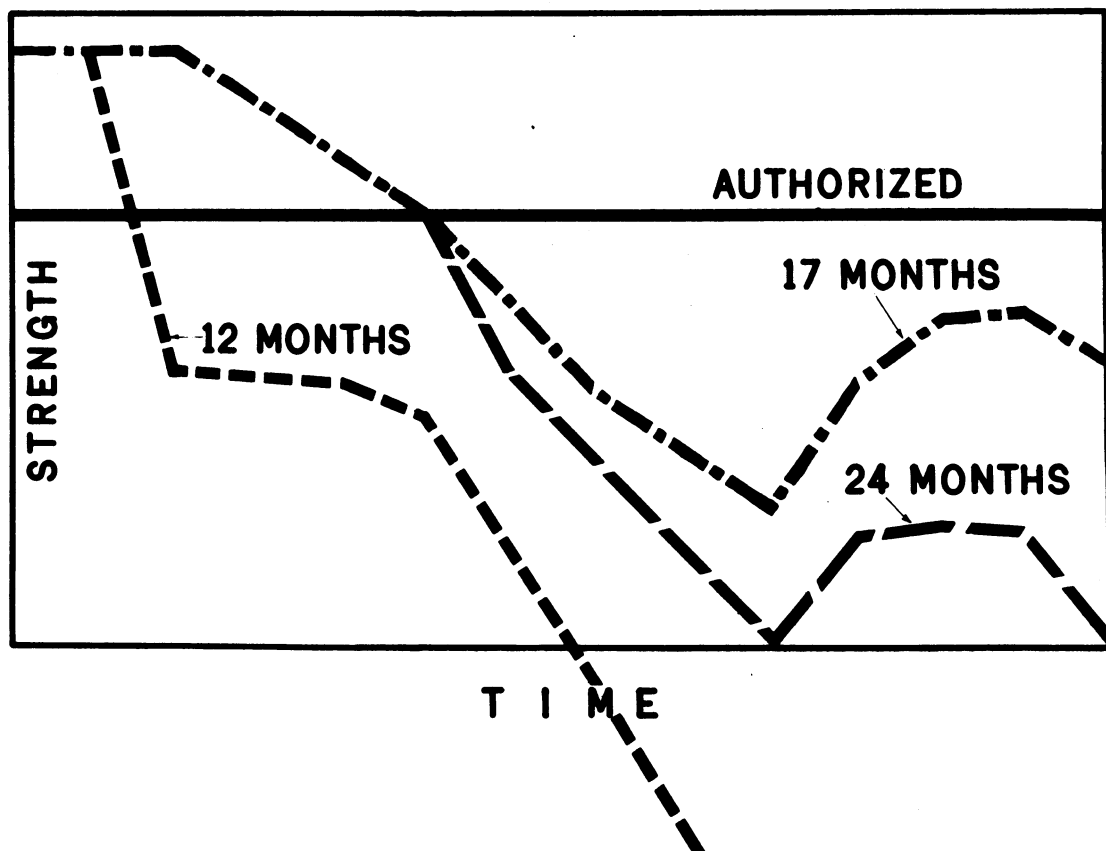


Figure 1

Service must be universal or it will not be democratic. This problem is magnified when we take into account the lower mental group. Efficient phasing in and phasing out of such personnel is a distinct difficulty when there is such a limited time in which to work. We do not really have the opportunity to separate the more intelligent boys from the less intelligent. The result is that we must give them all the same kind of over-all treatment and push them on, for in a very short time their period of service will have expired.

## The Use of Specialists

So much for the stipulated terms of service and their effects. I would like to touch on another area about which Dr. Trytten and I have talked in my office—the Army's use of specialists. I think it is necessary for everybody to understand just what we mean when we use the term "specialist." To his mother, Johnny is an aviation specialist because he has had an interest in model airplanes since he was eight years old. When he came into the service, he ended up in the Army instead of in the Air Force. In his mother's mind, he is being wasted. That is a type of specialist which you have to rule out of your thinking. But, the Army has a peculiar demand for specialists of a type for which there are no civilian counterparts. I am going to use Dr. Trytten's explanation again and again—the idea that a critical specialist is like water on the desert. There water is critical. In Maine or some place like that, where there are lakes and rivers everywhere, water is surplus.

What is critical to the Army is its own type of specialist, the type which is in short supply. If you want

to find out what a short-supply specialist is, try to find a fellow who can shoot a rifle straight. Under present circumstances we cannot expect that a man living in a Park Avenue apartment has learned to shoot a rifle. I was born in the Middle West and raised in the Middle West and Far West, and it was inconceivable to me that men did not know how to handle guns until they got into the Army. But that is the situation, and it is not improving. This lack of familiarity with guns and explosives—pardon the pun—is an “explosive” situation as far as the Army is concerned.

Another thing we have found is that the individual with specialist training always wants special handling. He wants to be set apart. Frankly that goes for any of the professions. Unfortunately, the Army deals in such mass numbers that separate treatment is a terrific problem. However, we should be able to lick that problem. An electronic computer can give you the position of the moon at  $x$  months ahead in seven seconds, a process that formerly required months of collaborated studies in astronomy classes in multitudes of universities. If this can be done, we should be able to find a way to treat individually our large mass of personnel. Machine records will be a godsend when we get them completely set up, but today we are just beginning to move in that direction.

In the meantime we are faced with the problem that we must have men who are combat trained. This applies to the electronic specialist because there is electronic equipment at the front; it applies to engineers because they must operate at the front; in reality it applies to every type of personnel. The best example I can give you is one that General Michaelis, about whom you may have read, told me several weeks ago. At one time in Korea he was required to hold a perimeter with a very minimum number of soldiers. At the same time he had to meet a levy, to send the men back to the rear echelons to protect a rear area where there were plenty of personnel but where there were simply no men who knew how to handle rifles.

We have had to train these men for the type of fighting we are likely to face from our potential enemy. He uses certain tactics for which we must make allowances. One of these is vertical envelopment. From what we read he may employ vertical glider troops, parachutes, and everything. These would be aimed at rear area installations. That means that every soldier, whether he be firing a long-range gun or working in a warehouse or supply depot, has to be trained in self-protection and in protection of the installation. I can also mention the infiltration tactics which have always been strong points in the operations of the enemy.

However, it is extremely difficult to sell to the public, or the individual, or his family the idea that it is necessary for a physicist or engineer or what-have-you to get this type of training. But we would be derelict from the standpoint of protecting the country's chances for success if we didn't give everyone this kind of training.

## Combat Rotation

There is another problem closely related to a consideration of critical specialists and that is combat rotation. We have given top priority to the return of combat veterans from Korea. This has been found desirable from the point of view both of individual morale and of unit efficiency.

However, rotation is complicated by a number of other factors involved in utilization of manpower. For example, committees are constantly going out and investigating our installations. They take a look around and they say this job can be done by a woman, this one by a physically handicapped man. They ask, why isn't this soldier at the front line? So we fill these jobs with women or handicapped personnel; then we begin to rotate. Remember, we are still operating within that three and one-half million personnel—in the Army, one and one-half million. Now with what are we going to rotate? Are we going to furnish physically handicapped and women personnel as replacements for those rotated out? The answer is obvious.

If they would give us another one million men, it would greatly simplify this problem of rotation, but it

cannot be simple when the laws are constantly changing and when we are being asked to meet certain pressures for the use of the physically handicapped and women. However, that does not mean that we are not going to use this personnel to the maximum extent.

### The Enlisted Specialist

And that takes me to another point which I would like to cover here—obtaining maximum use of and preserving the scarce specialists, those in the natural sciences, in engineering, and so forth. For the moment I am disregarding the older scientists, the men who have achieved substantial maturity in their professions. I am talking now about the fellow in the earlier age bracket, particularly the young specialist who has volunteered or has been selected for active military service.

In 1948 a rather comprehensive study was completed, and efforts were begun in January, 1949, to identify these specialist enlisted men. When they come into the processing center, we screen them to the best of our ability. During the basic training period we continue to screen them. We have been able to achieve a fair amount of success. As a result we have uncovered a considerable number of these men. We have, in a sense, exempted them from combat at the front and have put them in specialized work.

To show the results that have been achieved, let me cite two examples. In the Redstone Arsenal, which is a guided missile installation, we have placed approximately one hundred thirty of these enlisted men who are working alongside senior officers and senior civilians, in the same capacity as if they were in a commercial laboratory. The Signal Corps Engineering Laboratories also have a number of these enlisted specialists. We went back the other day to see how many of these men have actually been handled in this fashion, and I find that between January, 1949, and July, 1951, we have placed some six thousand men under this program. These are men below the age of twenty-six. That means that we have screened tremendous numbers in order to pull out those few for special assignment.

In the quarter beginning April 1, 1951 and ending June 30 of the same year, 1,946 such individuals were placed. I mention this to show you the improvement which is taking place, and the fact that we are not ordering everybody into a trench. That is important progress, but it is not enough. We know it is not enough and we are at the present time having the Comptroller of the Army work on a study, which is approximately eighty-five per cent complete, to provide Army-wide planning and programming of scarce manpower requirements and resources. When we finish that, we will have a major platform from which to take another step forward.

### Army Civilian Personnel

In your deliberations here you will probably be talking more about civilian manpower than about military manpower, and it is only right that I touch at least briefly on that subject. In the first place, there are some five hundred thousand civilians in the Army alone. That is approximately the same as the size of the Army prior to Korea.

These civilians are indispensable to the Army, and there are certain factors reflecting their motivation and affecting their utilization which are worthy of mention. The first is their position in the Army structure. By nature, the top jobs in the Army are filled by uniformed personnel. Yet many of these civilians know that they are specialists in the fields in which they are operating, and that in many cases they are more technically competent in these fields than the men under whom they are working.

The second factor is the position of the public servant in the public's esteem. If you are a Republican, you curse if you mention a Democrat. If you are a Democrat, you curse in mentioning a Republican. And

both curse in mentioning the public servant. The important fact is that, while these people are not immune from error or criticism, they still are individuals and must be treated as such. As Mr. Clark has pointed out, we cannot take the animal husbandry approach in handling this personnel.

The third major problem is their job security. Now we have, let us say, five hundred thousand in the Army today. A year ago we had two hundred and some thousand. It is possible that a few years hence we will be back to the two hundred thousand level, and every one of them knows it. The result is that we do not attract long-term career specialists of the same quality that industry can get or that we would like to attract.

We have recently gone into this civilian personnel problem in great detail and we have set up four goals. One of them is a little like a millennium; it probably will never be achieved; we only hope to move in that direction. That is, we would like to give a man an opportunity to advance, perhaps to a position as a deputy, a permanent deputy to a top military officer, where he would serve to give continuity to the department. We cannot say we are going to do this, but perhaps that would be a desirable approach. At any rate, we have to give these civilians opportunities for advancement and for personal development.

Second, we need greater range in flexibility in the pay scale. The people at the bottom who are not worth as much as they are being paid should not be paid what they now receive. The people at the top who are worth more ought to be paid more. When we reach that point, we will have achieved a differential affecting the dignity of the individual.

Third, we have to give them in some way an increased job security. If we cannot do anything else, we may have to give them a severance allowance to permit them to readjust at a critical period in their lives. If we do not do this, we are not going to be able to get the people we want.

Finally, we have to give them prestige where prestige is due. If the success of a department is the result of the civilian group, the civilians as well as the military should be given some of the kudos. And we have to give them public recognition as well as recognition within the system.

## Conclusions

Now, I have a number of other things that I would like to cover, and I will pass over them briefly in conclusion. There are three or four elements I consider particularly important.

In the first place I want to re-emphasize what Dr. Odegard mentioned about manpower. As we look at it, it is not the manpower of the United States that is important but the manpower of the free world. Among my responsibilities is the Office for Occupied Areas, which includes Japan. I can tell you that the Korean operation resulted in the employment of over fifty thousand indigenous personnel in Japan, which shows we have not confined our viewpoints to the borders of the United States. What you also may not know is that a significant part of the success of the Berlin Airlift was due to some twenty-eight thousand German mechanics who performed major echelon maintenance on our aircraft. We look ahead in our planning to the continued use on a broader scale of foreign nationals, particularly within the boundaries of their own country provided, of course, that they are members of the free world.

A second thing I want to mention is a basic philosophy underlying our activity, which I hope we can make into a reality. We say that in the Army there shall be "a minimum curb on competence." I think at the present time we are moving strongly in the direction of achieving this. We are redesigning our promotion system—we have redesigned it—to permit men to move forward on a basis other than that of seniority. I have been in private business and I know that the Army is not alone in having the problem of preventing these curbs on competence. I have gone to many a meeting of top management where suddenly some new face appeared. I have wondered why it was not some other man. A check back revealed that there were "X" number of

shares in that man's name or in his relatives' names. So there are other things than competence that determine remuneration and position in business. That is certainly equally true in the services. Our watchword, however, is that there shall be a "minimum curb on competence."

Another thing, and these are conclusions that I am giving you, is something that has been considered by the Armed Forces Policy Council in a meeting with the Joint Chiefs of Staff and other officials of higher echelons of government. We want to experiment right now, while we still have the time, in the use of sub-marginal personnel. We want to find out how to employ the physically handicapped, how to utilize those individuals with lower mental qualifications and with minor emotional problems. We regard the present as the time to experiment. We do not want to wait until the emergency hits us, until we are locked in a struggle for survival when we cannot experiment. A refusal to experiment now might even be the thing that would defeat us.

Last, I would like to touch the question as to whether or not we can afford, from an over-all national defense standpoint, to continue racial segregation. Prejudice is something which every man possesses. I think I have the minimum, but I would be the last to say that I have none. It is not a question of whether we can afford to indulge in a little of this prejudice, or a lot. It is rather a question of whether or not we can afford to let these pools of manpower go untouched. There is another thing, too—I for one want to see every section of the country make its contribution to the front line, and take its casualties there. I do not want to confine those casualties or contributions to one select group or one section of the country.

## CHAPTER 4.

# MOBILIZATION OF MANPOWER FOR DEFENSE

**ROBERT C. GOODWIN \***

Robert Clark has very ably set out the broad policies and organizational structure for our national defense manpower program.<sup>1</sup> He also indicated some of the world-wide implications of our long-range national security goals for which American manpower is required. I am in complete agreement that the real scope of our national responsibilities as a world power must be appraised in the broad terms which Mr. Clark has outlined.

However, it is my task to indicate within this broader context the nature of our defense manpower problems and to suggest the general strategy by which they can be solved.

In considering our manpower problems of today, there is a natural tendency to think in terms of the problems of World War II. Likewise, in planning our manpower strategy, there is a strong inclination to apply the approaches and methods which characterized our wartime operations. While much of our war experience has great value in our present situation, it is essential that we keep constantly before us the realization that the manpower problems of all-out war are vastly different from those of long-term defense mobilization. Whereas in World War II we had as the single focus of our attention the achievement of our utmost strength as quickly as possible, today we are confronted with a problem of timing, balance, and longer range management of our manpower resources.

In short, our whole program must be geared not to the specific situation of war, but to an intricate set of variables, in which war is only one of the possible situations which may confront us.

### National Mobilization Goals

To provide for dealing with these various possibilities, the nation has established three main mobilization goals: (1) to increase the size of the armed services to a level of three and one-half million and to maintain that level; (2) to increase defense production to the point where our armed forces will have needed equipment and supplies and will, in addition, have a reserve stock of key equipment sufficient to meet the needs of the first year of an all-out war; and (3) to build up our basic industrial capacity so as to support either the demands of an all-out war plus minimum civilian requirements, or the continuing needs of partial mobilization simultaneously with high-level civilian output.

Each of these goals, while related to the others, makes different manpower demands and each has a different time schedule.

The armed services have virtually reached their desired strength of three and one-half million and hereafter should make little net demand upon the labor forces.

Defense production, which is just now beginning to make substantial labor demands, will rise steadily. Deliveries of military hard goods are scheduled to triple in the next year. Peak demand for manpower for defense plants is likely to be reached during 1953.

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<sup>1</sup>See Chapter 2 above.

The program to increase productive capacity has a longer time schedule and, while some labor demands will develop during the construction phase, the need for production workers is not likely to become significant until about the time military production levels off in 1953.

On an over-all national basis, we have manpower resources necessary to meet the needs of the defense program. It is estimated that some four and one-half million additional defense workers will be needed between now and the end of 1952, by which time total defense employment will have reached about eight and one-half million. With unemployment at a low level, these workers will come, in approximately equal numbers, from the enlargement of the labor force and from nondefense employment.

### Basic Considerations in Labor Supply

To state that we can meet our manpower needs in the aggregate in no way underestimates the enormous manpower problems that must be solved. Our labor markets, with very few exceptions, do not operate on a national basis. Problems will arise when we try to provide the right kind of workers to the right industries in the right communities at the exact time they are needed. And as we approach our immediate problems we must also be concerned with our long-term needs and with the possibility that the international tensions which lead to partial mobilization may at any time require full mobilization. The solutions that are developed to meet our current manpower needs must therefore also contribute to our ultimate strength and must form a base for full mobilization if that should become necessary.

In developing our defense manpower policies and programs, we must take into account certain basic social and economic considerations. We solve our problems "with the consent of the governed," and in the spirit of our traditions. This need frequently determines the nature, timing, and scope of our manpower programs.

Second, and closely related to the first point, we must bear in mind that manpower resources differ significantly from all our other economic resources. It is impossible to separate the human element involved in manpower from the economic contributions which it makes to a defense economy. We can distribute our supplies of materials and direct the use of our productive capacity to insure the maximum use of these resources for the defense effort, but our manpower resources are human beings, Americans with hopes and ambitions, accustomed to freedom of decision and of occupational choice, concerned with job and old-age security and with home and community ties. Each of these traits plays an important part in the motivations underlying our manpower problems, and in the policies and methods we adopt to utilize our human resources. This is particularly true in a defense period in which the motivations of war are not present.

Third, because the program of partial mobilization will affect American communities unequally, a very large part of the defense manpower program must be developed and executed in each individual labor market area. While this in no way minimizes the need for proper national manpower policies and programs, it does emphasize that effective organization in the local communities is the key to a sustained defense manpower program.

At the present time there is inadequate recognition of this fact. Over fifteen thousand local committees for defense purposes have been organized by federal agencies alone. Additional committees for these purposes have been set up by state, county, and municipal governments. Even so, the number of individuals participating in community defense programs remains relatively small.

It is imperative that a more broadly based and coordinated approach be taken to the problem of mobilizing local communities to deal with defense-created problems. Otherwise duplication and competition are bound to occur. This can lead to a fragmentation of community leadership and morale and possibly to an impairment of the community's competence in meeting its own special problems.

## Civilian Manpower Programs for Defense

It is with full recognition of these considerations that the Defense Manpower Administration is developing and conducting civilian manpower programs for defense. I would like to indicate some of the major manpower objectives which we have established and briefly discuss some of the measures designed to help reach those objectives.

A primary objective of the defense manpower program is to meet our manpower requirements through voluntary methods. This means that effective efforts must be made to influence the employment decisions of workers and potential workers so that they voluntarily serve the defense program in that spot where their contributions are most needed. To do this, more and better labor market information is needed. Accordingly, our programs for gathering information on manpower resources and requirements--by area, industry and occupation--are being sharply expanded. As a corollary, increasingly active programs are being undertaken to get this information to procurement and production agencies and to employers and workers.

We have established regional and area Labor-Management Committees to help determine what labor market actions are required and to assist us in obtaining voluntary community support of those actions. Additional programs are being worked out for housing and community facilities which will enable workers to enter the labor force, or if necessary, to migrate to areas having acute labor demands. Experience has shown that American workers are willing and anxious to contribute to the defense effort once they are informed how they may do so and impediments are removed which prevent their doing so.

Our second major objective is to conserve and expand our stock of essential skills. The great strength of this nation lies, in large part, in our scientific, engineering, and industrial skills. While we are concerned with occupational skills which can be developed within a relatively short period of time, we are much more basically concerned with skills which require extended periods of training. It is these highly developed skills which limit production as well as military and research efforts.

Accordingly the Defense Manpower Administration has embarked on a program to obtain much more complete information on our resources and requirements of key skills and to establish national training goals for each such skill.

Recently, on the recommendation of the Selective Service System and other departments of government, including the Defense Manpower Administration, the President announced a deferment program for college students designed to assure a continuing flow of professional and technical manpower. A similar deferment program for apprentices in highly skilled industrial occupations is now being worked out.

The Department of Labor is giving close attention to the identification of training needs, particularly for key occupations requiring lengthy training. It is working in full collaboration with the Federal Security Agency in promoting training programs to meet these needs. In the skilled trades, the department's Bureau of Apprenticeship is giving primary attention to increasing apprenticeship in industrial occupations critical to the defense program.

Perhaps the most immediate means of conserving our key skills is more effective utilization of manpower already having those skills. Consequently, a third major objective is to improve the utilization and productivity of the labor force.

To help get at this problem, the National Labor-Management Manpower Policy Committee has established a standing subcommittee on manpower utilization to work with the Defense Manpower Administration. The Bureau of Employment Security has already undertaken a program of improved utilization of scientific



and engineering manpower in conjunction with federal, state, and local governments and with management and professional organizations. Emphasis is likewise being placed on relaxation of employer hiring specifications relating to age, sex, physical qualifications and handicaps, and minority group membership.

Safety and industrial health are among the most important measures for achieving greater manpower productivity. Accordingly the Bureau of Labor Standards is developing an expanded program in these fields.

The fourth major objective of the Defense Manpower Administration is to achieve distribution of labor requirements as widely across the country as possible. This is done by working with procurement and production agencies to assure that, whenever feasible from an economic and security standpoint, production facilities, prime contracts and significant subcontracts are located at the sources of labor supply.

### Planning for Full Mobilization

We cannot forget that war may be thrust upon us at any time. Therefore, our fifth major objective is to continue planning for the contingency of full mobilization. This involves, first of all, a more adequate appraisal of manpower resources and requirements to meet both military and civilian needs at different levels of mobilization. Among the significant developments in this field is the Bureau of Labor Statistics' project on inter-industry economics—frequently referred to as "input-output" studies.

The first phase of this project is nearing completion and will provide greatly improved techniques for estimating production requirements for different levels of mobilization. From these, manpower needs can be estimated much more accurately than in the past. These studies have great significance for the whole process of testing to determine the feasible sizes of military forces and their relationships to components of the civilian economy.

Re-evaluation is being made of World War II job control measures and attention is being given to practicable alternatives within the general framework of voluntarism.

Manpower planning for the eventuality of war cannot rest simply with consideration of our own manpower resources. Our potential enemies have shown themselves to be very resourceful in organizing manpower and other resources of their satellites into a coordinated system designed to utilize fully the resources of all. Our national security requires that we give equal attention to coordination and utilization of the resources of the free world in its resistance to communist imperialism.

If we are to maximize our strength to resist aggression, we must be directly concerned with the full utilization and high productivity of the manpower of the free nations. This means that manpower considerations, both in this country and in others, should be taken into account in decisions on international materials allocation, production scheduling, and development and investment abroad. In addition there is a need for specific policies and operating programs to assist other countries in developing manpower and related measures which will promote optimum distribution of their manpower resources, effective manpower utilization, and high labor morale.

The Department of Labor is cooperating fully in the development of international manpower programs and in training technical teams from friendly nations in the elements of manpower administration. I cannot repeat too often that it is not this nation's manpower alone, but the manpower of the free world that must be organized and utilized if we are to attain maximum national security.

**PART II.**  
**DEVELOPING A SOUND MANPOWER POLICY**  
**FOR PROLONGED CRISIS**

## CHAPTER 5.

# CRITERIA FOR A MILITARY MANPOWER POLICY

**ELI GINZBERG \***

The opinions expressed in this paper are my own and are not in any way intended to represent the official position of either the Department of Defense or the Department of the Army. I stress this fact because during the past nine years I have been engaged continuously, full time or part time, on studies of various aspects of military manpower for the War Department, the Department of the Army, and the Department of Defense. Moreover, during the past year I have been serving as an active consultant on manpower and personnel to the Secretary of the Army.

The statistical data and other information supporting the analyses and conclusions developed in this paper are in large measure a by-product of our current research investigation at Columbia University on the conservation of human resources. One important facet of this large-scale project is the evaluation of selected problems of military manpower, particularly those concerned with the selection, utilization, and separation of marginal personnel—those with limited education and those characterized by some form of emotional disturbance.

### Military Manpower Policy and the Army

This paper will present data dealing primarily with the Army, supplemented by information pertaining to the other services. This emphasis derives in part from the fact that my own experience has been limited mainly to the Army. However, this emphasis would be indicated in any case. Up to 1947 the Army included the now independent Air Force. Although there was not a great difference between the strengths of the Army and the Navy in peacetime, the Army was consistently the larger service. And in World War I and again in World War II, it was the Army which experienced the greater expansion. The following table summarizes the relative strengths of the Army and Navy in peace and war. In this table the Army figures include the Air Force, and the data for the Navy include the Marine Corps.

	Army	Navy
Average Strength, 1915	106,000	67,000
World War I (peak strength)	3,665,000	600,000
Average strength, 1935	132,000	112,000
World War II (peak strength)	8,291,000	3,887,000

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James K. Anderson of the staff of the Conservation of Human Resources Project has been responsible for the statistical data in this paper and has otherwise assisted in its preparation. The personnel divisions of the Army, Air Force, Navy, and Marine Corps assisted the project in developing comprehensive military personnel data of which use has been made in this paper. In utilizing the available information about the flow of personnel into and out of the armed services, the project also received assistance from the staffs of the Veterans Administration and the Selective Service System. The author acknowledges the assistance he received from several friends within the Department of the Army who reviewed the data and analysis for accuracy and who helped him to avoid certain errors of fact and interpretation.

It is the project's present plan to publish early in 1952, in connection with its work on the conservation of human resources, a monograph entitled "The Essentials of a Military Manpower Policy," which will treat more comprehensively the problems discussed in this paper.

Although the Air Force was independent at the outbreak of the Korean war in June, 1950, the Army was still the largest of the services and accounted for more than forty per cent of the total strength of the armed forces. During the first twelve months of the Korean war, the rapid expansion of the Army which took place during World War I and World War II was repeated. In June, 1951, the Army accounted for approximately fifty per cent of the strength of the armed services. The following tabulation presents the relative expansion of the services during that year.

	June, 1950	June, 1951
Army	591,000	1,550,000
Air Force	411,000	737,000
Navy and Marine Corps	456,000	899,000
Total	1,458,000	3,186,000

So far the data presented have dealt with the relative size of the armed services in terms of personnel on active duty. These data should now be supplemented by a comparison of the strengths of the reserve components. Prior to World War II (1935), the total reserve forces of the Army, officer and enlisted personnel combined, were in excess of 300,000. The comparable figure for the combined Navy and Marine Corps was approximately 50,000. However, the Korean crisis revealed many weak spots in the reserve structure developed after World War II, and since the armed services are currently involved in reorganizing their reserve forces, the current strength data are not very significant.

The foregoing tabulations substantiate the contention advanced earlier that the focus must be on the Army in any discussion which aims to assess the impact of a military manpower policy on the country at large and on the armed services. Furthermore, it is the Army rather than the Air Force or the Navy that most frequently relies on compulsion to procure its personnel. Of course, the ability of the Air Force and the Navy to rely on "volunteers" in periods of rapid expansion, during which the Army is securing its personnel through selective service, is a direct function of the Army's use of compulsion. Many young men in the eligible draft ages, recognizing that they will have to serve, seek to volunteer in the Navy or the Air Force rather than to be inducted into the Army.

There are various reasons why the Air Force or the Navy should be considered the preferred service by most young men, but none is more potent than the knowledge that the chances of survival, especially without injury, are greater in these services than in the Army. This can be illustrated by contrasting the casualty figures of the armed services during World War II and in the Korean campaign.

During World War II there was a total inflow of 10.2 million men into the Army (including the Air Corps); the proportion of Air Corps strength to total Army strength was about 30 per cent. The Army as a whole suffered a total of 950,000 casualties, of which 175,000 were killed in action and an additional 175,000 were missing in action, captured, or interned. Of the total Army casualties, the Air Corps suffered 116,500 or approximately 12 per cent. The Air Corps casualty ratio was 4 per 100 men taken in; the casualty ratio of the Army (excluding the Air Corps) was 12 per 100 men taken in, or three times as high as that of the Air Corps. There is one exception, however. The casualty rate among Air Corps officers accounted for almost 50 per cent of total Army and Air Corps officer casualties. It looms even higher when the comparison is limited to those killed in action (14,000 out of 25,000), or to those missing in action, captured or interned (27,000 out of 34,000). However, these figures are completely dwarfed by the casualties suffered by the Infantry, which are summarized below:

	Total Casualties	Killed in Action	Wounded	Missing, etc.
Officers	34,000	6,900	24,000	3,100
Enlisted Men	633,000	109,000	451,000	73,000

The inflow of men into the Navy during World War II totaled approximately 4.2 million. The casualties for the Navy, including the Marine Corps, amounted to 162,000 of whom 57,000 were killed in action or subsequently died. This provides a casualty ratio of less than 4 per 100 men taken in, a ratio roughly equal to that of the Air Corps. However, exclusive of the Marine Corps (which accounted for more than 50 per cent of the total Navy casualties, although representing but 12 per cent of total Navy strength), the Navy casualty ratio is reduced to 2 per 100 men taken in. The Marine Corps casualty rate, 17 per 100 men taken in, was higher than the Army rate. That the Marine Corps can still attract volunteers despite high casualty ratios in wartime is probably a function of the relatively small numbers and high morale of the Corps. However, General Cates announced on June 26th, 1951, that the Marine Corps would have to resort to the draft to attain its authorized strength of 204,000 officers and men.

The Korean experience presents even more striking comparisons in the casualty rates of the services. As of June 15, 1951, the cumulative total of casualties since the beginning of the Korean war was:

	Number of casualties	Killed in action	Missing in action, etc.
Army	60,495	9,011	11,272
Navy	834	128	87
Marine Corps	11,623	1,523	276
Air Force	652	171	446

In addition to the Army's comparative size, another reason for the greater concern of the public with the manpower policies of the Army is the important role of the National Guard as the first line of Army reserves. The fact that the personnel of the Guard is drawn from every section of the country exposes the Army to much community and political pressure. To illustrate: At the present time National Guard units formed in the South reflect the prevailing pattern of segregation. In the North and West, there is increasingly strong pressure to eliminate all forms of segregation. The Army, in formulating its policies, must be cognizant of these regional differences.

The major reasons why the role of the Army is crucial in any consideration of military manpower policy are summarized below:

1. It is the largest service and it undergoes the greatest expansion in times of partial or full mobilization.
2. It must rely much more than the other services on the compulsion of selective service; this compulsion is of major concern to the citizen.
3. Service in the Army is considerably more dangerous than in the Air Force or the Navy; the public is therefore much more conscious of the manpower policies of the Army.
4. The role of the National Guard is such that the Army comes into close contact with communities throughout the country and must be aware of regional differences.

### **The Universal Military Training and Service Act of 1951**

On June 19, 1951, President Truman signed the Universal Military Training and Service Act which had been passed some days previously by the Senate without a record vote and by the House of Representatives by a vote of 339 to 41. Secretary of Defense Marshall issued a statement calling attention to the fact that "the objective of a universally shared obligation for the defense of our country on a basis that we can support

is now within our grasp, for the first time since George Washington began the pursuit of this goal a century and a half ago." He also pointed out that "the law does not contain all of the provisions the Defense Department would have desired, but I am confident that Congress will enact the necessary supporting legislation to carry into actual effect the historic principles unified in the Bill." The Conference Report (to accompany S. 1), submitted by Representative Carl Vinson to the House of Representatives, indicated that individuals could not be inducted into the National Security Training Corps until:

1. A code of conduct had been enacted.
2. Death and disability benefits for the members of the Corps had been enacted.
3. The other legislative recommendations submitted by the commission (which will exercise general supervision over the training of the National Security Training Corps) had been considered and any portion thereof enacted into law.
4. The President or the Congress by the adoption of a concurrent resolution had reduced or eliminated the period of service required of persons who have not attained the anniversary of their nineteenth birthday.

It is well known in Washington that General Marshall was the principal proponent of the act. Hence, in this discussion it is appropriate to stress his approach to the problem of compulsory military training. It is clearly impossible at this time to estimate whether General Marshall's confidence that Congress will enact the necessary supporting legislation to establish a peacetime training system is justified or not. The House of Representatives rejected a substitute bill that omitted any mention of universal military training by a vote of 232 to 140. The Department of Defense had sought to incorporate into the new draft law a provision for the inauguration of the training program through administrative action. This the Congress also refused. Its continued hesitancy about approving a system of peacetime training is reflected in the compromise proposal which was finally written into the law, which provides that Congress will make the final decision whether the training provisions should in fact be put into effect.

General Marshall's concern with the establishment of a system of universal military training in peacetime is a direct outgrowth of his conviction that our meager military forces were an invitation to aggression in 1917, in 1941, and again in 1950. The small number of trained military personnel on active duty or in reserve status encouraged the German and Japanese aggressors to believe that they could complete their conquests before the United States would be able to check them. General Marshall hopes that we will avoid such weakness in the future. His statement accompanying the signing of the Universal Military Training and Service Act contained the following remarks:

My visit to the Far East battle area has left me more firmly convinced than ever that our best hope today for restoring peace lies in convincing the Communist forces of Russia and her satellites that they cannot win. By establishing this enduring base under the structure of our defense, we serve notice on the world that we are prepared to continue strong in all the elements of our great power—our armed forces, our industries, our farms, our scientific laboratories, and our educational system.

In World War I and again in World War II our allies managed to contain the enemy while we built our strength. For the future, however, it would indeed be risky for the United States to assume that this would happen again in case of a major conflict. The opposite assumption appears more reasonable—that we might have to engage the enemy alone until our allies mobilize their strength. Such in fact is suggested by our role at the present time, both in the Orient and in Europe. It is General Marshall's hope that if we are adequately prepared, we may prevent the outbreak of a major war. One thing is certain: if we are not ready and war should break out, we may never have a chance to prepare.

One of the major deficiencies in our military manpower policy in the past has been the absence of a sound base for long-term planning. General Marshall has repeatedly called attention to the fact that it is literally impossible for the armed services to be efficient under a condition of "famines and floods." In times of recognizable danger the Congress gives the armed services all they request; in fact it seeks to encourage a rate of expansion so rapid as to lead to waste. But as soon as the public and the Congress believe that there is no imminent danger, the armed services are put back on very meager rations. General Marshall feels, therefore, that the only kind of long-term policy that would merit continuing support from the public and Congress is one that would not "imperil our security economically." The new act provides that each person who is "inducted, enlisted, or appointed in the armed forces or in the National Security Training Corps . . . shall be required to serve on active training and service in the armed forces or in the National Security Training Corps, and in a reserve component, for a total period of eight years . . ." In short, the long-range program is built around the concept of a relatively short period of training (six months), with a relatively long period of service in a reserve component (seven and one-half years). The act also provides that the members of the National Security Training Corps would be paid \$30 per month, which is considerably below the present rate of pay for a private in the Army of \$75 per month.

It is General Marshall's hope that the country would be willing to support this program "no matter how long the present world tension may continue." He knows from long personal experience as well as from our history that a more expensive program built around a large standing army would doubtless be scuttled with the first wave of optimism about the prospects for peace. Moreover, General Marshall has pointed out repeatedly that while a military manpower program built around a period of basic military training, supplemented by service in the reserve, is in harmony with our basic democratic tradition, a large standing army would be a threat to it.

In addition to the radically new provisions connected with the establishment of the National Security Training Corps and the principle of eight years' obligatory service, the Universal Military Training and Service Act of June, 1951, contains other important provisions related to military manpower. (The Selective Service Act of 1948 contained a provision for a total of five or six years of obligatory service, depending upon the individual's active service, but the Army did little to adjust its reserve structure accordingly. Moreover, inductions were suspended during most of the period.) Some of the most important provisions of the new act are that the authority of the armed services to induct men was extended for four years, to terminate on July 1, 1955; the period of service for persons inducted was increased by three months over the previous term to a total of twenty-four months; the draft age was reduced from nineteen years to eighteen years and six months. In addition, there was a reduction in physical and mental standards; the ceiling on the armed forces—active duty strength—was set at five million; active duty for most reservists was limited to seventeen months. It was established that no local board may be required to defer any student by virtue of a government-sponsored test score or the student's class standing; the two per cent limitation on the number of women in the armed forces was suspended until July 1, 1954; persons deferred from induction would remain liable for induction into the armed services or the National Security Training Corps until they reach the age of thirty-five.

The passage of a military training and service act with so many new provisions reflects the deep concern of the public and the Congress with the present international tension and their conviction that the current emergency is likely to persist for many years. The passage of such a comprehensive act also reflects at least a partial acceptance of General Marshall's contention that our military manpower policy has been unsatisfactory in the past. This raises the question, therefore, of what criteria should be used to develop a satisfactory military manpower policy for the future.

I would like to suggest the following three criteria for assessing a military manpower policy. Of course, these criteria could be further differentiated or additional criteria developed, but for the purposes of a first assessment the following three should be relevant and useful:

1. Does the military manpower policy support the general military policy of the country, which in turn should be developed in relation to the national policy?
2. Does the military manpower policy enable the armed services to meet the exigencies of the moment and also insure the long-term defense of the country?
3. Does the military manpower policy further the broad principles—social, political, and economic—to which the country is dedicated?

We have noted before that the Congress would probably not have passed the new military manpower legislation had it not recognized the unusual tensions in international affairs and the danger of a major war. Nothing in our history affords us a direct parallel to the present emergency. It is therefore exceedingly difficult to develop effective methods for coping with the problems that face us. One thing is certain: our experience in times of peace, as well as our experience during major wars, is not directly applicable to the present circumstances. Yet we have no other experience. We should avoid the errors of attempting to apply the lessons of the past directly to the problems of the present. But surely we should not disregard completely the lessons from peace and war. Although this period of enduring emergency is unique, we must seek to utilize such of our experience as is relevant from both peace and war. It is well to emphasize that even though the current emergency may last for a long time, it will probably be resolved into a condition either of peace or of full mobilization. It therefore seems appropriate to preface an analysis of the problems of an enduring emergency with a consideration of selected aspects of our military manpower policy in peace and war.

### The Structure of the Peacetime Army

The extent to which the present emergency differs from the conditions of peace we have known in the past is reflected in the changes which have occurred in the strength of the armed services. Shortly before World War I (1915) the combined strength of the services totaled 173,000. In 1935 the armed services totaled only 244,000. In contrast, just prior to the outbreak of the Korean war the combined strength of the services amounted to just under 1.5 million. By June, 1951, the total had risen to 3.2 million, which approached the Presidential objective of 3.5 million.

The fact that five years after World War II the strength of the armed services was more than four times as large as it had been five years prior to World War II suggests that significant changes had occurred in the structure of the peacetime forces, even prior to the partial mobilization precipitated by the Korean crisis. The Selective Service Act of 1948 had authorized a strength for the armed forces of approximately two million, which was raised in the Universal Military Training and Service Act of June, 1951, to an active duty strength of five million.

It is important to note that the 1950 strength of approximately one and one-half million had been obtained without recourse to compulsion. The 1948 Selective Service Act provided that young men, on attaining their eighteenth birthday, had to register for induction but could not be called up before their nineteenth birthday. Inductions were suspended after January, 1949, and no men were called up until August, 1950. Actually, the draft mechanism was used to induct only about 30,000 men into the Army between the "draft holiday" of October, 1946, and Korea; these few were inducted in November and December of 1948 and January, 1949. During the period of the Johnson "economy drive," the Army strength, which had been set by the Selective Service Act of 1948 at more than 800,000, fluctuated around 600,000. The President's Budget Message for 1948-49 requested funds to maintain the Army at its then current strength of 575,000; a year later the Budget Message called for an Army of only 677,000.

With the hindsight that we now have, it appears that the economy drive in the years immediately preceding Korea was a serious error. However, it is important to retain some perspective on what is meant by



"economy." The total budget for the armed services in 1949-50, excluding the nonmilitary expenditures of the Army (flood control, Panama Canal, etc.), amounted to more than \$13 billion and comprised thirty-two per cent of the federal budget and nearly five per cent of the gross national product. In contrast, the budget for the armed services in 1935-36 amounted to but \$800 million and represented nine per cent of the federal budget and less than one per cent of the gross national product.

Economy in 1949 implied postponing the building of a major aircraft carrier; underwriting fifty-five air groups, rather than the seventy that were desired by the major proponents of air power; and marked reductions in the "service" part of the Army's mission, such as hospitalization, maintenance, and research. But economy in 1935 was of an entirely different order. It meant that medical officers could not be reassigned from one station to another in terms of their specialty and the needs of the hospitals. Their transfers were ordered primarily with an eye on economies of transportation. Furthermore, there were no funds for proper field exercises for the regular Army and there were very few dollars available to support the reserve program. Equipment was becoming obsolete, and only minimal funds were available for developing and procuring new supplies.

Many consequences for manpower policy grew out of the impoverishment of the armed services, particularly of the Army, in the period prior to World War II. There were frequent and acrimonious discussions at appropriation hearings about the Army's requests for funds. Time and again congressmen questioned the Army's spending so large a part of its total money on personnel and so little on equipment. In the middle 1930's personnel costs accounted for a very high percentage of the total military budget. Many legislators, disagreeing with the Army's estimate of the officers required to operate the regular establishment, sought to reduce the number of officers and increase the number of enlisted men. Still further disagreement between the Army and the legislators was concerned with the apportionment of funds between the regular establishment and reserve activities. Over the years the reserve groups had developed a strong following in the halls of Congress. Without such support, the regular Army would naturally have accorded second priority to the reserve units.

In General Marshall's opinion the shortage of funds was the primary reason for the armed services' failure to support aggressively a universal military training program during the past three decades. The New York Times reported his commencement address at the United States Naval Academy in May in these terms:

Had not the services in the past years paid only 'lip service' to the principle of universal training while really opposing the program, he declared, the program might have been placed in effect much earlier. The concern of the armed forces for funds had restricted their view of the importance of a long-range program, he added, and the lean period in military funds brought out the worst in the services.

The bleakness of the period between the wars for the members of the armed services is suggested by several further characteristics of the times. A considerable number of West Point graduates resigned from the Army as soon as, or shortly after, they had completed the required years of service. It is likely that these losses would have been much greater, particularly among the younger men who had acquired only relatively small stakes in the retirement benefits, had it not been for the serious depression of 1929-33. It is interesting to recall that the students at West Point who had the highest standing at graduation, and who therefore had first choice of assignments, tended to pick the Corps of Engineers, which offered a better opportunity than other arms and services for further education, interesting work, and a skill that could be used later in civilian life. Reference should be made in this connection to the stimulation which the Army received during the 1930's from its new responsibilities with the Civilian Conservation Corps.

To a considerable degree enlisted men, like officers, joined the Army for a career. A study of the recruitment experience of the 1930's reveals that there were approximately as many men who re-enlisted immediately after the expiration of their term of service or who enlisted again after spending some time in civilian life as there were new men enlisting for the first time. In view of the concern of the armed services at the

present time with the quality of the personnel whom they recruit or induct, it is important to note that the average enlisted man during this period was not superior. In early 1945 the Inspector General of the Army visited a convalescent hospital at which a large number of soldiers suffering from neuropsychiatric disabilities were being treated prior to their separation from the service. After inspecting this hospital, the Inspector General remarked that he would have been very happy to trade the soldiers whom he had commanded in peacetime for those whom the Army was now separating for psychiatric breakdown. The comment was probably meant to stress the unsatisfactory nature of the peacetime soldier rather than the wastefulness of the wartime practice of discharging individuals diagnosed as suffering from psychoneurosis.

If the military manpower policy of the regular Army prior to World War II is assessed in terms of the three criteria outlined at the end of Part I above, the following tentative generalizations appear. The first criterion was whether the military manpower policy supports the national military policy, which in turn should be determined by our national policy. Prior to World War II there was a real conflict in our national policy. We continued to feel secure because of the oceans which separated us from the European and Asiatic mainlands, despite the demonstration of World War I which had indicated the impossibility of an isolationist policy should a major power embark on a campaign of conquest. Although President Roosevelt sought to have this country play a more important part in the preservation of the peace, he had only limited success in building up the strength of the armed services, and unless these were strong his program was doomed to failure in a world of Hitler, Mussolini, and Tojo. President Roosevelt was able to strengthen the Navy, but despite the more tolerant attitude of the American public toward federal spending, he obtained only small increases for the Army. And this weakness and ambivalence in our national policy was reflected in a weak military policy and a necessarily unsatisfactory military manpower policy.

Although Congress frequently questioned whether the Army was making the best use of the resources available to it, the meagerness of these resources suggests that the question had limited relevance. The Army sought to keep a skeleton framework so that there would be at least a base on which to expand if the need arose. The need did arise, and the Army was able to expand rapidly and effectively. This suggests that by and large the Army did meet current exigencies and did plan for the future. Some of its planning was mediocre but on balance the Army met the very severe test of World War II successfully.

The third criterion was whether the military manpower policy supports the basic values to which the country is dedicated. There are several possible responses. This country has always been opposed to the use of compulsion in peacetime. In this respect the Army was found in harmony with our basic tradition, for it was an army of volunteers. The high percentage of officers and men who viewed the Army as a career suggests that its personnel policies and practices were not unduly onerous. The Army had the strengths and weaknesses of a bureaucratic organization, protected from intense competition but hamstrung by small appropriations.

It is anomalous to talk about a peacetime army in the years following World War II, since the international situation has been characterized throughout by tensions. Moreover, the Army continued to carry important responsibilities that were a direct outgrowth of World War II--the occupation of Germany and Japan. The general planning provided for an expanded force during the immediate postwar years, with an eventual decrease in strength once the responsibility for occupation had been discharged. Prior to Korea, then, we had an expanded peacetime army in that it was completely staffed by volunteers.

We have pointed out that the postwar Army was approximately four times as large as the prewar Army. In part, this expansion was necessitated by the occupation duties of the Army; in part it reflected the new political and strategic position of the United States. The development of air power had finally convinced the American public that the Atlantic and Pacific Oceans offered limited security. Moreover, the defeat of Japan and Germany left important vacuums both in Asia and in Europe; to fill them in a manner that would strengthen, rather than weaken, our international position became a major challenge. The tremendous rise in governmental expenditures during World War II, following upon a decade of federal deficits, had finally

conditioned the public and Congress to a policy of more liberal support of the armed services. But in one respect the old traditions remained entrenched. Despite the repeated requests of the Army for a system of universal military training, Congress refused to establish it.

The Army Almanac, an official publication of the Department of the Army, submitted the following interpretation of the approach of the Army to the solution of its postwar personnel problems.

At an early stage in the demobilization period it was realized that the quicker the Army returned to a volunteer status, the better for morale. It was also realized that the size of this volunteer Army would far exceed anything before attempted. In order to maintain its required strength and efficiency, the Army would have to compete with civilian life, and the morale of the soldier would have to be on a par with the morale of the civilian. The Army began to look into the ways and means of making the Army more attractive as a career.

Major emphasis was placed upon career planning to insure that maximum use would be made of the ability and skills of both officers and enlisted men and to enable them to advance to higher positions in an orderly fashion based upon equality of opportunity. Immediately after World War II there was no minimum mental score required for those who desired to enlist, but in March, 1946, a minimum standard score of 70 on the Army General Classification Test was established—five points above the standard set for inductees by the Universal Military Training and Service Act of 1951. A year later, in March, 1947, the Army raised its minimum score to 80 in the hope of securing a higher quality of personnel. It found, however, that this higher score had an adverse effect on the number of enlistments, and in July, 1948, the score was lowered to 70. Another major step in strengthening the postwar personnel structure was congressional approval of a new pay scale. This was the first major adjustment in several years and, had it not been for the subsequent inflation, it would probably have established a reasonably competitive position for the Army in an economy of substantially full employment. The Army Almanac also calls attention to the fact that the postwar Army decided to embark "on a human relations program based on our democratic principles, and the rights and dignity of the individual." This was a much more affirmative approach than had existed in the prewar Army.

Korea provided a testing ground for the postwar Army. With reference to the first criterion of whether the military manpower policy supported the over-all military and national policy of the country, the verdict must be rendered in terms of a qualified affirmative. When it appeared desirable from the national point of view for the United States to challenge the North Korean aggressors, we were barely able to do so. Although our Army was very much larger than any previous peacetime army, its readiness strength proved to be small. In terms of our second criterion of whether the peacetime Army was able to meet its immediate and its future problems, Korea revealed a severe weakness in our reserve structure, as well as serious deficiencies in our training. As far as the third criterion is concerned, although much of the material is still unassembled and unevaluated, the burden of the evidence seems to prove marked advances in Army personnel policy which have been reflected in over-all high morale of the fighting troops.

If the changes in the structure of the peacetime Army during the last thirty years were to be reduced to a single generalization, emphasis would have to be placed on the fact that while prior to World War II the Army was an institution largely apart from the rest of our society, its fourfold expansion after World War II brought it within the orbit of our national life, with all of the consequences which that implies. This trend will be accelerated if Congress acts to establish the National Security Training Corps. But even without this, it is unlikely that in the foreseeable future the peacetime Army will again be on the periphery of American life.

## Experience with Full Mobilization

One of the more serious consequences of the inadequacy of the funds available to the peacetime Army during the 1920's and the 1930's was the inevitable neglect of responsibilities considered of lesser importance. In Economics of National Security (copyright by Prentice-Hall, Inc., 1950) by Lincoln, Stone, and Harvey, Associates in the Social Sciences Department of the United States Military Academy, there is the following evaluation of our mobilization planning prior to World War II.

Not many years ago a failure to realize the enormity of modern war resulted in an Army mobilization plan that took no consequence of a possible manpower shortage. The mobilization problem was approached from the standpoint of estimating how many men were necessary in a given military situation, rather than how many could safely be mobilized without detrimental effects on the economy.

The authors then state that this is not meant as a criticism of the mobilization planners of the 1930's. They stress the fact that it was difficult to foresee a manpower shortage at a time when the major social problem of the day was unemployment.

This may be part, but surely not all, of the explanation of why the Army was little concerned in its mobilization planning with problems of manpower. It is important to recall that during World War I our outstanding deficiency was in matériel, not manpower. We were able to send abroad in almost record time more than two million troops who, although not thoroughly trained, were nevertheless able to play a decisive role in the final defeat of the German armies. But these American soldiers were heavily dependent upon supplies and services provided by our European allies. As a result of this experience, the mobilization planners during the twenties and the thirties became preoccupied with problems of speedy conversion of our industrial plants from peace to war.

During the early part of World War II the expansion of the Army was very much determined by the availability of housing, equipment, and cadres. The first estimates of the requirements for personnel were built around a total force of 71 divisions. A year later, in early 1943, the planners re-estimated the force required for victory and, after they had submitted a projected figure of slightly more than 8.2 million, a ceiling was finally set at 7.7 million. The distribution within the Army was as follows: about 3.2 million for the Ground Forces, which were to provide 89 divisions and supporting combat units; 2.3 million for the Air Force; 1.75 million for the Army Service Forces; and somewhat more than 400,000 designated as "overhead personnel."

Another reason for the relatively relaxed attitude of the Army toward the manpower problem during the early phases of World War II derived from the fact that the Army was procuring its personnel through selective service. It was relying on compulsion, but there was general public acceptance of the need to use this compulsion. There was no repetition in World War II of the draft riots which had taken place during World War I. It is true that the House of Representatives passed the Service Extension Act in 1941 by the margin of a single vote, but that was before the country had declared war. Although the relations between the Selective Service System and the Army were generally cooperative, the Army was only generally aware of the pressures which were exerted on the economy as the procurement of manpower increased.

It is clearly not feasible to review the totality of our experience with military manpower during World War II, but it should be possible to provide some background to illuminate important facets of the problem. This information can be organized in three categories: problems of size, equality, and timing.

The following tabulation summarizes the year-end strength of the Army and the Navy during the build-up and demobilization:

	Army	Navy and Marine Corps
1940	621,000	263,000
1941	1,686,000	458,000
1945 (peak)	8,291,000	3,887,000
1946	1,319,000	654,000
1947	898,000	496,000

It was not until January, 1943, that the Navy, under the terms of a Presidential directive, also had to procure its personnel through the Selective Service System. For the preceding twelve months the Navy had been relying on volunteers, many of whom, recognizing that they had to go into service, preferred the Navy to the Army. The widespread preference for the Navy did not jeopardize the Army's procurement objectives but it did have important consequences with regard to the type of personnel available to the two services. The Navy was able to pick and choose, and to a large extent it was able to secure men in superior physical condition and with higher than average intelligence. It is interesting to note that the Presidential directive did not apply to the recruiting efforts of the services with respect to those under the draft age—the seventeen-year-olds. This became an important escape mechanism for both the Navy and the Air Force, for together they succeeded in enlisting in their reserves about nine men of this age for every one that the Army was able to enlist.

From one point of view, military planning during World War II with respect to the size of the Army appears to have been remarkably effective, since all of the 89 divisions for which the final troop basis provided were overseas when the war ended. All but two of these saw action. Of these two, one was assigned to securing the vital installations in the Hawaiian Islands, and the other was an airborne division in General Eisenhower's reserve. From another point of view, the military manpower policy had demonstrable weaknesses, particularly when consideration is given to the experience of the Fifth Army and the serious threat of the Battle of the Bulge.

The following paragraph from General Mark Clark's Calculated Risk illustrates the handicaps under which he operated because of a shortage of replacements. The quotation is from a message which General Clark sent on October 6, 1944, to General Wilson, the Commander in Chief of the Mediterranean Theater.

Infantry replacement situation is so critical that current operation may be endangered. Supply of infantry replacement and infantry over-strength in divisions only sufficient to maintain division at authorized strength through 9th and 10th of October. Losses in my four infantry divisions during the past five days have averaged 550 per day per division over and above returns to units. Heavy fighting continues with enemy apparently rushing all available forces to halt our advance on Bologna. All divisions have been in heavy fighting twenty-three to twenty-six days under adverse weather conditions. Continuous supply of infantry replacements is imperative.

General Clark then quotes from a letter dealing with the psychiatric problem which he dispatched to General Marshall on the same day.

I do not yet know the answer to the psychiatric problem. It appears clear from the report, based largely on Fifth Army experience, that susceptibility to psychiatric breakdown is directly related to the length of time in combat. I shall continue every practicable measure to give my troops the opportunity for rest.

General Clark was unable to give his troops much opportunity for rest without jeopardizing the success of his military plan; yet in pursuing the plan with tired troops he increased the number who were breaking down, thereby reducing his effective strength.

As General Eisenhower has pointed out, the Battle of the Bulge found the American Army with so few reserves that drastic efforts had to be made to convert rear echelon troops into infantrymen. For a short time it was uncertain whether these improvisations would save the day. General Eisenhower has raised the question in this connection of why the United States, which had been engaged in heavy fighting for a relatively short period of time, should find itself so short of military manpower.

The ceiling of 7.7 million which had been set for the Army was actually exceeded by almost 600,000, for the peak strength of the Army was just under 8.3 million. Some indication of the difficulties of controlling strength, even from the point of view of simple accounting, is found in the fact that the Pentagon stumbled on the overstrength several months after it had been built up. For a time, 600,000 men were lost in the accounting system! When a reconciliation was required between the 7.7 million ceiling and the actual strength of almost 8.3 million, the Army stated that the lower figure implied effective strength. There is no doubt about one fact. The manpower planners seriously underestimated the number of noneffectives when we were actively fighting two wars great distances from home and where on a single day more than 500,000 soldiers would be out of the fight because of injury or disease.

By the end of 1942 most of the young single men had been taken into the armed services. Additional calls would have to tap married men, even fathers, or key persons in agriculture and industry. Since there was widespread opposition throughout the country to drafting these persons, increasing pressure was put on the armed services to be sure that they needed the number of men that they were asking for, and that they were fully utilizing those already in uniform. The key instrumentality for exerting pressure on the component parts of the War Department was the War Department Manpower Board which functioned directly out of the Office of the Chief of Staff. Public concern with the manpower policies of the armed services went further; it included questions about the utilization of the large numbers of civilians in the employ of the Army and the Navy. At peak there were approximately two million civilians employed by the armed services. It was not easy for the Army and the Navy to insure the effective utilization of its personnel, but as the war went on they relied primarily on manpower surveys, based in the Army on work load studies. According to the first manual published by the Headquarters of the Army Service Forces in November, 1943, Work Load Studies for Use in Personnel Strength Control, a work load study was "a method for comparing the amount of work performed by the same organization at different periods of time or by comparable organizations at the same or different periods of time." The usefulness of these statistical approaches is suggested by the fact that between the middle of June and the end of August, 1943, the Army Service Forces were able to reduce their operating personnel by 180,000. These studies helped to guide the Commanding General and his staff in tightening his organization and in avoiding arbitrary action.

The relaxed attitude of the armed services early in World War II toward the manpower problem was manifested not only with respect to numbers but also to quality. Both the Army and the Navy assumed that there was an ample supply of young men in the country with superior physical and mental characteristics who could be converted into good soldiers and sailors in the shortest possible time. One consequence of the inadequate planning in the years preceding World War II was lack of knowledge on the part of the manpower planners concerning the characteristics of the manpower pool. Even a superficial knowledge of the pool would have indicated that the armed services could not possibly withdraw twelve million, or even ten million, superior persons from it. Because we had inadequate knowledge of the availabilities of manpower and also of the final requirements of the armed services, World War II was marked by a never-ceasing improvisation. Standards were constantly readjusted, generally downward, although occasionally the lower standards created more problems than they solved and the services would then revert to their former position.

We had been in the war less than a year when the Army revised its physical standards, primarily with respect to two conditions which had been responsible for the rejection of large numbers of men—venereal disease and poor eyesight. It has been estimated that the revision of standards with respect to these two conditions alone permitted the induction of more than one-half million men who would have been rejected under the earlier standards.

The Army's approach to the problem of illiteracy is worthy of note. During 1940 and the early part of 1941, a man was eligible for enlistment or induction if he could understand a verbal command given in English. In May, 1941, the Army refused to accept any illiterates, defining the term to mean those who had not had the equivalent of four years of school. Somewhat later, in August, 1942, in response to public pressure, particularly in the Southern states where very large numbers of Negroes were being rejected, the Army agreed to accept selected illiterates up to ten per cent of each induction station's daily intake. Shortly thereafter, in February, 1943, the Army lowered this proportion to five per cent. In June, 1943, it changed its policy toward illiterates from accepting a quota to a system of screening, and accepted all those who scored above a minimum rating on a nonlanguage test. It startled the Congress to discover some time later that the proportion being rejected under the new screening system was almost identical with that under the old quota system. When the Army representative was questioned about this, he surmised that it was a statistical accident. It was, of course, a consequence of earlier experimentation to determine a minimum score which would not flood the Army with more illiterates than they had accepted under the quota system. Two figures are worth noting. During World War II more than 700,000 in the draft ages were rejected for what was called "mental deficiency," whereas the primary reason for these rejections was actually educational deprivation. Another 450,000 men of similar background were accepted by the armed services, primarily by the Army, and were given special schooling to insure that they had the equivalent of a fourth-grade education before they underwent basic training. A critical study of the performance of these men is now under way by the Conservation of Human Resources Project at Columbia University.

As a reaction to our experience in World War I, which witnessed the emotional breakdown of a considerable number of men in the service, the armed services, on the advice of their psychiatric consultants, decided to prevent the inflow of men who were likely to break down. During World War II the psychiatric screening at induction resulted in the rejection of just under one million men. Unfortunately, the theory that such a large-scale rejection would free the services of individuals who would suffer emotional breakdown was not borne out, for approximately 750,000 persons were separated prematurely from the services for reasons of emotional instability or inaptitude. In part, this tremendous manpower loss was the result of faulty improvisation of personnel policies. Periodically the Army became concerned about the large number of relatively ineffective men in its ranks. On such occasions it would issue a directive facilitating their discharge, with the result that many good men—at least as good as any possible substitutes—were discharged to civilian life.

The armed services must provide advanced training for a large number of their men as well as basic training for all of them. There is a wide gap between the skills which men have when they enter the service and those required by the services. The gap can be closed only through a training program. A considerable number of tasks which must be performed by enlisted personnel require a relatively high degree of intelligence and aptitude. Since it is easier to train an intelligent person, there was a constant and very active competition throughout World War II at every level of command for a larger share of the better people. We referred earlier to the advantage which the Navy had through its recruiting program up to the end of 1942. General Arnold convinced General Marshall relatively early in the war that the Air Corps would be able to discharge its mission effectively only if it had men who scored at least 90 on the Army General Classification Test. He submitted in evidence the large number of technical jobs in the Air Corps, the long period of training required, and the fact that one inefficient person could destroy the effectiveness of an entire crew. He won his point. The technical services (Ordnance, Signal Corps, etc.) put forward much the same contentions, and they likewise succeeded in getting a relatively large number of men who scored high in general intelligence. Under this type of allocation principle, it is not surprising that the infantry remained short of individuals with high intelligence scores. It was so short that in early 1944 it became necessary to disrupt the Army's Specialized Training Program to provide some "sweetening" for the last of the divisions that were being prepared for overseas duty.

Problems of timing also contributed to the personnel difficulties of World War II. For instance, during 1940 and throughout 1941 up to the Pearl Harbor catastrophe, the Selective Service System found it relatively

easy to meet the quotas set by the Army, with the result that almost any person could obtain a deferment if he were holding a responsible position, if he had dependents, or if he were pursuing a course of higher education. As a result, it was the young men just out of high school, if that, many of them unemployed, who were taken in during the initial build-up. When the Army had to expand more rapidly after December, 1941, it found that it was short of officer personnel. Consequently it established Officer Candidate Schools, which turned an enlisted man into an officer within ninety days. Because of their longer experience in the Army, many of these young men who were drafted or had enlisted in 1940-41 found themselves in these schools. Many failed during training, but many others who were commissioned proved to be limited and immature officers. In the early period almost anyone who had obtained an Army General Classification Test score of at least 110 qualified for officer training; later, in 1943, only the most exceptional could qualify. There was relatively little that the Army could have done to prevent these results, which were largely a consequence of the time when different groups in the community were called into service.

The technical services were able to develop fairly rapidly the replacement training centers and the schools under their command, so that a large part of the flow of personnel into the Army during the early years of the war was directed into the Quartermaster Corps, Ordnance, and the other services. The requirements of the Army had not been evolved in detail, with the result that the initial allocation of personnel and the size of the various training efforts were not firmly based. As the war proceeded, it was the infantry, of course, which suffered the largest number of casualties, and therefore had the greatest need for replacements. Many an X-ray technician or graduate of a two-year Japanese language course found himself shipping out to join an infantry division. Although to the very end of the war the Army was short of certain skilled technicians, it had trained an excessively large number of specialists.

During the second half of 1944 and the early part of 1945 the Army was particularly short of trained replacements for the infantry. The training cycle had been reduced to eight weeks, and a considerable number of men found themselves on their way overseas after only six weeks of basic training. The casualties among these replacements were exceedingly high, which placed still more pressure on the replacement system. It is generally recognized today that one of the serious miscalculations during World War II was an underestimation of the needs for replacements in the infantry.

The aspects of military manpower policy during World War II outlined above were selected in order to call attention to the serious problems which arose rather than to those phases of our experience which entailed fewer difficulties. We can now appraise very generally our military manpower experience during World War II in terms of our three criteria. As to the first, which raises the question of whether military manpower planning is effectively coordinated with our over-all military policy and our national policy, the verdict is favorable, at least for the period prior to the defeat of Germany and Japan. The 89 divisions provided the manpower necessary for victory. A less favorable verdict must be rendered for the period following V-J Day. The basic error probably lay in the realm of our national policy, which took too sanguine a view of the future. But the extreme political difficulties involved in demobilizing more slowly or providing alternative means to insure an adequate level of military preparedness for the postwar period contributed to the development of a less than realistic national policy. The optimistic cast of our national policy reduced our anxiety about our dwindling military strength. The natural desire of most Americans to be separated from the service as quickly as possible could hardly be stemmed by the note of caution of the minority.

The second criterion is whether the military manpower policy took proper account of the future. As the war progressed it became clear that some of the plans developed during the 1930's were inadequate, as was, for instance, the training of too many technical specialists and too few infantry replacements. Likewise, the all but total dismemberment of the Army Specialized Training Program in 1944 was the price that was paid for earlier errors. Nevertheless, the over-all plan worked out in 1943 encompassing the requirement of 89 divisions for victory was proved correct. For this reason one must conclude that on balance the military manpower policy of World War II met the second criterion.



It is not feasible to summarize in a paragraph or two the extent to which the evidence bears on the third criterion of whether the manpower policies pursued by the armed services contributed to strengthening basic values in our society. The picture is somewhat mixed, but over all the score is in their favor. During World War II the armed services made real efforts, many of which were definitely successful, to concern themselves as much as possible with the welfare of the individual soldier. When one service failed to accomplish this, as in the case of the Italian campaign, the failure was due not to lack of will but to lack of foresight and knowledge in providing the needed replacements and in avoiding the human wastage resulting from combat exhaustion. Although World War II did not see the end of segregation in the armed services, Negro leaders themselves attest to the fact that substantial progress was made in breaking down some of the worst barriers. Since the Army expanded from less than one hundred fifty thousand to more than eight million within the decade, it was not possible to control all of the areas in which one individual could exploit another. There was favoritism in promotion, for the Army is a human organization, but the significant fact is that the selection of men for advanced training was based largely on scores on objective tests. Some men doubtless received penalties that were too severe for the infractions which they had committed but, on the other hand, more than 650,000 enlisted men, incapable of serving to the end, were given honorable discharges—despite their failure—while only one soldier was shot for an outright refusal to fight.

It is difficult to overestimate the magnitude of the problem that had to be faced and solved within a very short time, for victory depended in large part on the speed of our mobilization effort. Although we have been able to demonstrate serious shortcomings in the military manpower policy in World War II, it is important to recognize that those responsible for it were handicapped very considerably by a lack of knowledge about the effective utilization of our human resources, particularly in such abnormal times as a major war. This lack of knowledge was a handicap that the best planning in the world could not overcome, particularly once war was under way. The challenge on this front must be met and overcome in peacetime.

## The Problems of an Enduring Emergency

As we have stated, General Marshall has taken an optimistic position with respect to the potentialities inherent in the new Universal Military Training and Service Act to provide the United States with a sound basis for a long-run military manpower policy. But he would surely admit that even if the Congress eventually takes action under the crucial training provisions, many problems must be solved before an effective program can be established. If the Congress should delay or refuse to act under the training provisions, these problems would be increased. The following analysis assumes, however, that the training provisions will be implemented.

It may be helpful to make explicit the advantages of the new act from the point of view of the Department of Defense and the range of problems which the act should assist in resolving. First, the country would have at all times a large number of individuals who had completed their basic military training; it would also have units as large as divisions that would be completely trained, though in reserve status. Such a large trained manpower pool would make it possible for the Army to avoid many of the problems that have handicapped the country in prior emergencies, both in times of partial and full mobilization.

Under the reserve structure of the past it has usually required nine months or more to bring a reserve division to combat readiness. As the Assistant Secretary of Defense pointed out in her testimony before the Brooks Subcommittee on Reserve Policies (April 18, 1951): "The important thing in determining the value of any reserve organization under conditions of modern war is the speed with which men and units can be put into battle. In the past, we have had a cushion of time which will almost certainly be denied us in the future."

As far as partial mobilization is concerned, the crisis in Korea showed up serious weaknesses in the reserve structure. For the most part the members of the reserve never anticipated that they would be called

up under such conditions. Using the past as a guide, they assumed that membership in the reserves implied that they would be called up relatively early at a time of full mobilization, or in anticipation of full mobilization, as in 1940 and 1941. But the advent of the Korean war meant that large numbers of reservists did not know whether or when they would be called. Moreover, the age distribution among reservists was such that the armed services had need for many specialists who were currently key men in industry, frequently in organizations responsible for important defense production. Had the armed services not been willing to make important adjustments in the call-up of reserves, they could have seriously disrupted our industrial mobilization efforts.

It is important to recall in this connection that the recently passed Universal Military Training and Service Act provides for a total of eight years of service for each man. This provision does not hinge on the action which Congress may or may not take with respect to the training provisions of the act. It is in force today and will remain in force throughout the life of the act, unless Congress modifies it.

During the past year the armed services have been reviewing critically the shortcomings of their reserve programs with an aim toward developing appropriate modifications, particularly in light of the new source of manpower provided by the act. The Army's approach involves a threefold distinction: the Ready Reserve, the Standby Reserve, and the Retired Reserve. Under present plans a man, after completing his tour of service or training, would spend three years in the Ready Reserve, during which time he would be subject to call in the event of an emergency requiring partial mobilization. At the end of this period he would be transferred to the Standby Reserve for the rest of his eight years of total obligation. (If he failed to comply with the training requirements while in the Ready Reserve, he would remain in it throughout the entire period of obligatory service and be subject to call by the President.) Normally, if a man had spent two years on active duty, and three years in the Ready Reserve, he would be obligated to spend a further three years in the Standby Reserve. While a member of the Standby Reserve, he would be subject to call only in case of full mobilization. The Retired Reserve would be "made up of men who have fulfilled all their legal obligation for reserve duty and request continued assignment on an inactive status basis."

According to the Army's plan, requirements for the Ready Reserve total approximately one and one-half million. The present forecast for the end of the fiscal year 1952 shows that only approximately one-third of this requirement will be met. This underlines the importance of the provisions in the new act for compulsory service in the reserve. The Army estimates that the requirements for the Ready Reserve will be met fully in 1955. At that time the Standby Reserve will begin to grow, so that three years later (1958), the strength of the Standby Reserve will be approximately 800,000.<sup>1</sup>

This new reserve program will help to overcome the difficulties outlined above, particularly those which in the past have resulted at times of full mobilization in a sizable time gap between the deployment of the active Army and the combat readiness of reserve divisions. Further, it will eliminate the type of difficulties encountered in a period of partial mobilization such as the present. Korea has made it impossible to look to volunteers for the manpower to staff the reserve forces.

Of course, compulsory service in the reserves alone will not solve the problems outlined above. But it may provide a basis for a satisfactory solution. The Officers' Call, an official publication of the Army, concluded after a comprehensive review of "The Army's Civilian Components," that:

The biggest difficulty in the past has been a lack of funds. Within this over-all consideration, there have been three general areas of difficulty: (1) the critical need for new armories and other training and storage facilities to accommodate our expanding reserve forces; (2) the need for new and improved weapons and equipment developed during and since World War II; (3) the additional time it now takes to train soldiers capable of handling intricate new weapons and instruments of war.

<sup>1</sup>Department of the Army, Presentation of Pertinent G-3 Matters to Reserve Officers Association Conference, June 20, 1951, at Long Beach, California.

Since funds were the limiting factor when the reserve program was very small, an objective evaluation of the eventual effectiveness of the new program must wait until cost estimates become available. In this connection, note should be taken of the fact that reservists now receive pay for their active participation in the program, and also accumulate credit towards retirement benefits. Hence the public and Congress will be faced with one of two alternatives: to decrease the financial and retirement benefits currently in effect, or to assume the heavy financial burdens that would be involved in applying current pay and retirement principles to the new program.

Consideration must also be given to two further factors, one technical and the other general. As the article in the Officers' Call pointed out, considerable time is required to train and coordinate men into an effective team capable of engaging in combat. In the future, members of the Ready Reserve may have had only six months of training under the auspices of a civilian commission rather than two years of active duty, and it is questionable whether "regular drills, supplemented by fifteen days of active duty training" would really provide for the kind of Ready Reserve that the country needs.

Nor can we afford to overlook the political implications of a vastly expanded reserve program. On the basis of our experience with a veterans' program during the past three decades, we should proceed with caution in underwriting special benefits for large numbers of individuals, such as the retirement benefits which are now incorporated into the reserve program. In the past, the relatively small reserve organizations have been strong enough to convince Congress to make no changes in their status whenever they considered that such changes would be detrimental to their position.

General Marshall has said that the armed services were largely responsible for sabotaging past efforts to establish a system of universal military training because of their fear that such a system would take too large a part of their total available funds. We must reckon with the analogous possibility that if the members of the reserves are able to build up sizable stakes in the continuance of their program, it would be exceedingly difficult to make any adjustments that would jeopardize their position. We might well have a powerful fixed point in the defense system which could lead to the same kinds of miscalculations that plagued the French because of their commitment to the Maginot Line. This summary review of the unresolved problems of the new reserve program reinforces the contention advanced earlier that the passage of the Universal Military Training and Service Act is only a first step in developing an effective military manpower policy.

The second area of difficulty which execution of the training provision of the new act would present is its impact on the educational process. The tremendous diversity of opinion among the educators themselves, even among those who should have been well-informed about the impact on education of military training, is proof that we have a long way to go before arriving at a satisfactory manpower policy. The present provisions governing the deferment of college students limit such deferment to one year. This limitation reflects the widespread desire to withhold deferment for education. Congress went a step further in passing the Universal Military Training and Service Act by stipulating that individuals deferred for this or any other reason would remain subject to induction for service or training up to their thirty-fifth year, although other individuals are not subject to induction for training or service after they reach their twenty-sixth birthday. Further indication of the desire of Congress to underline the universality of military training is found in the following clause of the act:

Notwithstanding any provisions of this Act, no local board, appeal board, or other agency of the Selective Service System shall be required to postpone or defer any person by reason of his activity in study, research, or medical, dental, veterinary, optometric, osteopathic, scientific, pharmaceutical, chiropractic, chiropodial, or other endeavors found to be necessary to the maintenance of the national health, safety, or interest solely on the basis of any test, examination, selection system, class standing, or any other means conducted, sponsored, administered or prepared by any agency or department of the Federal Government or any private institution, corporation, association, partnership, or individual employed by an agency or department of the Federal Government.

The principle of local autonomy for Selective Service Boards is reaffirmed in the foregoing provisions, but the price paid for it may be exorbitant. It is clearly impossible to develop a rational policy for the advanced training of our scientific and specialized personnel under terms which place the decision-making power in the hands of the local board. However, the present system with respect to deferment for higher education is clearly inadequate. The most serious shortcoming involves the preferential opportunity afforded those with funds to attend college; they are able to defer their military service, possibly indefinitely. It is bad policy for a democracy to let men be deferred primarily on the basis of the economic position of their family. The resolution of this difficulty will precipitate a consideration of the extent to which the federal government should assume responsibility for subsidizing higher education. A small national scholarship program would not obviate the shortcoming of the present system, while a major effort would represent a revolution in the financing of higher education. The end of active hostilities will make it possible to evolve solutions to this difficult problem under more favorable circumstances, for the alternative to deferment would no longer be the possibility of injury or death. However, the real challenge goes far beyond the development of an acceptable deferment program. The long-range security of the country depends in considerable measure on the more effective utilization of the potential talent and ability of the population. At the present time only one person in about five capable of doing college work actually completes college. We need a constructive program aimed at helping those who now are unable to obtain higher education, particularly those with talent and ability.

The cessation of active hostilities may make the resolution of problems of deferment somewhat easier, but it will create the new and difficult problem of balancing the service and training requirements of the armed services. For some time to come, the Army will need a considerable number of divisions on active duty operating at a high pitch of efficiency and readiness. At a maximum the Army estimates that it can tolerate a turnover of fifty per cent per annum in the personnel of such units. Assuming that Congress takes action under the new Universal Military Training and Service Act, the training program will start when the number of young men eligible for service exceeds the number required for the active Army, after the President has ordered some reduction in the period of service. It will not be easy, however, to decide at which point young men will thereafter undergo six months of training, instead of eighteen or twenty months of training and service. It is likely that some adjustments will have to be made in the amount and type of service required of individuals during their period of obligation to fulfill the reserve requirements. Moreover, a careful consideration will have to be given to making the longer service a meaningful educational experience for the individual, at the same time that his availability insures the readiness status of his unit.

In reviewing our experience with full mobilization, substantial evidence was uncovered that the armed services were seriously handicapped in developing effective personnel policies because of their inadequate knowledge of manpower resources and requirements. It follows that one of the major challenges to the armed services during an emergency period like the present one is the development of effective research and experimental programs aimed at gaining more knowledge about personnel management. For example, their efforts could well be devoted to discovering the maximum number of jobs that could be filled by women in case of a major emergency; the potentialities of effectively utilizing indigenous labor in support of our troops stationed overseas; appropriate methods for calculating requirements in order that the training program would be realistically geared in case of expansion; the balancing of fighting and service troops so as to insure the most effective combat forces; improvements in selection of personnel for noncommissioned and commissioned officer status; and particularly the working out of new programs to raise group morale. The armed services have been pursuing several different lines of attack on these and related questions. However, much still remains to be done to insure that the research will sooner or later be able to make a significant contribution to the many difficult operational problems confronting the armed services. At the present time, the services are supporting only a limited amount of basic research in human resources and their applied research suffers from a lack of effective cooperation between the research group and the responsible line officers.

This highly selective review of some of the outstanding problems which confront the country in developing an effective military manpower policy for an enduring emergency indicates that in terms of our three criteria most of the solutions must still be found. The most optimistic appraisal would be to say, with General Marshall, that the Universal Military Training and Service Act will provide a sound basis on which to proceed.

## **Military Manpower Policy and Our Democratic Tradition**

We have pointed out that during peacetime the armed services have had little more than peripheral relation to the vast majority of Americans. Although more than four million men served in the Armed Forces during World War I, this fact failed to deepen the interest and concern of the public with the military during the twenties and the thirties. It is too early to determine the influence of World War II when more than twelve million young men saw service, the vast majority for a much longer period than in World War I. There is some reason to believe that most of these young men considered their period of service as an unfortunate break in the normal course of their life. Their major interest was to get the job over with—to win the war—so that they could continue with their civilian careers.

If the world of the 1950's resembled the world of the 1920's, the antimilitary orientation of the American public in periods of peace might again come to the fore. It is unlikely, however, with conditions as they are and as they will probably continue to be, that the American public will repeat its behavior of the 1920's, which was characterized by a disinterest in and neglect of military matters. We will doubtless have to staff vastly expanded services for a long time to come. It is likely that an entire generation of young men will have had direct contact with the services. Yet it is difficult to estimate whether the situation has already changed enough to alter the basic attitude of the public toward compulsory military training in peacetime.

The extent of this basic attitude can be illustrated by the fact that, even during the Korean crisis, Congress refused to provide for carrying out the training provisions of the new Universal Military Training and Service Act, for it was not yet convinced that it would be necessary to establish a compulsory system of military training for peacetime. And even if the international situation should remain sufficiently ominous to provide the public support necessary for execution of the training provisions, Congress provided that a commission, the majority of which would be civilians, would have control over the program. The American Federation of Labor, at its quarterly executive council meeting in January, 1951, abandoned its long opposition to universal military training in peacetime, but with caution, as indicated by the following resolution:

In view of the present war emergency, the executive council favors limited universal military training, provided, however, that it shall end with the emergency, that it shall not become part of our educational system, and that it shall in no way transgress upon or become part of our civilian system of service, production, and distribution, or be used in any way to limit, restrict, or interfere with the rights of labor, individually, and/or collectively.

Although even the large-scale mobilization of World War II had a limited influence on the basic attitudes of the public, including the men who served, toward the military, a considerable period of military service, such as is now provided for in the new act, will most certainly leave its mark upon our ways of life. World War II had a significant impact on important aspects of American life. A few examples make this clear. The increasing interest of large sectors of the population in the development of more effective health services reflects, at least in part, the experience with a good system of medical care, including improvements in personal hygiene and food habits, which large numbers of Americans had for the first time in their military service. With respect to our economic life, military service resulted in an increase in migration during the

postwar years, particularly from the poorer rural sections of the South. Military training and assignments had an even greater impact on the vocational objectives of large numbers of younger men. Social changes received impetus during postwar years throughout the country, particularly in the South where the problem of segregation has been mitigated by the new experiences of both whites and Negroes during their military service.

The outstanding long-term consequence of the new approach to military manpower policy precipitated by the enduring emergency will be the impact on American life and thought of exposing every young man to a period of compulsory military service. The distance which has existed in the past between the military and the rest of American culture cannot possibly be maintained if we do in fact adopt a system of eight years of obligatory service. Although there was considerable public debate about certain aspects of the new act, particularly the lowering of the draft age from nineteen to eighteen and a half years, there was practically no public discussion of the clause (to become effective this time through a reorganization of the reserve forces) which provides that every eligible person must serve a total of eight years on active duty or training and in the reserve. That such an important provision was passed with so little public awareness or debate indicates the threats to our democracy contained in the present situation. It is doubtless true that in meeting our new military requirements important changes will have to be introduced into our conventional ways of thinking and behaving. However, every precaution should be taken to safeguard our basic traditions as much as possible, for they have been so largely responsible for our growth, prosperity, and welfare. As General Omar N. Bradley told a recent convention of the American Association of School Administrators, "In the United States, the military has always been—and it must always be—subordinated to civil government. It exists purely as the instrument of the American people, responsible to them through a civilian secretary and dependent upon them for funds through a freely elected Congress." However, only an intelligent and informed people can retain control over the instruments which it creates for its own protection and defense.

## CHAPTER 6.

# MANPOWER ALLOCATION – PRESENT AND FUTURE

JOHN J. CORSON \*

There is no precedent for the manpower problems this country faces in mid-1951. During World War II we had to husband our human resources, but the problem was of short duration and it was met by measures adequate for a brief emergency. Today's manpower problem cannot be regarded as one of short duration. It requires the use of measures fashioned to meet the emergency of the early 1940's. And it requires simultaneously recognition of the distinguishing characteristics of the manpower problem of today and of the implication for the future of the processes by which manpower is allocated now.

The relative scarcity of manpower which is steadily becoming apparent may continue for a decade or longer. A constant semimobilization or readiness economy requires the maintenance of a large standing army and the employment of a still larger number in producing the tools of war for our fighting forces and those of our allies. In World War II we diverted over forty per cent of our national economy to defense and war; this time nearly twenty per cent of our economy is to be consumed by defense. Last time we produced a military force of over eleven million; this time only three and one-half million are required. But this time we are committing our resources and mortgaging our manpower for an indefinite period.

Can we commit, for an indefinite period, up to ten million (three and one-half million in service, six and one-half million in defense jobs) of our ablest men and women to the tasks of war or preparation for war? Will such a commitment constitute a persistent inflationary pressure upon wage levels and upon the costs of production? Can we maintain a rising standard of living if this proportion of our manpower is committed? And what of the future productivity of the American labor force if a substantial number of young men and women, in the training and skill-acquiring ages, are taught only the skills of war or the production of guns and munitions?

Seldom in the twentieth century has this country been handicapped by a shortage of manpower. Our concern, historically, has been to find jobs, not to find workers. We do not readily think in terms of a supply of manpower limited drastically and indefinitely. Moreover, it is difficult for the people of this country to accept the idea that it may be socially necessary to exert social influence, to compel—to use a nasty word—men and women to work or fight in one place rather than in another. It is hard for us to conceive that technological advance and progress in science, in medicine, in education, and in all those fields requiring individuals trained in the social sciences may be slowed down because we do not have sufficient trained manpower. Yet the diversion of manpower now to the immediate needs of the military services and the supporting production program may mean a drastic shortage in subsequent years in these and other fields.

### Manpower Requirements for the Defense Economy

Manpower may become short by the fourth quarter of 1951. That is, the numbers needed for maintaining an armed force of three and one-half million and for expanding our production facilities to meet defense production goals may create scarcities. Within the year since the outbreak of hostilities in Korea, the labor force has expanded by more than one million; the normal increase during this period would have approximated 900,000. Unemployment has been reduced from 3.3 million in June, 1950, to 2 million in June, 1951.

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and the number employed on farms has been reduced within this same year by almost one million. Yet, the full impact of defense procurement has not hit the economy of this nation. As contracts pyramid on the order boards of American industry during the fourth quarter of this year, the demand for labor will increase materially.

There are only rumors that the armed services will be increased in size beyond the presently planned peak of three and one-half million. If this peak were raised, the calculations described here would necessarily be scaled upward. If the size of the armed services remains at 3.5 million it is probable, as Secretary of Labor Maurice J. Tobin announced early in 1951, that 7.2 million more individuals will be needed for defense by the fourth quarter of 1952 than were in uniform or at work in the fourth quarter of 1950.<sup>1</sup>

Already more than one third of this total has been added to the labor force. From here on additional manpower will be required to provide a continuing flow of replacements into the armed forces. It will be needed, too, to expand the major defense industries—to make planes, tanks, and other military equipment and supplies and to man expanding government agencies. For example, the key aircraft industry will need up to three and one-half million additional workers, and present estimates as to the numbers required in other defense industries may have to be revised substantially after the Congress has finally determined the appropriations to be available. In addition, a significant volume of manpower will be consumed during the months ahead by the construction of new facilities to produce steel, aluminum, power, and other ingredients of an expanding industrial civilization. Indeed, the costs in manpower and in materials of our frenzied efforts to expand facilities at this time have been little reckoned with as yet.

These uncertainties make precise estimation of the short-run manpower requirements difficult. On the basis of the stated goal of three and one-half million individuals in the armed forces and present trends in defense matériel procurement, approximately four million additional persons will be required for defense by July 1, 1952.<sup>2</sup> This total may roughly be distributed as follows:

Armed Forces	.3 million
Federal Government	.4 million
Defense Production	3.3 million
Total	4.0 million

To obtain this number for defense, a net two million workers must be added to the labor force (principally women and this year's school graduates). The remaining two million will be made up of workers in the labor force transferred from peacetime pursuits to defense activities.

### Manpower Requirements for the 1950's

What are the costs in terms of manpower of maintaining an armed force of three and one-half to five million for a decade? What is the significance manpower-wise of a permanent military training program? What are the costs of continuing for a decade the production of the arms and supplies needed to maintain our armed forces and those of our allies in a state of readiness? The vast production program of 1951 and 1952 will equip our military services with all the guns, tanks, planes, and equipment needed to wage war wherever necessary. But what will the demand be for the years from 1953 to 1960 in terms of additional matériel and the replacement of equipment used and becoming obsolete. And what will the continuing demand be in terms of manpower?

<sup>1</sup>Manpower Report No. 7, U. S. Department of Labor, Bureau of Labor Statistics, June 1, 1951.

<sup>2</sup>A National Manpower Program for 1951-52; memorandum prepared by a staff committee of the Department of Labor, May, 1951.



It is this prospective picture which is needed as a backdrop for appraising current efforts to allocate our manpower. It is well—and necessary—to concern ourselves with the momentary problems of a shortage of tool and die workers, seasonal shortages of agricultural workers, and the waste of manpower through absenteeism and the underutilization of the handicapped, the aged, the minority groups. But is it not more important to concern ourselves with the basic problem as to whether we will have, in the year 1960, an adequate supply of manpower, with the skills required for the contingency that either we are still mobilized to meet the threat of war, or we are then at peace and can enjoy the standard of living that will then be achievable? We can visualize a gross national product of \$350 or \$400 billion. We can conjure up pleasant estimates as to the technological advances that will be available to us then. But is it possible to assess the probability that an adequate supply of manpower with the skills required, as well as in the numbers needed, will be available?

Approximating the future needs in the various occupations is a complicated task at which it is easy to err. Nevertheless, rational consideration of the allocation of manpower today should have as its background a forecast of the requirements at some future time, let us say 1960. The development of such a forecast requires the positing of numerous assumptions, the consideration of occupational trends, and the weighing of various influential factors. The following forecast, therefore, is presented with full recognition of the limitations of such approximations.

## APPROXIMATION OF LABOR FORCE REQUIRED IN 1960

	If our society is			
	Mobilized		At Peace	
Probable population				
14 years of age and over	127	million	127	million
Proportion in the labor force	59	per cent	57	per cent
Probable labor force	75	million	72	million
Armed forces	5		2.5	
Civilian labor force	70		69.5	
Unemployed	1.5		2.5	
Employed	68.5		67	
Professional and semi-				
professional workers	6.2	million	6.0	million
Farmers and farm managers	4.9		4.9	
Proprietors, managers, and officials	6.5		7.0	
Clerical, sales, and kindred workers	11.9		12.0	
Craftsmen, foremen, and kindred workers	9.6		8.0	
Operatives and kindred workers	15.8		15.1	
Domestic service	1.7		2.0	
Protective service and other service workers	6.9		6.7	
Farm laborers and foremen	1.9		2.0	
Laborers, excluding farm and mine	3.1		3.3	
	68.5	million	67.0	million

These rough totals have a further limitation. They obscure the numbers required for key professions and key skills. For example, how many doctors, teachers, economists, industrial relations experts, public officials, or tool and die makers will be required in that year? Unfortunately, these detailed data are not available;<sup>3</sup> this more general approximation is submitted only as a guide to assist in appraising immediate actions in the manpower field.

## Manpower Supply for the Defense Economy

There are seven sources from which we have to draw additional manpower to meet the needs of the defense economy by July, 1952. They are essentially the same sources from which the bulk of additional manpower was drawn during World War II.

First, the unemployed. At the outbreak of the Korean War there was a total of 3,300,000 unemployed. A year later, less than two million were unemployed. Within the next twelve months it is not likely that the number of unemployed will be reduced significantly.

Second, women. During the first year of the Korean War, approximately 1,500,000 women were added to the number employed in nonagricultural industries. During World War II about four million women were added to the labor force. Two factors limit the number which can be obtained from this source during the current mobilization period. A considerable number of those who went to work during World War II have remained in jobs since then. And the increased birth rate during the 1940's has given many of the younger women—a group that contributed heavily to war industry in World War II— young children to care for. In fact, most of the women now under thirty-five who are not employed are mothers who cannot take full-time jobs.

Third, farm workers. Farm production goals are larger than have ever previously been set for American agriculture. Approximately one million fewer individuals were employed in agriculture in June, 1951, than in June, 1950. High wages in defense industries and military service will draw still more workers from the farm during the summer and harvest months. But the farms of this country have never regained the young male population which was drained from them during World War II. Even with increased mechanization it is unlikely that many more workers can be allowed to leave the farms.

Fourth, youths entering the labor force. Here the low birth rates of the 1930's limit the annual increment to the labor force to the same level as during the period 1945-1950. And during the two years 1952 and 1953 the number of youths becoming eighteen will actually be lower than the average during the preceding five years.

Fifth, "stretching out" workers already in jobs. This term is objectionable but the process offers an important and a nonobjectionable source of manpower. Increasing the average weekly hours of work, reducing absenteeism by better management, and increasing efficiency by training and utilizing each worker at his maximum capacity taken together can readily produce the equivalent of an additional half-million workers.

Sixth, older workers. Many older persons did not retire during World War II. Others who had retired found jobs. There are more older persons today than then. But there are, too, more and better pensions and there is less patriotic urge for the older person to keep on working.

Seventh, labor forced out of the production of various civilian goods and services. Limitations on the use of materials and restrictions on credit will force some workers from civilian industries and trades into defense

<sup>3</sup>For estimates of the probable requirements in 1960 for a number of professional fields, see Higher Education for American Democracy, Volume I of the Report of the President's Commission on Higher Education, December, 1947.

jobs. But attempts to stabilize wages and the lack of the psychological drive of a "fighting war" limit the number of workers that can be made available from this source. It cannot be expected that the large number of workers from this source during World War II will be available again.

We contended during World War II that we could not have "guns and butter, too"; this time we are determined to be strong and to maintain an expanding standard of living for the civilian population. Hence, a major effort is being made now to expand productive facilities. Much controverted governmental loans and tax amortization are being used to stimulate this expansion. It is proposed to build up our capacity so rapidly that by 1953, according to Chief Mobilizer Charles E. Wilson, we will be capable of meeting all demands for defense and the free demands of a fully employed civilian population. This means that little manpower can be squeezed from civilian industries for defense production.

### Manpower Supply for the 1950's

This cursory survey of these major sources of additional manpower in the past indicates simultaneously that these sources will be barely adequate to meet the needs of the defense economy by July, 1952; and that these sources cannot be relied upon to provide additional manpower during the years to follow, over and above the normal population growth.

America cannot look for additional manpower among the unemployed, farm workers, nor those forced out of civilian industries. The low birth rates of the 1930's plus the probable effect of universal military training or selective service will combine to reduce the number of youthful entrants into the labor force each year.<sup>4</sup> Over a decade the average hours of work may be maintained at present levels; but it is unlikely that the average weekly hours of work will increase. Where then is additional manpower to be found?

Technological advance will make possible the greater productivity of each individual worker. The gains of technological advance may be pre-empted in considerable part by the military. But the long-run trend toward increased productivity will contribute significant additional manpower. Will it be sufficient to offset the manpower mortgaged for military needs and provide the manpower required to produce the tools and equipment of war?

A secondary source of additional manpower over the next decade will be the long-run tendency for the labor force to constitute a larger proportion of the population of working age, i.e., 14 years of age and over. Between 1940 and 1950 this percentage was raised by the persistently strong demand for labor from 54.1 per cent to 56.8 per cent. If it can be assumed that this proportion will reach 59 per cent by 1960, then the equivalent of from two to two and one-half million workers will be added to the labor force.<sup>5</sup>

<sup>4</sup>For an interesting discussion of population trends in relation to manpower needs, see Peter Drucker, "Population Trends and Management Policy," Harvard Business Review, May, 1951.

<sup>5</sup>As Sumner Slichter has pointed out: "The popularity of working has been increased by a variety of conditions: improvements in working conditions, reductions in the standard work week, the increase in paid holidays and paid vacations, and changes in managerial methods. Work places are becoming clean, bright, and cheerful; the five-day week and the paid holidays and vacations permit working to be combined with considerable leisure. Unions give workers substantial protection against arbitrary treatment by management. About one out of twelve jobs in industry is a part-time job, and the great majority of people doing part-time work prefer it to full-time work. The demand for part-time work will probably increase the number of such jobs in industry, and thus draw into the labor force people who do not care for full-time work. Furthermore, the drop in the standard hours of work will increase the number of persons holding two jobs—a full-time job and a part-time job." What's Ahead for American Business, Little, Brown & Co. and Atlantic Monthly Press. 1951, pp. 80-81.

This increase in the proportion of the population in the labor force will be made up, in principal part, of women and older men. The proportion of women working (age fourteen or over) in the labor force in 1950 was 33.2 per cent; in 1944, in the midst of war, it was 36.8 per cent. The constant pressure to find additional manpower that will prevail during a decade of mobilization might raise this proportion again to 36 per cent. Such a demand for manpower might raise the proportion of males 65 years of age or more in the labor force to 55 or 60 per cent. This proportion is now around 45 per cent. But there is evidence that three of every five older men are able and willing to work. To raise the proportion of older men working will require a reversal of the trend which has forced many older men out of jobs during recent decades, and may re-establish the notion that it is desirable "to die with your boots on." It will require the abandonment of the prevailing notion that workers should be automatically retired at sixty-five regardless of their ability to continue at work. If the proportions of women and older people working can be increased in the magnitude suggested, the labor force could total 75,000,000 by 1960.<sup>6</sup>

Such a labor force could provide both the military forces, military tools and equipment, and a full and expanding range of goods and services for the civilian population. But will this aggregate include the requisite number of doctors, engineers, scientists, teachers, and social scientists that will be needed in 1960 either to defend this nation if we are still living in a mobilized state, or to provide the full range of goods and services that may be feasible then if this country is at peace?

No definitive answer to this question is possible. But scraps of information can be assembled which are suggestive.<sup>7</sup>

First, industry has been characterized during recent decades by an increasing dependence upon engineering and by a greatly increased emphasis on research and developmental work. To provide the number of engineers needed for industry—under conditions of either mobilization or peace—it has been estimated, will require a total of 30,000 graduates each year from the engineering colleges. Yet, the U.S. Office of Education estimates that in the years 1952-1954 inclusive only 55,000 engineers will be graduated. By 1960 it is conceivable there will be a deficit of from 50,000 to 75,000 engineers.

Second, in 1950 there was a total of 1,100,000 teachers; this number was insufficient to staff adequately this country's schools. In view of the prospective population growth in the school ages, approximately one million additional teachers will be needed by 1960. Yet the numbers now being trained will not produce that aggregate number of teachers. The higher earnings of individuals in other occupations during a mobilization period will likely draw some teachers and potential teachers away from this field.

Third, between 1910 and 1940 the medical profession increased 13 per cent while the population rose 43 per cent. According to the Federal Security Agency, a total of 202,000 doctors will be required in 1960 to provide the current level of medical services. At present rates of production it must be expected that a deficit of 26,000 to 30,000 doctors will exist then.

Together these bits of information offer only a piecemeal answer, not a definitive one, as to the adequacy of the manpower skills required in 1960. They suggest that recent trends, prevailing social forces, and the immediate emphasis on producing craftsmen for defense industries may combine to limit the availability of individuals trained in the professions which require years of education.

<sup>6</sup>*Ibid.*, pp. 156-8. See also Harold Wool, "Long Term Projections of the Labor Force," paper presented before the Conference on Income and Wealth of National Bureau of Economic Research, New York City, May 25, 1951.

<sup>7</sup>Numerous sources supply data as to the prospective supply and requirements of professional personnel in the future. See especially Higher Education for American Democracy, Vol. I, of the Report of the President's Commission on Higher Education; S. Harris, The Market for College Graduates, Harvard University Press, 1949; and "Training Needs for Engineering, Science, and Health Professions in a Defense Economy," Manpower Report No. 4, U.S. Department of Labor, Bureau of Labor Statistics.

## Allocating Manpower

To insure that manpower needed for our immediate defense economy will be available in the quantities and places needed, President Truman promulgated on January 17, 1951, a National Manpower Mobilization Policy. The President prescribed methods by which it is proposed to allocate—in a very broad sense—the workers required for defense purposes. These methods are the deferment of essential skilled workers, the preferential recruitment through public employment offices of the workers needed in defense industries, the development of workers' skills through publicly supported training courses, and the provision of job information to individuals seeking jobs to aid them in finding defense employment.

This policy has been supplemented by the week-to-week discussions of the Manpower Policy Committee of the Office of Defense Mobilization. This committee, headed by Dr. Arthur S. Flemming, President of Ohio Wesleyan University, has coordinated the manpower allocation efforts of the several federal agencies. These agencies include the Department of Defense, the Defense Production Administration, the National Production Authority, the Department of Labor and its Office of Defense Manpower, the Wage Stabilization Board, the Selective Service System, the Department of Agriculture, and the Federal Security Agency.

The committee has developed a further policy statement supplementing the President's policy to guide these several departments. This statement specifies that: all governmental departments shall consider the availability of labor in planning the procurement of military goods and services; all governmental departments shall take area labor supplies into consideration in decisions regarding the location, relocation, expansion, or contraction of plants and facilities where significant numbers of manpower are involved; and all governmental departments and agencies shall consider the effects on employment and unemployment of decisions with respect to the allocation of raw materials and the authorization or limitation of production programs.

This statement means that "production will be scheduled, materials allocated and procurement distributed with careful consideration of available manpower." Obviously these several steps together do not constitute the "allocation of manpower" in any direct or compulsory sense. Yet these steps plus the functioning of the military recruitment and draft and the activities of the public employment offices will have a significant influence upon the use of the nation's total manpower and the future careers of millions of men and women during the next decade, if mobilization must last that long.

## Voluntary Allocation

In discussions of manpower policy, much emphasis is placed on the essentiality of voluntarism. It is contended that government shall not allocate manpower in any compulsory sense, as it allocates materials. It is contended that the individual—if his services are not required in the armed forces—must be free to choose where and under what conditions he shall work. One can accept the philosophy on which this reasoning is based and still question the reality of this voluntarism.

Certainly it is unrealistic to contend that the thousands of college and university instructors being dismissed at this time have a free choice as to where and at what they shall work.<sup>8</sup> It is equally unrealistic to argue that the men and women laid off by civilian industries because of a lack of materials are exerting their own free choice. The placement of vast contracts for military goods, which creates jobs at premium wages, and all governmental efforts to influence individual workers to take these jobs do not leave each worker a wholly free choice of occupation. This is especially true when the individual is less likely to be drafted or called up as a reservist if he is employed in a defense job. Moreover, it is not realistic to contend

<sup>8</sup>For provocative discussion of the significance of the current movement of manpower from college faculties to defense and other jobs see: Millard C. Faught, "Our Colleges Are Losing Their Minds," Saturday Review of Literature, June 23, 1951.

that every individual is free to enter the highly unionized skilled trades where unions limit the number of entrants, or to enter those professions requiring extended training, entry to which may be limited by the individual's financial resources or the rigidly limited facilities for training.

In short, clearer thinking is needed as to the strength and effect of the institutional forces, generated by the mobilization program, which affect the individual's choice among education, military service, and employment in one field or another. One may argue, with sound philosophical justification, that the individual should have the maximum freedom of choice, and still recognize that the defense program and a number of contemporary economic forces limit the individual's freedom of occupational choice. Does the harnessing of manpower for defense needs, when coupled with those forces that normally limit the numbers trained in key professions and skills, create a positive necessity to urge the ablest young men and women into the professions and trades where more may be needed a decade hence?

### Formal Allocation

Achieving our defense objectives requires that over the next twelve months we do these things:

- 1) distribute our manpower between the military service and the civilian economy so as to achieve the best result in terms of the national interest
- 2) expand the supply of manpower available for defense production including agriculture until requirements are met
- 3) utilize our work force at their highest skills and capacities
- 4) train increased numbers for defense jobs
- 5) place defense contracts in areas where labor supply is available
- 6) provide adequate housing and community facilities and services for defense workers whenever the defense production cannot be located where the workers already live.

These steps will require recognition by government, employers, and workers that there is no surplus of manpower to meet the needs of survival. The federal government, led by the Office of Defense Mobilization and the Department of Labor, must minimize confusion and waste in the distribution of manpower. Defense can minimize manpower headaches by the effective placement of contracts and allocation of materials in relation to labor supply; labor, by aggressive, imaginative management of efficient public employment offices.<sup>9</sup>

Employers can minimize their manpower difficulties by insuring that their present staffs are utilized effectively. Greater productivity can be had by job analysis, better supervision, and training. Greater productivity, too, will result from longer hours and from building up the workers' interest and zeal. In addition, employers must devise ways of utilizing more women, more older workers, more members of minority groups, and more part-time workers.

<sup>9</sup>An analysis of the geographical distribution of tax amortization loans authorized by the Defense Production Administration for the creation of additional productive facilities indicates that a relatively large proportion of these new facilities are to be built in the southwest and mountain areas where manpower may now be less fully utilized than in the more heavily industrialized areas of the country. See Defense Production Administration press release, May 29, 1951.

Workers, too, can contribute by reducing absenteeism, the shifting of jobs, turnover, insistence upon restrictive practices, and other habits that waste manpower.

## Long-Run Processes

Efforts of government, employers, and workers together constitute the national manpower allocation program. They will likely suffice to insure that manpower is available where needed to meet defense requirements. But must these efforts be supplemented in the long run by still other processes if at the end of this decade this country's manpower is adequate for our needs?

The Scientific Manpower Advisory Committee has recommended the creation of a national scientific personnel board. This board would stimulate and insure the training in the future of an adequate number of individuals with skills in science, engineering, medicine, and technology.<sup>10</sup> Such an institution is needed if this country is to possess in the future the number of scientists, doctors, and engineers required for a high standard of living or effective defense.

Are like institutions (or a single institution with a broader mission) needed if this country is to possess the number of teachers, social workers, economists, political scientists, public administrators, and experts in industrial relations that will be needed in 1960?

And what institutions will combat those forces which now place obstacles in the way of increasing the number in these and other professions and trades? These forces include professional societies which limit entrants into their respective fields, economic forces which discourage many competent young people from entering fields requiring extended training, unions which limit entrants into skilled trades, prejudices against the use of women, and pressures to bring about general retirement at age sixty-five or earlier.

## Organization

For the moment the governmental manpower organization that exists is adequate to cope with immediate defense needs.<sup>11</sup> The Department of Labor, through the United States Employment Service and the Bureau of Labor Statistics, provides the backbone for our civilian manpower efforts. The Department of Defense and the Selective Service System constitute our military manpower claimants—and a competitor for available supplies. The Manpower Policy Committee of the Office of Defense Mobilization guides other agencies of the government and coordinates the Departments of Labor and Defense and the National Production Authority. Regional mobilization committees bring together in the field these various agencies of government involved in manpower problems. These several parts do not constitute a neatly integrated organization but, to date, they have proved capable of coping with the prospective problems.

For the larger task of insuring that our supply of professional and skilled manpower is equal to our requirements in 1960, the existing machinery of government is inadequate. It does not accept any obligation for visualizing the manpower needed in 1960 and influencing the occupational choices of individuals even as it influences their current employment decisions. A national manpower administration might well be established to provide over-all planning toward this end for the numerous federal agencies that are logically concerned. Its focus should be our manpower needs for various alternative possibilities a decade hence.

<sup>10</sup> "Plans for the Development and Use of Scientific Manpower," a report of the Scientific Manpower Advisory Committee of the National Security Resources Board, January, 1951.

<sup>11</sup> Frederick J. Lawton, Director of the Budget, advised the Senate Expenditures Committee on June 15, 1951 that it would be "desirable and perhaps essential" to centralize in one agency responsibility for military manpower procurement and civilian labor supply in the event of full mobilization. Washington Post, June 17, 1951.

Its objective should be the promulgation of information and the development of incentives which will attract our ablest young people into those fields which offer opportunity for them and meet the need of the society.

This country has planned the mobilization of its manpower during the current emergency along the courses that were conceived during World War II. The current emergency requires imaginative thinking as to our future as well as our immediate manpower needs. If we must live in a garrison state for a decade, our efforts to allocate manpower must be appraised in terms of their effectiveness in supplying the needs of the military and defense production in 1952, but also in supplying the manpower required in subsequent years for all scientific, professional, cultural, and manual pursuits, while preserving for the individual the maximum, informed freedom in making his choice as to how and where he chooses to spend his life and earn his living.



## CHAPTER 7.

# REPORT ON SEMINAR I GOVERNMENT POLICIES FOR MANPOWER ALLOCATION

WILLIAM E. HABER \*

### Introduction

There is no precedent for the manpower problems with which we are confronted in the present period. All-out war has a definite terminal point; the present emergency, as far as anyone can foresee, is likely to continue for an indefinite time, perhaps for a decade or two. Under total mobilization national security requirements receive the highest priority, as they must; the civilian economy is restricted, releasing manpower and resources for more essential defense needs. Strong motivations, including patriotism, play an important role in the redistribution of the labor force. In the present period, a defense program absorbing fifteen to twenty per cent of the national product competes for manpower with a thriving civilian economy. The motivations which stimulate labor mobility and transfers from regular civilian jobs are largely absent. With total mobilization normal patterns for the training and education of youth may be set aside with the knowledge that the losses in trained men can begin to be replaced at the end of the emergency. The objective is maximum national strength in the shortest possible time. Under present conditions with an emergency of indefinite duration, a large armed force may have serious consequences for youth, educational institutions, and the national supply of trained manpower in the scientific and professional fields.

These striking differences between an "economy of readiness" and total mobilization for war raise significant questions. For example, we have to consider the effect of committing for an indefinite period up to ten million of our ablest men and women to the tasks of war and the preparation for war. How shall we deal with the effects which such a commitment would have on wage levels and on the cost of production; with the inflationary pressures which shortages and large public expenditures will create? How can we maintain a rising standard of living when over ten million of our productive workers are engaged in "unproductive" enterprises? What of the future productivity of the American labor force if a substantial number of young men and women in the skill-learning period of their life are taught primarily the skills of war, rather than the skills of enterprise? How can we assure ourselves that with a large armed force we will set aside the necessary number of young men for training in the sciences, in engineering, and the humanities. With emphasis upon skills essential for the nation's security for an indefinite period of time, how can we make certain that the requisite number of young men and women enter the occupations which are important to our society but have relatively less significance for national security? More specifically, are our manpower resources adequate to support a substantial defense enterprise superimposed upon a near-normal civilian economy? Can we do so without resorting to some form of manpower allocation, departing from voluntary methods?

It was with such questions that the Seminar on Government Policies for Manpower Allocation was largely concerned.

### Our Manpower Resources are Limited

If necessary, the armed forces could be increased beyond the unprecedented size reached in 1945 at the end of World War II, and the production goals for supplying our armed services and those of our allies could

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be raised to levels several times higher than those projected for the next two years. But this could not be done without curtailing large segments of civilian activity, including the production of automobiles, radios, and refrigerators, and almost all building construction, and with drawing most male students from our schools.

This is not necessary now, nor would it be possible in view of the indefinite period for which we are preparing. We can substantially reduce the numbers in our schools and colleges only by imperiling our supply of trained manpower, and the production of automobiles and other essential civilian items cannot be discontinued. We must therefore find manpower for our armed forces and for production to supply them, to expand our facilities in case of war, and to stockpile for future needs without seriously curtailing our civilian labor force.

Can we provide for an indefinite period about ten million men and women for defense purposes—three and one-half million in the armed forces and six and one-half million in defense jobs? Can we do so without seriously reducing the numbers in essential civilian employment—our teachers, policemen, social workers, and research personnel?

Our needs for the period immediately ahead appear to be modest. Defense manpower requirements by the end of 1952 may reach four million. Nondefense employment may decline by about two million, largely because of curtailment in civilian production. Allowing for normal increase in the labor force of 600,000 to 800,000 persons, about one and one-fourth to one and one-half million additional persons must enter the labor force if our needs are to be met. While in national terms these needs may appear moderate, labor market experts are in agreement that shortages in skilled trades and the professions already appearing in many areas may become nationwide before the end of 1952. Seasonal shortages will appear in agriculture. Staffing in mining and in other unpleasant and hazardous industries will become increasingly difficult with every passing month.

While manpower supplies may appear reasonably adequate for the defense program of the next year or two the potential supply suggests considerable difficulties if our requirements are greatly expanded and if we approach total mobilization short of war. There are definite limitations to our reserves of manpower: women, the handicapped, youth, and the aged. Increasing working hours is of limited value, except for a relatively short emergency period. Our reserves, short of substantial transfer from civilian employment, lie in increasing utilization of the existing work force, in increasing productivity through technological advances, and in increasing the proportion of the total population in the labor force. There are definite limits to the proportion of the population which can engage in gainful employment. The trend has been upward, increasing from fifty-four per cent to fifty-seven per cent between 1940 and 1950. It can be enlarged further by increasing the proportion of women in the labor force and by expanding employment opportunities for persons over sixty-five years of age. The latter would be highly desirable; the former will be difficult unless we develop greater motivation than exists at present.

## The Size of the Armed Forces

The most significant manpower policy issues grow out of the decision concerning the size of the armed forces. This decision, once reached, influences every other element of the defense economy.

The arithmetic of manpower of military age is relatively simple. The available facts indicate that we are rapidly exhausting the manpower reserve in the eighteen to twenty-six-year age group. Perhaps in another twelve to eighteen months all able-bodied men in this age category will have been inducted. We will then be in a situation where the reserve pool of men available for induction is exhausted, unless the age of induction is raised above twenty-six or unless veterans and other exempt groups become available. Since there are strong arguments against such steps, additions to the armed forces thereafter will depend upon those reaching military age annually.

This would not be serious if the numbers coming of age annually were sufficient to maintain an armed force of the desired size. It was the consensus of the seminar group that the projected size of the armed force, three and one-half million or more, cannot be achieved within the present statutory requirements and administrative policies. There are not enough young men coming of age each year to provide for an armed force of this size on a twenty-four-month rotational basis. Allowing for twenty-eight per cent as unfit for military service because of physical or other shortcomings, only about 860,000 of the 1,200,000 men who reach their eighteenth birthday annually are available for induction into the armed forces. With this limited number the duration of service will need to be about forty-two months instead of the present requirement of twenty-four months, if the three and one-half million size force is to be maintained.<sup>1</sup>

The maintenance of such a program for an indefinite period, or even for a decade, will have serious consequences for youth, the structure of higher education, the potential supply of scientific and professional personnel, and the future occupational distribution of the labor force.

A three and one-half year or even a three-year interruption in the educational plans of the nation's young men is likely to have nearly fatal results for most of these plans. After so long a period in the armed services, many will not wish to return to school.<sup>2</sup> Such a development presents substantial danger to our supply of scientific, professional, technical, and highly skilled persons whose education requires a relatively long period.

Curtailed enrollments for a substantial period of time will seriously affect our colleges and universities, since a large proportion of our liberal arts colleges rely heavily on student fees for financing. Many of these institutions will find it difficult to continue if all physically fit men are inducted into the service upon reaching the age eighteen. Many feel that a substantial reduction in the number of students will lead to a serious alteration in the structure of higher education in this country.

Nor can we ignore the possible influence of a long period of service in the armed forces upon the pattern of occupational distribution after a decade or two. Occupational choices are likely to be considerably different when the decisions are made at age twenty-two or twenty-three, rather than at eighteen or nineteen. The effects of this difference are difficult to assess. It seems reasonable to assume, however, that the desire of the older men to get married, plus the numerous handicaps which family life on a small income imposes on academic study, may well mean that a smaller percentage of older than of younger men would choose or complete the long courses of study (seven to ten years) required for many of the scientific and professional fields.

How can these problems be met? One proposal is to increase the age of service in the armed forces beyond twenty-six. This would make available for the next few years, at least, a substantial number of physically fit young men not now subject to service. It has been urged, however, that such a step would not produce many men for induction. The higher age group contains a large proportion of skilled workers and married men with dependents. As a result, a substantial number in this age category would be eligible for deferment.

Another suggestion is to increase the size of the standing army, the career group in the armed force. If this group which volunteers for service for a period of several years were large enough, a twenty-four or twenty-seven-month rotation for those inducted at age eighteen would make it possible to maintain an armed

<sup>1</sup>These estimates assume that the career group in the armed forces would consist of about 750,000 men. If one were to assume that those who choose to remain in the armed services on a volunteer basis for an indefinite period would be two or three times this number, it would of course be possible for those who are inducted to be rotated on a twenty-four-month basis. The larger estimate of the size of the career group has, in fact, been made by the Department of Defense.

<sup>2</sup>This conclusion would, of course, be modified if the federal government were to underwrite the higher education of all those inducted into the armed services, as was done after World War II. This does not appear to have been regarded as a serious possibility by those participating in the seminar [Ed.].

force of three and one-half million. Many will question whether, under peacetime conditions, we can create a career army of one and one-half to two million men. Our nonmilitary traditions suggest that this will not be an easy task, unless incentives in pay and other favorable conditions are provided. In addition, military considerations suggest the desirability of avoiding an aging military force, "which on the day of emergency is on the verge of retirement."

### Deferment Policy

The indefinite duration of the defense emergency makes the issue of deferment for military service more significant than it would be under conditions of a full-scale war. With the eighteen-year-old group, the problem of deferment is not related to occupational factors. Young men do not usually occupy such strategic jobs as to justify exemption from military service. The problem, however, is one of setting aside a certain proportion of those coming of age for training in the scientific fields, the social sciences and the humanities, and for critical skills. To postpone such training until after the completion of service in the armed forces is likely to have tragic consequences as far as the supply of these important skills is concerned. It has, therefore, been urged that if military requirements call for an armed establishment of three and one-half million men, the present statutes and policies should be amended to insure that an adequate proportion of the young men reaching military age each year are selected for training in the scientific, professional, and skilled occupations. After their training is completed the group would be available for specialized service where most needed in the armed forces or in civilian employment. While no one can be deferred if we are to maintain an armed force of three and one-half million men, the objective of achieving maximum strength at some particular time in the future would be defeated if we failed to maintain our resource of highly trained professional and skilled workers.

### Coordination of Manpower and Production Planning

Manpower is not a residual problem. Our economic society is a complex and intricate institution. Lack of coordination between production and manpower agencies in World War II was recognized as responsible for much faulty planning and waste. It is now appreciated that the most significant decisions in the field of manpower are made within the military establishments and the civilian agencies responsible for production and procurement. These decisions which determine over-all requirements—production schedules, location of new facilities, and procurement—in effect allocate manpower in the economy.

Decisions on the location of new plant facilities and procurement contracts, for example, have an immediate bearing on the manpower situation in the locality. Will such decisions contribute to effective utilization of idle local labor reserve or will they further strain an already scarce local labor supply? The importation of labor reserves may complicate the local housing and community facilities problem. In short, the manpower consequences of these decisions must receive the most careful consideration. This calls for close collaboration between the manpower organizations and the authorities responsible for planning production and procurement. Otherwise, the task of the manpower agency responsible for recruitment, referral, and placement, and for establishing an orderly labor market, is unnecessarily increased. The very production objectives are thus endangered.

Progress in improving coordination between the manpower organizations and the agencies responsible for significant decisions on over-all requirements has been slow. The feasibility-testing system has been a forward step. Much can be done to centralize responsibility for determining requirements of the over-all defense program. The organization looks much better on paper than it is in practice. Much more can be done to improve integration between the production and procurement authorities and the manpower organizations. In view of the higher production schedules ahead, it is imperative that this improvement be made without delay.

## Manpower Allocation

How, in the defense and near-war economy, can we provide the direction of movement of the labor force so as to secure its distribution in a manner that will best serve the national interests? How can we get the right man to go to the right job and remain there as long as he is needed?

There are at least three aspects to the allocation concept. The first is concerned with the allocation of men: that is, the specific assignment and direction of particular individuals to specific jobs. The National Service Act which prevailed in Great Britain during the latter part of World War II gave the Minister for National Service the authority for such direct allocation of civilian personnel. In the United States we have relied upon this method only for "allocating" men for the armed forces through the Selective Service System. On several occasions between 1942 and 1945, Congress considered specific legislation for direct assignment of civilian workers to jobs essential to the nation's war effort. Such legislation was never adopted, although it was on one occasion vigorously endorsed by the national administration.

Except for selective service, inductions into the armed forces, occasional assignment of furloughed soldiers to civilian jobs in aircraft plants and non-ferrous metal mines, and the use of the "work or fight" threat to keep civilian workers at their jobs on penalty of induction, the allocation method as far as it applied to civilian employment was confined to allocation of jobs or positions and not to persons. The concept had statistical significance and was used for planning purposes. It involved setting aside a segment of the labor force whose employment was essential for the completion of the production goals of a particular employer or industry.

In addition to these two aspects of allocation the seminar group recognized the importance of manpower guidance as an allocational device. Here the object is to distinguish significant activities which have a high priority and should receive the assistance of appropriate governmental agencies in recruitment, referral, and placement of men. The core of government responsibility in the field of manpower lies in this area. In the absence of authority to assign men, we must rely upon the devices which call attention to the occupations and activities most essential to the nation's defense objectives. A national emergency like that which now exists imposes upon the national production and manpower agencies a clear responsibility for determining those segments of the economy which ought to have a primary claim on the nation's manpower. The "critical occupations list" and the "essential activities list" prepared in the Departments of Labor and Commerce are effective aids in achieving this objective. Equally important is the provision of accurate and current information on requirements and supply on a local, regional, and national labor market basis. Here it is also important to recognize that the national objective requires abandonment of localist attitudes with respect to existing manpower pools. Any local effort which retards mobility and restricts regional and national recruitment of a local labor surplus stands in the way of the most effective utilization of the nation's manpower reserves.

With respect to the needs of the armed forces, the allocation of the required manpower, by common consent, is achieved through a system of selective service providing for compulsory assignment. Equality of sacrifice and service in the armed forces is thus provided. In World War II this principle was carried to the point where voluntary enlistment was first restricted and later substantially abolished. Many have felt that we should do the same at this time.

With respect to the civilian labor force our experience suggested that it is not necessary at this stage of our defense effort and perhaps will not be necessary at any stage in our defense program, even during war, to resort to specific assignment of men.<sup>3</sup> With respect to manpower, force is unworkable and inefficient. In

<sup>3</sup>Some members of the seminar believed that it is an error to exclude the choice or even the probability of requiring national service from the civilian labor force, should total mobilization become necessary. The manpower program of World War II with its "Employment Ceilings," "Priority Referrals," "Statements of Availability," and wage incentives hardly merits the characterization of voluntary. In addition it was urged that there are distinct disadvantages to relying upon indirect sanctions to enforce these voluntary programs. Finally, it was pointed out that the democratic institutions of Great Britain were not injured by providing for national service during the critical years of World War II.

a democratic society production requires consent. Accordingly, the consensus of the Stanford group was that allocation devices should be confined to jobs and positions and to manpower guidance and should not extend to the actual assignment of men and women.

Accordingly, we should develop to the maximum degree necessary those positive aids which will identify the jobs, areas, and end products which have the higher priority, and will provide the appropriate incentives, inducements, and conditions to attract, hold, and make effective use of the necessary manpower. These conditions are concerned primarily with housing, community facilities, transportation, assistance, and wage incentives. The latter is particularly important, in view of the fact that the wage stabilization objectives of the federal government seriously limit the operation of the normal incentive devices for distributing and holding manpower supplies.

When critical shortages begin to appear in specific areas and for specific skills, as they already are appearing in some sections of the country, it may be necessary to adopt more direct allocation devices. These include employment ceilings and the kind of labor market direction which places special emphasis upon the referral policies of the local offices of the United States Employment Service. Such restriction on the total size of the labor force which particular employers may engage, or on the order in which positions may get referrals of job applications, represents a form of "compulsory voluntarism" which may be reasonably adequate to meet the manpower problems in the period ahead and thus avoid direct allocation.

Finally, the inevitable emphasis on defense jobs during the next decade will no doubt produce a substantial shortage in the supply of labor in civilian occupations only indirectly related to the nation's defense program. The metal trades and hard goods occupations in general will have a high priority. Under conditions of all-out war for an intensive short period such an emphasis is essential and imposes no danger. However, in terms of a defense program for a decade or more, it is just as important that we maintain our supply of accountants, teachers, and beauty parlor operators, to cite but a few occupations. In brief, government agencies responsible for manpower planning must keep in mind the long-range distortion in the occupational distribution which present policies are creating.

## Manpower Organization and Administration

During World War II, responsibility for manpower organization and administration was dispersed among several agencies. These included the armed services, the Selective Service System, the Civil Service Commission, the Maritime Commission, the Department of Labor, the War Production Board, and the War Manpower Commission. The latter had coordinating responsibility and directed the training-within-industry programs and the most important operating unit, the United States Employment Service. However, all these agencies, and several more not here listed, had some important responsibility for a segment of the nation's manpower program. This dispersion of planning, research, and administration led, according to many observers, to considerable confusion and much waste and lost motion. Jurisdictional controversies were common and a unified formulation of the nation's manpower program did not come until late in 1944 with the organization of the Office of War Mobilization and Reconversion.

To a considerable degree a similar problem exists today, except that the Office of Defense Mobilization is in a firm position to determine policy and coordinate the programs of the several agencies. However, policy formulation and planning are carried on under a rather complex committee structure. This system of committee planning is woefully inadequate either for effective planning or efficient operation. Its shortcomings would have had unfortunate consequences earlier had a serious manpower problem developed during the past year. As manpower shortages begin to appear and affect more occupations in a larger number of areas, this committee system will need to evolve into a unified planning organization and later, if we approach more substantial mobilization or a full-scale war develops, a centralized operating organization will be indispensable. Such an organization, the seminar group held, would be more effective if it were not a

part of an established department of the federal government. It should, in any event, include the Selective Service System.

In such circumstances the United States Employment Service should become a federally administered institution. It was the consensus of the seminar group that the present federal-state employment service, while perhaps reasonably adequate for normal times, is cumbersome and inefficient for emergency operation on a national basis. Broken up into forty-eight state units it is difficult to staff adequately; it is not possible to establish a line of promotion to the top; there can be no interchange of staff among the states nor between the federal government and the states.

The logic of federalization was generally accepted, although the political improbability of such a step was also recognized by all members of the seminar. It was urged by many, however, that if federal operation of the state employment services should become feasible, the method employed in federalizing this service in 1941 should be avoided. Congressional legislation, rather than an executive order, was deemed the desirable procedure.

Since the manpower program will in most circumstances be based on voluntary methods, a large role will have to be given to advisory committees composed of management and labor on the local, regional, and national levels. These committees should advise on the formulation of major policies and of specific programs to deal with local situations. They should not be established until there is specific need for their participation.

## **The Implications of Universal Military Training and Service**

Although the principle of Universal Military Training and Service has already been adopted, our manpower needs for the armed forces preclude, for the present, the availability of men for training alone. When universal training does go into effect as a permanent program after authorizing legislation is adopted by the Congress, it will have significant implications for our educational system and for civilian control of manpower mobilization.

Universal Military Training and Service will introduce a radical change in the control of civilian manpower in time of war or national emergency. Civilian control of military policy is traditional in our democracy. Under the Selective Service System we have largely followed the principle of civilian administration and located the decision on occupational and student deferments in the hands of local civilian boards. When Universal Military Training and Service becomes effective, a young man upon completing his training will be placed in the reserves for a period of six years. Since annually about 800,000 young men will, upon reaching eighteen, become subject to such training, the total reserves would in a period of five years exceed 4,000,000 men. Under present plans these men will be subject at any time, until they are in their upper twenties, to call for military service. The decisions as to who is to be deferred on an occupational basis will be difficult since the armed forces will wish to be able to call upon their reserves. In any event, these decisions as to deferment will be transferred from the local civilian boards to the military organization in Washington.

Thus, since the authority to activate the reserves carries with it the authority to decide what segments of the civilian economy are to continue through deferment, we may have inadvertently adopted a system of compulsory allocation by the military departments of a large proportion of the nation's manpower in the younger age categories.

This is the most serious implication of the universal military training program. Congressional legislation to provide for civilian control of deferment can correct its obvious dangers. Such legislation could give the military control over only the organized reserves and could rely upon the Selective Service System for passing upon occupational deferment.

Other aspects of Universal Military Training and Service occasion serious concern. These are related to its effects upon the educational system, to the economic consequences of withdrawing from productive employment most eighteen-year-old men, and to the attitudes which will be developed in those who will be spending their most impressionable years in the armed forces. These matters justify most careful and continuous study.

## Conclusions

In general, the Stanford Seminar on Government Policies for Manpower Allocation concluded that while we were rich enough in manpower and resources to do the job which a defense program of the present magnitude imposes, it will inevitably require much dislocation and considerable adjustment and sacrifice on the part of many groups. We must be alert in order to avoid serious damage to our educational institutions and to the future supply of intellectual manpower.



**PART III.**  
**MAKING BETTER USE OF AVAILABLE MANPOWER**

## CHAPTER 8.

# MOTIVATIONAL DIMENSIONS OF ADMINISTRATION

**RENSIS LIKERT \***

Rapid developments have occurred during the past two decades in the research methodology of the social sciences. These developments are making possible systematic studies of the human factor in administration. Methods of measuring attitudes, the sample interview survey, and more refined methods of statistical analysis are some of the tools that are proving especially useful in research on management.

In the spring of 1947 the Survey Research Center, a division of the Institute for Social Research of the University of Michigan, started a program of research applying these research tools to the human problems of administration. This program was supported by a research contract with the Office of Naval Research. The following statement describes the point of view of the center in undertaking this research:

"The capacity of a nation to survive depends in no small part upon its skill in organizing industrial, governmental and military activity. The effectiveness of the political, economic and military activity of any society is determined in large measure by the nature of that society's social organization and by its knowledge and skill in organizing human activity.

"In terms of national well-being and national defense there is no more fundamental problem on which to do research than on the dynamics of social organization . . . . Fortunately, the developments that have occurred in scientific methodology now make possible systematic research on the fundamental problem of the dynamics of group behavior. To gain the fundamental insight and understanding needed to meet the problems that are presenting themselves in increasing numbers, it is proposed that a ten year program of research be undertaken to broaden and sharpen our systematic knowledge of the dynamics of social organization. The general objective of this research program will be to discover the underlying principles applicable to the problems of organizing and managing human activity. A second important objective of the project will be to discover how to train persons to understand and skillfully use these principles . . . .

"Since the research is being planned so as to discover principles of social organization which have the widest possible application and validity, it will be necessary to study the structure and operation of a wide variety of groups. Groups engaged in widely different kinds of activities will be studied and they will be of different sizes and degrees of complexity. . . . Both sample survey methods and experimental techniques will be used. The specific research plans for each type of group will be adapted to the character of the group. The following gives a very brief and general description of the approach that will be used.

"In conducting these studies one of the first tasks will be to establish a criterion of performance for each kind of plant or agency that is studied. These criteria are important in order that the characteristics and principles of organization and operation can be related to performance. By studying these relationships the basic principles of effective group organization and leadership can be discovered. Several widely different kinds of industries and businesses will be selected and after establishing criteria of performance in each, a sample of very successful plants or offices will be selected. These will then be matched with a sample of mediocre plants or offices from the same industries. Some of the plants or offices will be large, some will be small or will be units within larger organizations. Different sizes will be necessary in order to discover how the fundamental principles influencing group performance vary by size of organization.

"After selecting the plants and offices to be studied a systematic plan will be prepared for the collection of data from each organization. This plan will include collection of data on all phases of organization and

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operation. It will include securing data on such variables as organizational structure, principles and techniques of leadership, level of morale, quality of personnel, job methods, training and supervisory procedures and all significant criteria of performance. Insofar as the character of the office or plant permits, the same information will be collected from all of the offices or plants studied. Minor modifications will be necessary to fit the nature of the particular industry.

"The basic tool for collecting the desired data will be sample surveys. . . . The survey methods developed by the Program Surveys Division will be particularly drawn upon.

"Briefly, this part of the research will require a lengthy interview with each person in a supervisory or managerial position and shorter interviews with other employees selected by sampling techniques. In some situations, anonymous paper and pencil questionnaires will be substituted for employee interviews. The interviews will all be based on carefully tested interview forms which will be followed systematically by interviewers trained in the use of non-directive techniques. The supervisory interviews will cover such items as the respondent's concept of his job, what he considers the important parts to be, what unimportant, what methods he feels work best for doing each part, where he learned these methods, what help he receives from his superior, how useful this help is and what additional help he would like, how he feels toward his subordinates, how he attempts to direct their activities and why he uses the particular methods he employs, etc. The employee interview will be patterned to correspond with the interview of supervisors and will include such questions as: how he does his job, where and how he learned it, how he feels toward his supervisor, company and associates and why, how well trained he feels he is, what other training he wants, what help he wants from his supervisor, etc. In addition, all pertinent data from personnel and production records will be obtained to be used in the analysis.

"There are two fundamental dimensions to the proposed program—first, discovering the principles basic to the organization and management of human activity. The second dimension concerns the use or application of these generalizations once they have been discovered. It is one thing to state a fundamental principle applicable to the organization of human behavior, but it is quite a different matter to apply successfully this generalization. This research project will make significant contributions to both of these dimensions."

In carrying forward this program of research, two major criteria have been used to evaluate administrative effectiveness:

1. Productivity per man hour or some similar measure of the organization's success in achieving its productivity goals.
2. The job satisfaction and other satisfactions derived by employees or members of the group.

## Supervisory Practices and Productivity

Research has been conducted or is under way in the home office of a life insurance company, in two public utilities, an automobile corporation, a railroad, a manufacturer of heavy machinery, a manufacturer of electrical household appliances, and a bureau in the federal government. This program of research has been made possible by the continued support of the Office of Naval Research and by increasing support on the part of the companies where the research is being conducted.

The following charts present some of the results of this research and also draw on studies done by the Research Center for Group Dynamics<sup>1</sup> and on other related research. No attempt has been made to present all the results obtained. The purpose rather has been to present data which are typical of the findings to date

<sup>1</sup>This center is also a division of the Institute for Social Research.

and which summarize the more significant patterns that are emerging. The different studies are yielding substantially the same general conclusions, although they sometimes differ with regard to specific results.

Chart 1, based on a study of clerical operations, shows that first-level section heads under general supervision are more likely to have high-production sections than are those supervisors who work under close, detailed supervision.

CHART 1

## Low-production section heads are more closely supervised than are high-production heads . . .

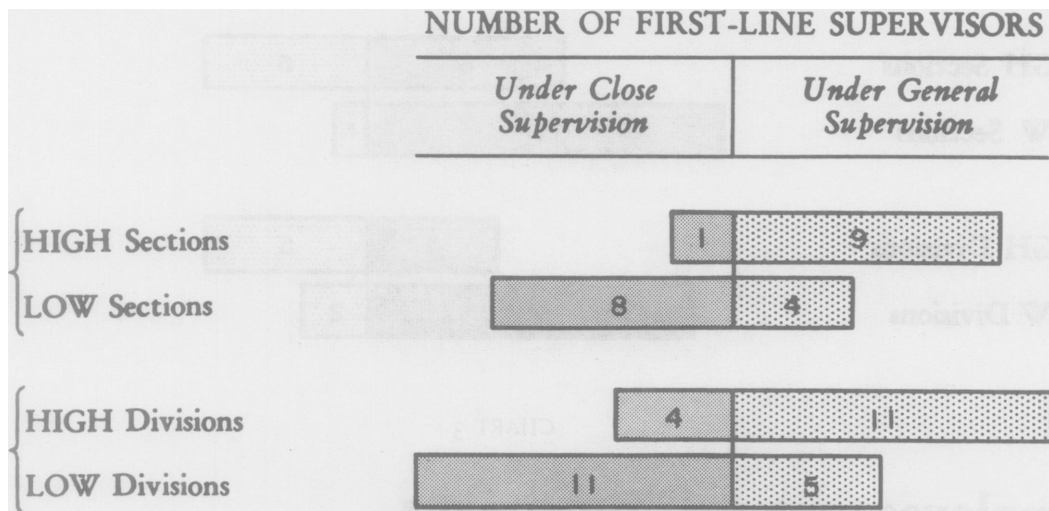


Chart 2 indicates that these supervisors in turn tend to practice the same pattern of supervision that they experience. This suggests that organizing the work in such a way that broad policies are set, but people are permitted and encouraged to use their experience and intelligence on more specific decisions, results in higher productivity.

Closely related to these charts, Chart 3 shows the relation between the point of view of supervisors and sectional productivity. Those supervisors who are "employee-centered" are more apt to be in charge of high-production sections than are the supervisors who primarily press for production. Employee-centered supervisors are those who describe their work as did this one:

I've tried to help my girls in getting better jobs and to get advanced, but there's so few positions for them to go to. That's why I teach them how to supervise. A lot of my girls are assistant section heads today.

In spite of the fact that this supervisor has promoted many of her most able girls to better positions, she still has a high-production section. By giving her girls supervisory experience or letting one of them supervise two or three others in small groups, she builds effective teamwork and a friendly, cooperative atmosphere.

Another supervisor, also employee-centered, commented as follows:

I study the girls' work, find out who works together and put them together. The main thing is to keep the girls happy. I talk with them and learn what their

CHART 2

**In turn, non-supervisory employees  
in low-production sections  
are under more detailed supervision . . .**

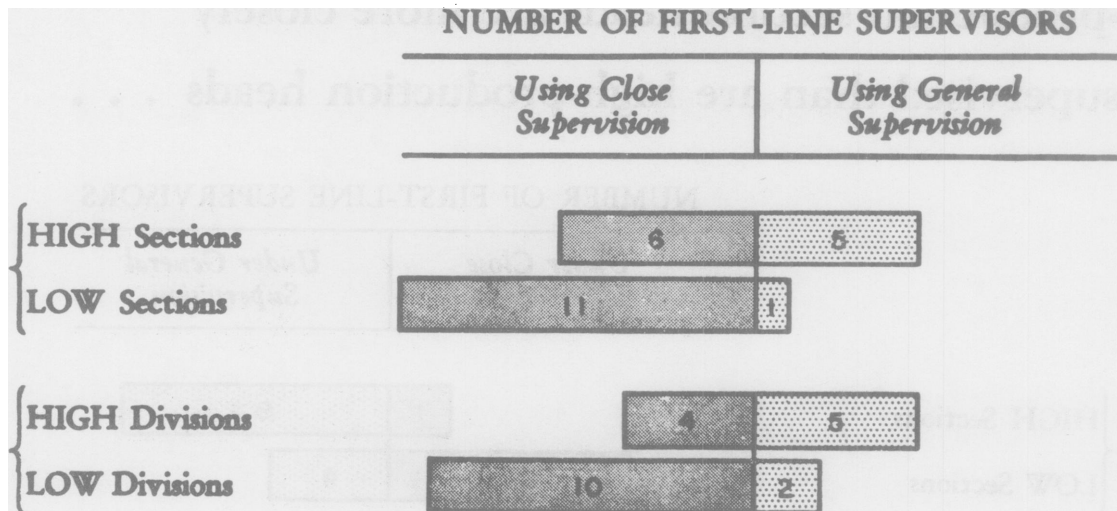
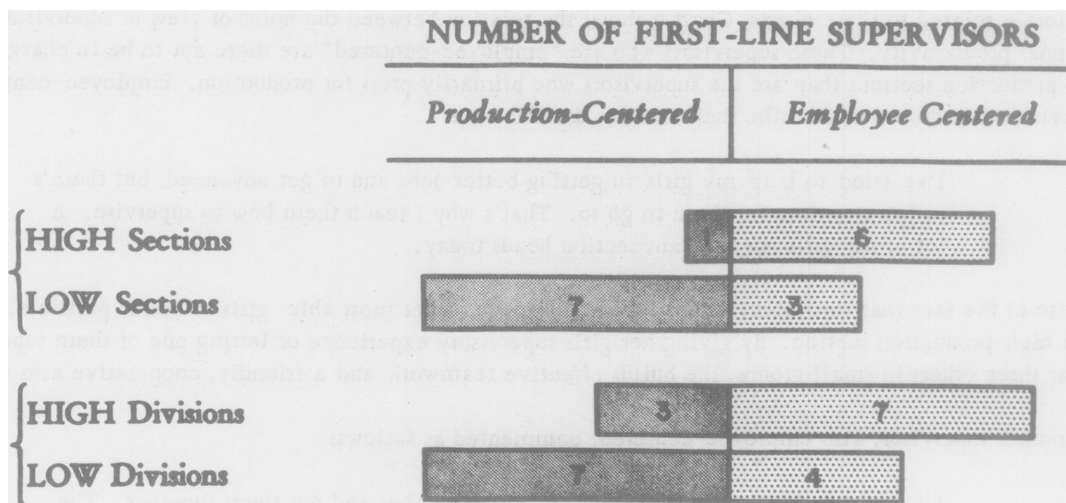


CHART 3

**“Employee-centered” supervisors  
are higher producers  
than “production-centered” supervisors . . .**



peculiarities are so that if a girl gets excited, I know whether it is important or not. Your girls have to feel that you are one of them, not the boss. Some girls get sort of cranky and you can't just say, "do it." It is much better to ask them to do the work in other ways; that's only human nature.

Another employee-centered section head commented as follows:

I try to understand each girl. I remember I was one once and that I liked to be the kind that was known by my supervisor. Knowing the girls helps with handling the work here. You also have to know what happens outside to help them inside here at their work.

The following quotations are illustrative of the attitudes of production-centered supervisors in charge of low-production sections.

I know we're doing what is supposed to be done in our section. Hit the work in and out—and hit it right—not slipshod.

Another production oriented low-producing section head commented as follows:

It is my job to get the employee to stay on the job and produce. I have to work up efficiency charts. My efficiency chart is my argument if I have to make any complaints. My biggest headache is to get the employees to do their best.

Still another production-centered supervisor commented as follows:

The girls sometimes stop work before the bell rings; I have been after them and I keep them overtime to do the work. You have to do something drastic and make examples of them.

Most of these charts are based on measurements taken at a particular point in time. Consequently, they show the relationship which exists but do not tell which is cause and which is effect or the interdependence of the variables. In this case, having a high-production section may make the supervisor employee-centered and having a low-production section may result in his being production-centered. Or it may be that employee-centered supervision causes high productivity. Or it may in part cause high productivity and in part be caused by high productivity. The data in the charts do not answer this question.

There is other evidence, however, which suggests a tentative answer. Supervisors, as they are shifted from job to job, tend to carry with them and to maintain their habitual attitudes toward the supervisory process and toward their subordinates. This suggests that supervisory attitudes and habits tend to be the causal influence. Moreover, in one of the companies involved in this research program it has been found that switching managers of high- and low-production divisions results in the high-production managers raising the productivity of the low-production divisions faster than the former high-production divisions slip under the low-production managers.

In the study of clerical operations there was evidence that the supervisors of low-production sections were under more pressure for production from their superiors than were the heads of high-production sections. In turn, they tended to pass on this pressure for production in their supervision of their subordinates. In another company which produces heavy machinery we are finding clear-cut evidence that the foremen of low-producing sections feel much more pressure for production than the heads of high-production sections.

This seems to be a normal reaction but it appears to lead to supervisory activities which will not correct the situation. For example, an assistant manager of a low-production department in discussing his situation said, "This interest-in-people approach is all right but it is a luxury. I've got to keep pressure on for production and when I get production up then I can afford to take time to show an interest in my employees and their problems." Being under pressure for increased production, and being primarily concerned with it, seems to cause supervisors to neglect important dimensions of the supervisory process which in the long run determine the production of their groups.

Contrast this with the point of view of a manager of a high-production division:

Well, one way in which we accomplish it is by letting people do the job the way they want to so long as they accomplish the objectives. I believe in letting them take time out from the monotony. Make them feel that they are something special, not just the run of the mill. As a matter of fact, I tell them if you feel that job is getting you down get away from it for a few minutes. . . . If you keep employees from feeling hounded, they are apt to put out the necessary effort to get the work done in the required time.

I never make any decisions myself. Oh, I guess I've made about two since I've been here. If people know their jobs I believe in letting them make decisions. I believe in delegating decision-making. Of course, if there's anything that affects the whole division, then the two assistant managers, the three section heads and sometimes the assistant section heads come in here and we discuss it. I don't believe in saying that this is the way it's going to be. After all, once supervision and management are in agreement there won't be any trouble selling the staff the idea.

My job is dealing with human beings rather than with the work. It doesn't matter if I have anything to do with the work or not. The chances are that people will do a better job if you are really taking an interest in them. Knowing the names is important and helps a lot, but it's not enough. You really have to know each individual well, know what his problems are. Most of the time I discuss matters with employees at their desks rather than in the office. Sometimes I sit on a waste basket or lean on the files. It's all very informal. People don't seem to like to come into the office to talk.

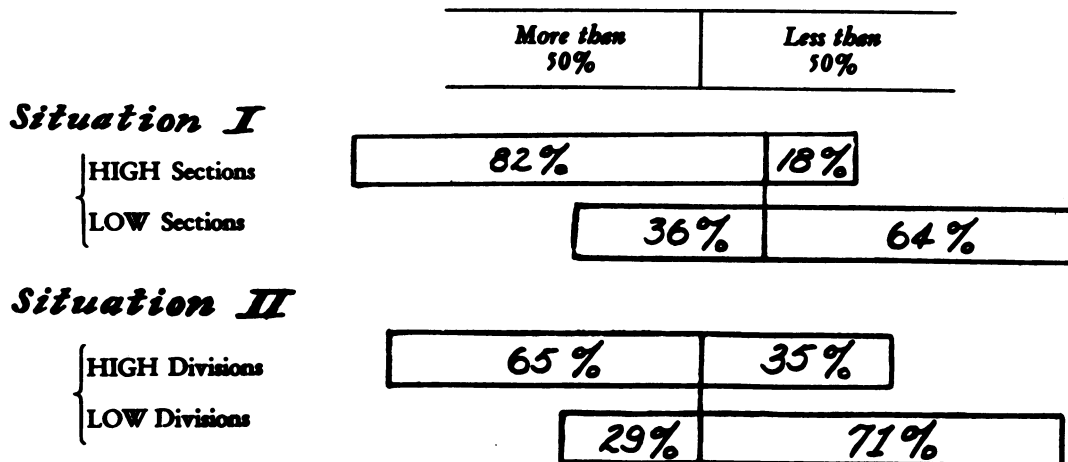
In a study now being completed we are finding evidence that the question is not simply one of pressing for production versus being employee-centered. We are finding that there is need for supervisors to be employee-centered and also to have a concern for productivity. The report on this study will state that our findings "seem to characterize a foreman who gets high production as one who, at least in the eyes of his men, is interested in the men and their problems and who is able to communicate easily with them. He lets the men know how they are doing, is able to help solve their problems, is easily approachable and tends to involve the men in decision-making activity. Findings on the relationship of productivity to supervision seem to point to the conclusion that the foreman of a high-producing section does not achieve high productivity as a by-product of other things. He places greater emphasis directly on production. At the same time he is more interested in his men and more sensitive to human relations problems. This generally holds true in both the foreman's report of his own behavior and his men's perceptions of him."

Chart 4 shows that supervisors of medium and small work groups achieve higher sectional productivity when they devote more of their time to supervision and less to working as just another worker in production. This holds true for both clerical operations (Situation I) and maintenance-of-way crews on a railroad (Situation II).

CHART 4

**High-production supervisors spend  
more time in supervision, less in produc-  
tion work than low-production supervisors . . .**

**AMOUNT OF TIME DEVOTED TO SUPER-  
VISION BY FIRST-LINE SUPERVISORS**



Some of the kinds of activities that supervisors engage in while supervising their group are shown in Charts 5, 6, 7, and 8.

CHART 5

**THE HIGH-PRODUCING FOREMAN SPENDS A LOT OF TIME IN PLANNING THE  
WORK AND PERFORMING SPECIAL, SKILLED TASKS**

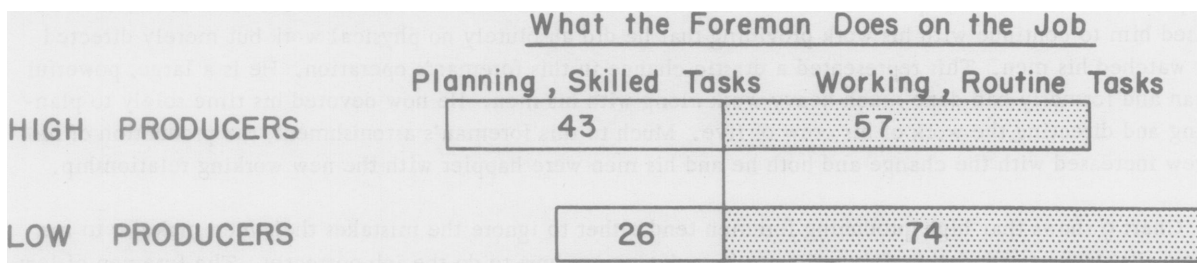


CHART 6

**THE HIGH-PRODUCING FOREMAN APPEARS TO HIS MEN TO HAVE  
SUPERIOR PLANNING ABILITY**

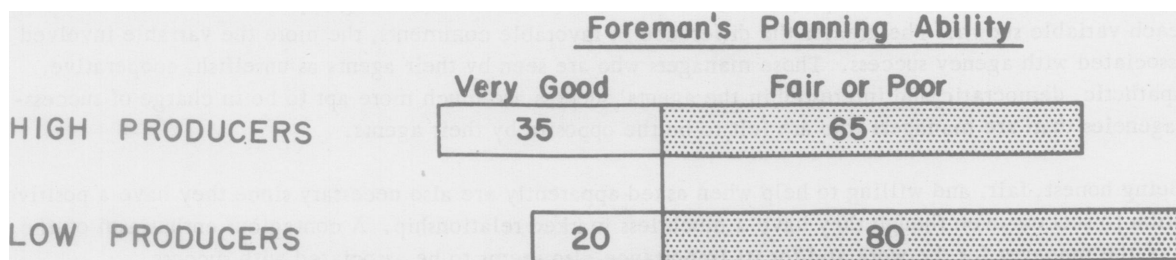




CHART 7

### THE HIGH-PRODUCING FOREMAN IS HELPFUL IN TRAINING HIS MEN FOR BETTER JOBS.

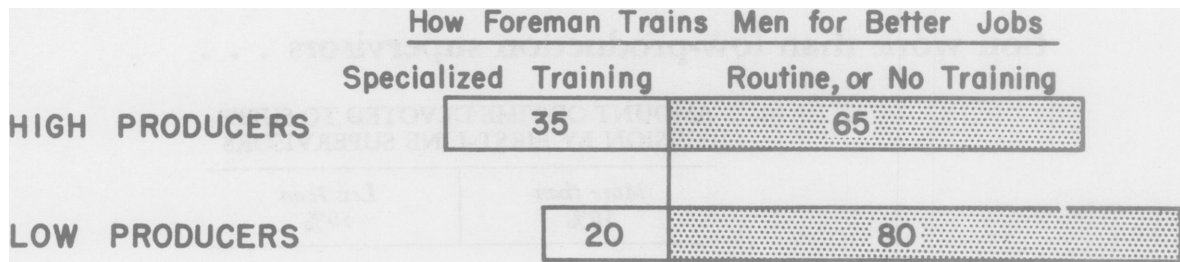
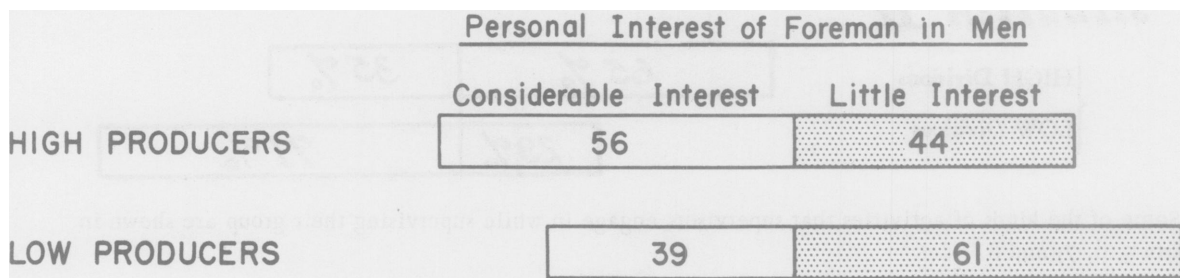


CHART 8

### THE HIGH-PRODUCING FOREMAN TAKES AN INTEREST IN THE OFF-THE-JOB PROBLEMS AND ACTIVITIES OF HIS MEN.



An interesting incident occurred shortly after the preceding results had been reported to the railroad where the study had been conducted. A foreman of one of the section gangs was ordered by his doctor to stop work for an extended period. He told his doctor that he could not afford to do so. The doctor then advised him to continue with his work providing that he did absolutely no physical work but merely directed or watched his men. This represented a drastic change in this foreman's operation. He is a large, powerful man and formerly had done much heavy work along with his men. He now devoted his time solely to planning and directing the work of his crew of five. Much to this foreman's astonishment, the production of his crew increased with the change and both he and his men were happier with the new working relationship.

Chart 9 shows that high-producing foremen tend either to ignore the mistakes their men make or to use these situations as educational experiences by pointing out how to do the job correctly. The foremen of low-producing sections on the other hand tend to be critical and punitive when their men make mistakes.

Chart 10 is based on data from a study of life insurance agency management. It contrasts the proportion of favorable answers about their managers made by agents in ten of the best agencies in the United States compared with answers obtained from ten mediocre agencies. Not all agents commented on each variable; these data, however, compare the proportion of favorable answers for the two groups for those who commented on each variable shown. The greater the difference in favorable comments, the more the variable involved is associated with agency success. Those managers who are seen by their agents as unselfish, cooperative, sympathetic, democratic and interested in the agents' success are much more apt to be in charge of successful agencies than are managers who are felt to be the opposite by their agents.

Being honest, fair, and willing to help when asked apparently are also necessary since they have a positive relation to success even though they have a much less marked relationship. A contagious enthusiasm on the part of the manager for the work and for its importance also seems to be associated with success.

CHART 9

## The high-producing foreman is helpful and understanding when his men do a poor job.

FOREMAN'S REACTION TO A POOR JOB

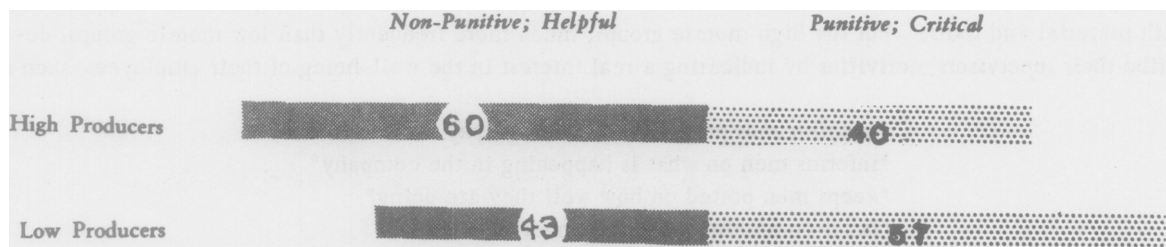


CHART 10

## FAVORABLE COMMENTS ON MANAGERS' TRAITS IN "SUPERIOR" AND "MEDIocre" AGENCIES

<u>Trait of Manager</u>	<u>Favorable Comments as Per Cent of Total Comments</u>		
	<u>"Superior" Agencies</u>	<u>"Mediocre" Agencies</u>	<u>Difference</u>
<b>Group A – The Manager's Attitude Toward his Agents:</b>			
Unselfish in dealings with agents _____	100%	26%	74%
Cooperative with agents _____	92	35	57
Sympathetic toward agents _____	88	32	56
Interested in agents' success _____	100	54	46
Democratic toward agents _____	81	36	45
Sincere in dealings with agents _____	91	55	36
Eager to help agents voluntarily _____	70	47	23
Fair and just to all agents _____	67	48	19
Willing to help agents when requested _____	96	89	7
Honest in business dealings _____	92	85	7
<b>Group B – The Manager's Personality:</b>			
Enthusiastic about his work _____	95%	50%	45%
Friendly personality _____	93	63	30
Has "good personality" _____	95	90	5
"Fine fellow" personally _____	100	100	0
<b>Group C – The Manager's Professional Skill:</b>			
Capable planner and organizer _____	35%	5%	30%
Capable personal salesman _____	91	67	24
Capable recruiter, trainer, office manager, etc. _____	38	22	16
Knows life insurance _____	93	85	8

Technical knowledge or competence also has a positive relationship to success, but it too is less marked than is the case with some of the human dimensions. In the different studies there appears to be evidence that technical skill contributes to supervisory success in situations where the job is not highly standardized. The more that methods departments have taken over the job and standardized it, however, the less the technical competence of the supervisor seems to contribute to the productivity of his group.

### Morale and Employee Participation

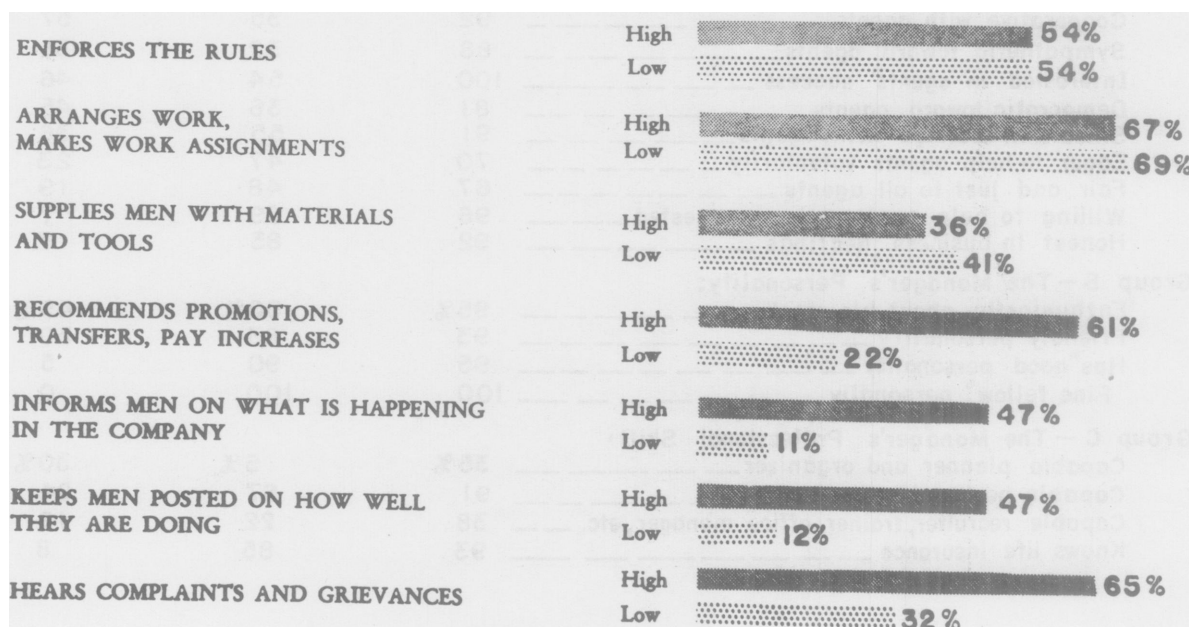
All the charts to this point have been concerned with productivity. Chart 11 deals with morale. It shows that employees of high and low morale groups in a large utility indicate about equally often that their supervisors perform such functions as "enforces the rules," "arranges work and makes assignment," "supplies men with material and tools." But the high morale groups, much more frequently than low morale groups, describe their supervisors' activities by indicating a real interest in the well-being of their employees, such as:

- "recommends promotions, transfers, pay increases"
- "informs men on what is happening in the company"
- "keeps men posted on how well they are doing"
- "hears complaints and grievances"

It is significant that these data indicate that the same general pattern of supervision which yields high productivity also yields high morale.

CHART 11

### Percentages of high and low morale groups describing what their supervisors do



All the items in the eleventh chart were part of a single question answered by the employees. Other questions yielded the same pattern of results. Some of these questions on which affirmative answers showed differences between the high and low morale groups are:

	HIGH MORALE GROUPS	LOW MORALE GROUPS
Supervisor thinks of employees as human beings rather than as persons to get the work done.	97%	33%
Supervisor will go to bat or stand up for me.	87	30
Supervisor usually pulls for the men or both the men and the company, rather than for himself or the company only.	86	29
Supervisor takes an interest in me and understands my problems.	81	29
Supervisor is really part of the group; interests are the same as those of people in the group.	66	16
Feel free to discuss important things about job with supervisor.	98	53
Supervisor likes to get our ideas and tries to do something about them.	62	17
Does some good to discuss important things about job with supervisor.	100	60

The twelfth chart shows the extent to which foremen and shop stewards report using participation as a part of supervision. With foremen, the results refer to problems connected with the work. With stewards, the results refer to union matters. The chart omits those who answered "on some things only" and so does not total 100 per cent. It is significant that stewards and workers both agree that stewards consult the men much more than foremen. Eighty-two per cent of the workers feel that the stewards should discuss problems with them and sixty-six per cent feel that the foremen should. The men believe the foremen should call them in for consultation because they are closer to the work, know more about it, and would be able to make suggestions that would result in improved efficiency. They feel the steward should call them in primarily because he is acting as a representative for the men. Other data show that effective participation, especially where

CHART 12

## To what extent do foremen and stewards use participation?

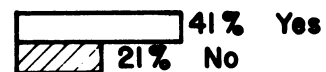
When each was asked:

Are the men called in  
to help in making decisions?

The answers were:

### FOREMEN

What the foreman says

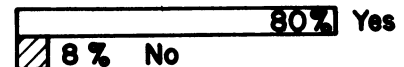


What the workers say about foreman

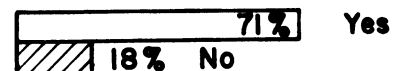


### STEWARDS

What the steward says



What the workers say about steward



expected, affects loyalty toward company and union. Where men think that they should participate and are given an opportunity to do so, a favorable attitude results. On the other hand, where they feel they should participate but are not involved, there is an unfavorable attitude.

The practice of the foremen in involving men in decisions is, in part, a function of how they are treated by their own superiors. In this study, seventy-two per cent of the foremen who frequently call their men in on decisions report they participate with their superiors in decision-making; whereas only fifty per cent of the foremen who do not call their men in on decision-making report that they participate with their superiors in decision-making.

Chart 13 shows data on a related question. Employees in an utility were asked:

"Do group discussions do any good?"

"Yes, supervisor likes to get our ideas and tries to do something about them."

"No, not really, it's just talk."

"No, we don't get a real hearing for our own ideas."

The chart shows the proportion of high, medium, and low morale groups who answered the question "yes." For both blue collar and white collar employees, there is a very marked relationship between job morale and whether they feel that their supervisor is honestly interested in their ideas.

Chart 14 shows the relationship between pride in one's work group and productivity. The importance of this variable is becoming increasingly evident. Situation I is a clerical operation; situation II concerns the maintenance crews on a railroad. Another study now being analyzed shows the same pattern even more

CHART 13

# Relation of employee morale to feeling that group discussion with supervisor help....

PERCENTAGE WHO FEEL THAT DISCUSSIONS  
WITH SUPERVISOR HELP

Level of Morale	White Collar	Blue Collar
HIGH	92 %	95 %
MEDIUM	66 %	64 %
LOW	21 %	24 %

CHART 14

# Relation of pride in work group to productivity....

	LEVEL OF PRIDE		
	High	Medium	Low
<b>SITUATION I</b>			
High Productive sections	33 %	37 %	30 %
Low Productive sections	10 %	41 %	49 %
<b>SITUATION II</b>			
High Productive sections	22 %	32 %	46 %
Low Productive sections	11 %	35 %	54 %

markedly. Moreover when the foremen in this latter study compared their sections with others on "the way the men help each other on the job" it was found that:

More foremen of high-producing sections say their sections are better than most in the way the men help each other on the job.

More foremen of low-producing sections say their sections are the same as or not so good as most.

In the study of the clerical operations, the workers and supervisors who displayed pride in their work group would make such comments as: "we have a good group," "we work together well," or "we help out each other." One supervisor said about her group:

They all have definite assignments and they're a nice cooperative crowd. They just jump in and do things and never bother me. They have a responsibility toward the group.

The work groups with high group pride seem to show more teamwork and more willingness to help each other than those with low group pride. In the groups with low pride, there tends to be more of a feeling that each worker is on his own and that how he gets along with his work is his own responsibility.

Group pride and loyalty seem to be developed where the group, as a group, spends at least part of its time dealing with its problems and work. Low group pride seems to exist where the pattern of supervision is the one described by this supervisor:

I apportion out the work to the people in my section and generally supervise the work handled. If a clerk is out, I have to make arrangements to have her work done. The work must go on even though there are absences. This involves getting work redistributed to those who are there.

Chart 15 indicates the effect of participation upon productivity. This chart is based on the experiment by Coch and French<sup>2</sup> designed to employ three variations in participation procedure.

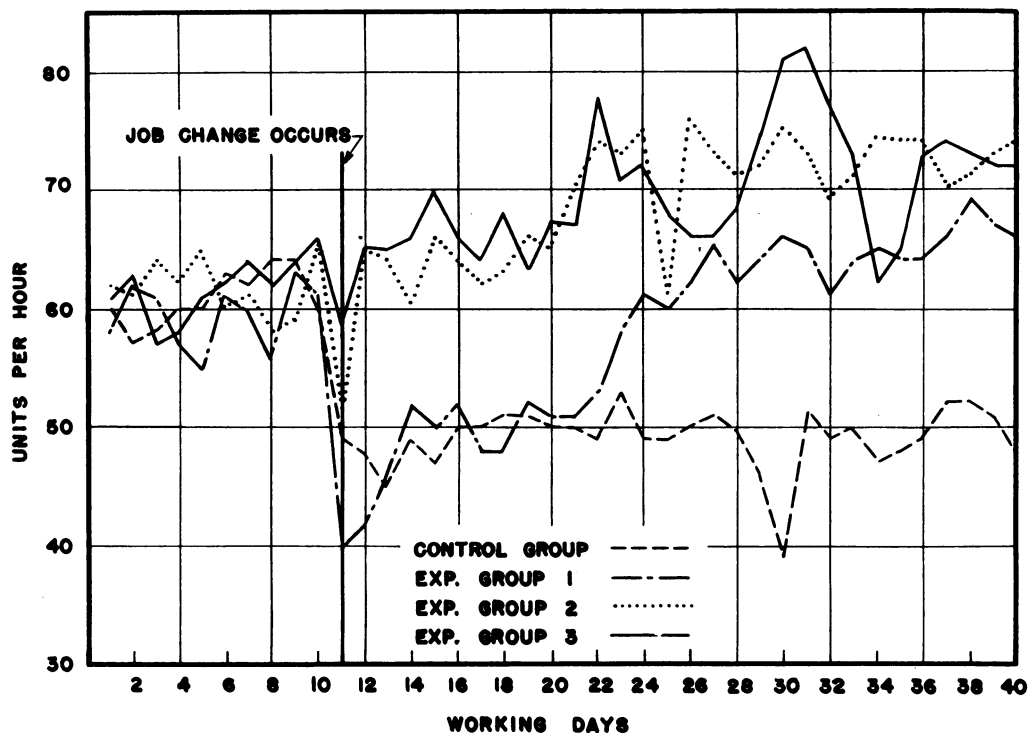
The first variation involved participation through representation of the workers in designing the changes to be made in the jobs. The second variation consisted of total participation by all members of the group in designing the changes. A third (control) group was also used. Two experimental groups received the total participation treatment.

The (control) group went through the usual factory routine when they were changed. The production department modified the job, and a new piece rate was set. A group meeting was then held in which the control group was told that the change was necessary because of competitive conditions, and that a new piece rate had been set. The new piece rate was thoroughly explained by the time study man, questions were answered, and the meeting dismissed.

Experimental group I was changed in a different manner. Before any changes took place, a group meeting was held with all the operators to be changed. The need for the change was presented as dramatically as possible, showing two identical garments produced in the factory; one was produced in 1946 and had sold for 100 per cent more than its fellow in 1947. The group was asked to identify the cheaper

<sup>2</sup>Lester Coch and John R. P. French, Jr. "Overcoming Resistance to Change," Human Relations, Vol. I, No. 4 (1948).

CHART 15



### THE EFFECT OF PARTICIPATION ON PRODUCTION

one and could not do it. This demonstration effectively shared with the group the entire problem of the necessity of cost reduction. A general agreement was reached that a savings could be effected by removing the "frills" and "fancy" work from the garment without affecting the folders' opportunity to achieve a high efficiency rating. Management then presented a plan to set the new job and piece rate:

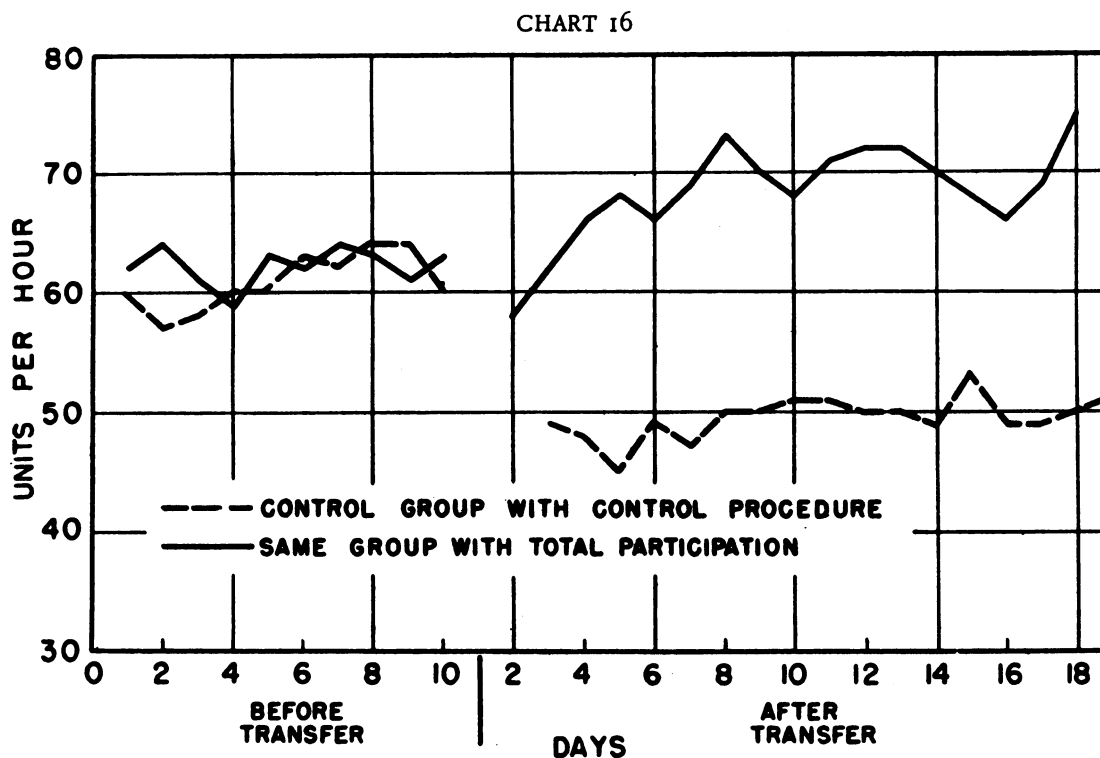
- (1) Make a check study of the job as it was being done.
- (2) Eliminate all unnecessary work.
- (3) Train several operators in the correct methods.
- (4) Set the piece rate by time studies on these specially trained operators.
- (5) Explain the new job and rate to all the operators.
- (6) Train all operators in the new method so they can reach a high rate of production within a short time.

The group approved this plan (though no formal group decision was reached), and chose the operators to be specially trained. A sub-meeting with the "special" operators was held immediately following the meeting with the entire group. They displayed a cooperative and interested attitude and immediately presented many good suggestions. This attitude carried over into the working out of the details of the new job; and when the new job and piece rates were set, the "special" operators referred to the resultants as "our job," "our rate," etc. The new job and piece rates were presented at a second group meeting to all the operators involved. The "special" operators served to train the other operators on the new job.



Experimental groups 2 and 3 went through much the same kind of change meetings. The groups were smaller than experimental group 1, and a more intimate atmosphere was established. The need for a change was once again made dramatically clear; the same general plan was presented by management. However, since the groups were small, all operators were chosen as "special" operators; that is, all operators were to participate directly in the designing of the new jobs, and all operators would be studied by the time study man. It is interesting to note that in the meetings with these two groups, suggestions were immediately made in such quantity that the stenographer had great difficulty in recording them. The group approved of the plans, but again no formal group decision was reached.

The results are shown in the fifteenth chart and clearly demonstrate the effectiveness of participation upon production. It is significant that the control group, when treated like the experimental groups 2 and 3 in another change that occurred some months later, showed a productivity record identical to that shown by experimental groups 2 and 3. Chart 16 shows these curves.



**A comparison of the effect of the control procedure with the total participation procedure on the same group.**

The following, also taken from Coch and French, presents evidence on the power of group standards:

Probably the most important force affecting the recovery under the control procedure was a group standard, set by the group, restricting the level of production to 50 units per hour. Evidently this explicit agreement to restrict production is related to the group's rejection of the change and of the new job as arbitrary and unreasonable. Perhaps they had faint hopes of demonstrating that standard production could not be attained and thereby obtain a more favorable piece rate. In any case there was a definite group phenomenon which affected all the members of the group. . . .

An analysis was made for all groups of the individual differences within the group in levels of production. In Experiment I the 40 days before change were compared with the 30 days after change; in Experiment II the 10 days before change were compared to the 17 days after change. As a measure of variability, the standard deviation was calculated each day for each group. The average daily standard deviations before and after change were as follows:

Group	Variability	
	Before Change	After Change
Experiment I		
Control group	9.8	1.9
Experimental 1	9.7	3.8
Experimental 2	10.3	2.7
Experimental 3	9.9	2.4
Experiment II		
Control group	12.7	2.9

There is indeed a marked decrease in individual differences with the control group after their first transfer. In fact the restriction of production resulted in a lower variability than in any other group. Thus we may conclude that the group standard at 50 units per hour set up strong group-induced forces. . . .

The table of variability also shows that the experimental treatments markedly reduced variability in the other four groups after transfer.

Chart 17 shows data from the study of clerical workers. The significant points are the greater dissatisfaction of low-producing section heads with the way their job is organized and especially the source of their dissatisfaction: "insufficient delegation of authority to them." They feel they are too closely supervised and lack the freedom to use their experience to solve production problems constructively.

Charts 18, 19, and 20 show surprising relationships.

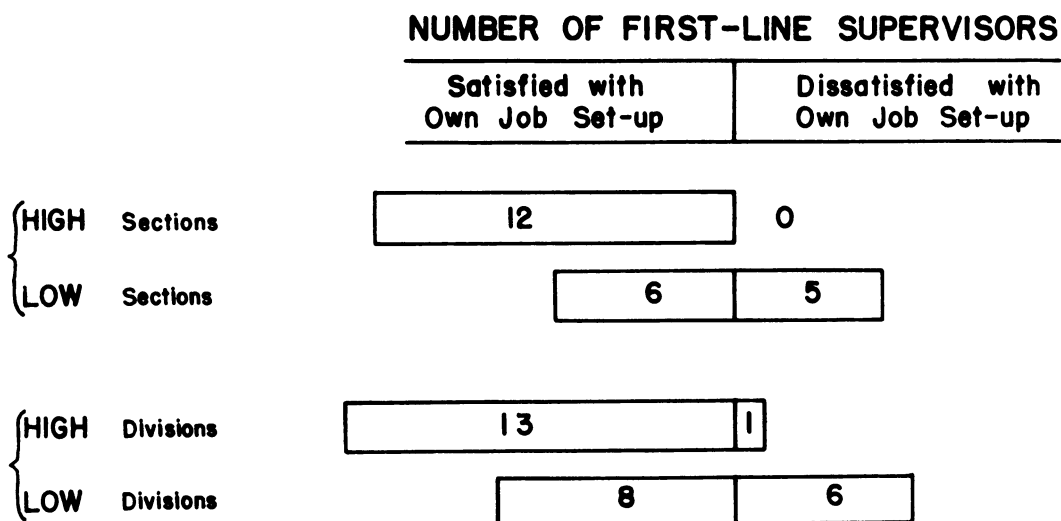
Chart 18 shows that in situations I (clerical) and II (railroad), workers in the low-production section like the specific content of their work more than those in the high-production sections. These jobs are relatively routine unskilled jobs and this relationship is probably reversed at higher skill levels. But the data do show that the widely held assumption that workers who like their work are better producers is, in some situations at least, not true.

Similarly, Chart 19 shows that high- and low-production sections do not differ in their attitude toward the company. These same results have been obtained in another study. In other studies where the productivity of individuals was related to attitude toward the company a slight positive relationship was found. The data in this chart do not mean that a favorable attitude toward the company is not worth while. Quite the contrary, for it is likely to reduce turnover, attract competent applicants for employment, and have other advantages. But the chart does show that favorable attitudes toward the company are not automatically translated into productivity goals by the employee. This seems to occur in work groups only insofar as the supervisor involved does an effective job of leadership.

Chart 20 shows that the members of low-production sections make more use of recreational activities than the persons in high-production sections. This fact also is supported by data from other research. Again,

CHART 17

**Supervisors of high-production sections  
are more satisfied with the set-up of their jobs  
than supervisors of low-production sections . . . .**



The principal reason low-production supervisors give for not being satisfied with the set-up of their jobs is that there is insufficient delegation of authority to them.

CHART 18

**Relation of intrinsic job satisfaction  
to productivity . . . .**

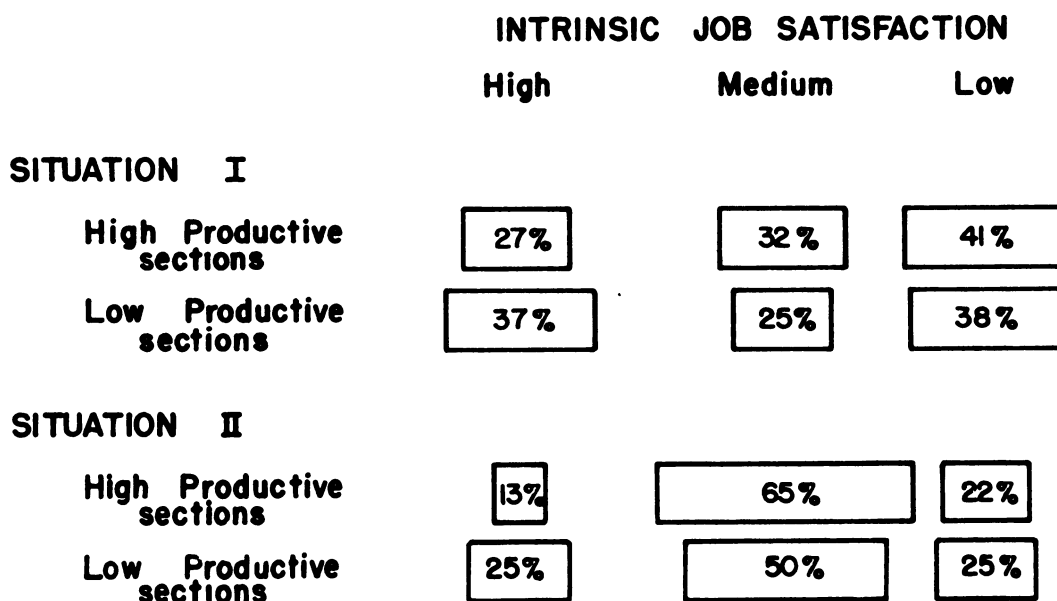


CHART 19

## Relation of attitude toward company and productivity ....

### SATISFACTION WITH COMPANY

	High	Average	Low
<b>HIGH Productive Sections</b>	37 %	39 %	24 %
<b>LOW Productive Sections</b>	40 %	40 %	20 %

these data do not mean these programs are not worth while. Here again the effect on turnover may make them well worth while. But, as in the previous chart, the evidence indicates that unless the supervisors perform their function well, broad company activities may yield disappointing results.

### Implications of the Research Findings

The pattern of findings that is beginning to emerge from the research being conducted on the principles of organizational structure and leadership raises some serious questions as to the soundness of the traditional concepts of good management. If the pattern that is emerging is proved valid by further research, it will cause some substantial and fundamental changes in management theory and practices. It will mean even reversing the direction of some current developments.

CHART 20

## Participation in company recreational activities ....

	Frequently	Occasionally	Never
<b>HIGH Productive Sections</b>	8 %	20 %	72 %
<b>LOW Productive Sections</b>	7 %	34 %	58 %

Our research results suggest that the fundamental inadequacy of current management principles and practices is the theory of motivation upon which they are based. Generally speaking, current management procedures are based on the underlying assumption that the way to motivate people is to use rewards and penalties. The bulk of these rewards are economic, although some prestige or status rewards are often used as well. The penalties may involve various forms of punishment but usually they consist of deprivation of customary or expected rewards. This constant threat of punishment or deprivation creates an anxiety producing situation.

This general pattern of motivation might well be called the lollipop-big stick theory of motivation because of its primary reliance on rewards and punishment. The significant fact about this pattern of motivation is that the important decisions, those as to who receives the rewards and penalties and for what behavior, are made by people at higher levels in the hierarchy than the individual being motivated. It is true that the individual is told that there are certain rules by which the rewards and penalties are administered, but he has no assurance that the rules will always be adhered to strictly and will not be changed. And fundamental to this system of motivation is the fact that as it actually functions, the individual affected has virtually no recourse when the rewards and penalties are administered in an unfair or inconsistent manner or in what appear to him to be unfair or inconsistent ways.

Labor unions increasingly are providing an avenue through which employees who feel that they have been dealt with unfairly can voice a protest with reasonable safety. This development is seriously disrupting the effectiveness of the big stick system of motivating employees. Foremen, who have habitually relied on being tough and arbitrary in order to obtain production, now find that this method of operating runs into difficulty because of the large number of grievances and work stoppages that it produces.

An important characteristic of the lollipop-big stick system is that, though reward is being stressed more than penalty at the present time, both are still predominantly unrelated to the work itself. For example, such rewards as pay, vacations, pensions, bonuses, and recreational programs all involve satisfactions which are separate from the work in time and space.

Before attempting to state a theory of motivation which is supported by our research results, it will be well to review briefly the pattern of our findings. The following summarizes the evidence pointing to the inadequacy of the big stick system of motivation and suggests the character of a motivational theory consistent with the way people actually behave in working situations:

1. Within a company the external rewards have very little effect upon productive effort.

- a. There were no differences in satisfaction and dissatisfaction with wages between the low- and high-producing groups in the studies of clerical workers in the insurance company and of maintenance-of-way crews on the railroad.
- b. The external rewards furnished by the company, such as company benefits and recreational programs, were not highly valued by the higher producing groups in the insurance company. The people who liked these programs the most were the people who had a general liking for the company. These people have more favorable attitudes toward salary, chances for promotion, the rating system, working conditions and company policies in general. They participate more in such company activities as submitting suggestions and reading the company magazines. They are more likely to report approval from their friends and families because they are working for this company and they report more interest by their families toward the happenings at work. In brief, the morale produced by external conditions of motivation, such as making the company a pleasant place to work and providing recreational facilities, is a morale which shows a definite favorable attitude toward the company. This type of morale, however, is not related to the amount of productive effort put forth by

these groups of high-producing people. In fact, there is evidence to indicate that those who participate more in the company recreational facilities tend to be the poorer producers.

- c. Intrinsic job satisfaction depends upon the meaningfulness of the work itself, and not upon general company policy. Employees doing more routine work derive less intrinsic satisfaction from these activities than employees doing more varied and skilled work. This was found to be true in several studies. To some extent, satisfactions from the company situation, as well as from other sources, carry over to give the job some favorable coloring but, basically, the gratifications derived from routine work are not related to the content of the work itself. For example, the girls doing routine work at the insurance company will frequently say they like the social contacts on the job. This reaction is not, however, associated with higher production.

2. Motivations yielding high productivity result from supervisory practices and group processes inconsistent with presently accepted managerial philosophy.

- a. In the insurance study, low-production section heads were more closely supervised than the high-production section heads. In turn, employees under close supervision were not as productive as employees under more general supervision. Moreover, where pressure was applied from above for results, productivity was lower than where this direct pressure did not exist. These results are also true for the company producing heavy machinery.
- b. The supervisors of high-producing groups are much more interested in their subordinates than are the supervisors of low-producing groups. They are much more employee-oriented and see their jobs as jobs of personal and group leadership. Moreover, they see themselves as representatives of their employees, have better understanding of their employees and their problems, and "treat their employees as human beings."
- c. Foremen in the high-producing groups were described by their men as less punitive than foremen in the low-producing groups. When asked, "What does your foreman do when you do something wrong?" men in the low-producing groups tended to say, "He bawls us out," while men in the high-producing groups said, "He explains how he wants it done."
- d. Supervisors of high-producing groups have a greater concern for the well-being of their men, both on and off the job, than do the supervisors of low-producing groups.
- e. Outstanding supervisors tend to be those who train their people for better jobs. All that is required of supervisors in these companies is to make sure that their employees are sufficiently trained for their present assignments. The outstanding supervisor, however, went beyond this and gave attention to training his people for better jobs in the company. This finding, taken together with related findings that we are obtaining, suggests that the upward orientation of supervisors in a hierarchical structure which is demanded by current management philosophy and its system of rewards does not yield maximum productivity. Supervisors who are primarily concerned with "pleasing the boss" tend to lose sensitivity to the needs of their subordinates.
- f. The high-producing groups were those with greater pride in their group, better team spirit, and better capacity to function as a team.
- g. There is evidence that when supervisors use recognized principles of group participation, the work group achieves higher productivity and the group has higher standards of performance. (High-producing groups have higher standards for their own performance than low-producing groups. Group standards of this sort are effective in determining output, as many studies have shown.) When the supervisor, or a higher level of supervision, endeavors to superimpose on the group a given standard

of production, he tends to meet resistance by the group. Frequently when an attempt is made to superimpose standards, the group develops an informal social organization which sets and enforces a lower standard of production than that sought by management.

- h. The power of group standards to influence behavior has been found to be a function of the cohesiveness of the group.
  - i. The importance of the supervisor in motivating the workers for greater productivity is apparent. In cases where the supervisor abdicates his leadership role and spends much of his time as a production worker, his section tends to have lower productivity. Furthermore, in such situations informal leaders tend to emerge to perform the leadership role that the supervisor has abdicated.
  - j. High-producing supervisors have been delegated appreciably greater authority and freedom of action than low-producing supervisors and in turn delegate more to their workers. Tight supervision from above prevents supervisors and workers from functioning effectively.
3. When morale rather than productivity is used as a criterion of group functioning, the same pattern of supervisory practices is to be found, namely, one which points to the superiority of such factors as:
- a. Open channels of communication.
  - b. An interest by the supervisor in seeing problems as his men see them.
  - c. An interest by the supervisor in the ideas and suggestions of his men and a respect for their ideas.
  - d. Use of participation.
  - e. Concern by the supervisor for the well-being of his men and their families.
  - f. Sufficient delegation of authority to each level of management to permit it to do effectively the functions required.

### A Statement of a Motivational Theory

The pattern of these results suggests the general dimensions of a major motivational force which seems to be functioning in virtually all situations in every organization. It is significant that data from other areas of human experience, such as juvenile delinquency, family life, and buying behavior, yield similar evidence as to the character and importance of this motivational force.

It may be useful at this point to formulate a brief, theoretical statement of this motivational force which attempts to integrate results from our research and to be consistent with data from other sources. It will provide a generalization which will be more useful for predicting and understanding behavior than the individual research results alone. It will also be useful in deriving revised principles of management consistent with the way business, government, and other organizations actually function.

The behavior of all persons seems to be influenced by an all-pervasive desire for ego recognition, that is, for a sense of personal worth—a sense of importance. It is a desire for a feeling that I make a difference, that my being alive and here makes a difference which my boss, my friends, my family, the members of my work group, and others recognize. This theory holds that within each human being there is a drive for life which demands that his being alive be recognized. A man cannot feel alive if his being alive makes no difference. This results in a powerful drive to be regarded as important, that my being here now and doing

what I am doing makes a significant difference which others important to me clearly recognize and communicate to me. Fundamentally, each of us wants strongly to feel that we count. When stated broadly, this motivational force encompasses not only the "desire for recognition" but also much of the "desire for security."

There is nothing new in this concept of the drive for ego recognition. The research data presented here probably yield more evidence as to its potency and importance than many previous statements but the existence of the drive for ego recognition has long been pointed to. However, when an attempt is made to use the desire for ego recognition as a concept for predicting or influencing behavior or for deriving management principles, difficulty is immediately encountered. We soon find that it is not sufficient to know that each person has a desire for ego recognition. The difficulty arises from the fact that different people want recognition for different kinds of behavior and from different kinds of persons or groups. The athlete wants recognition for kinds of achievement different from the scholar.

In order to use the drive for ego recognition as a motivational theory from which to derive management principles and practices, it is necessary, therefore, to have additional data for the situation in which the principle or practice is to be applied. It is necessary to know at least the following for the individual or individuals whose behavior is being predicted or influenced:

1. The values, goals, and standards of the individual.
2. The relative importance that he attaches to each of these values, goals, and standards. For example, how much more important is it to him to have a reputation for honesty than to save face?
3. The perception that he has of himself. For example, does he see himself and want recognition as a "big shot" or does he have a relatively modest view of himself?
4. The individuals and small face-to-face groups from whom he seeks or would appreciate favorable recognition.
5. The values, goals, and standards of these individuals and small face-to-face groups.
6. The relative importance to him of these different persons or face-to-face groups as a source of favorable or unfavorable recognition. That is, which are the persons or groups from which he most eagerly seeks favorable recognition or avoids unfavorable recognition? What are the relative standings of different persons or groups on this dimension?
7. The values and standards of the larger groups of which he is a part, such as educational, occupational, political, religious, regional, national, and racial groups.
8. The extent to which he accepts or rejects the values and standards of each of these larger groups.

The above list is illustrative of the variables upon which data are needed if the drive for ego recognition is to be used effectively as a theoretical concept. To know that people desire recognition is, in itself, of little value in predicting behavior, explaining behavior, deriving management theories, or making practical applications. A knowledge that the drive for recognition is very powerful, however, immediately becomes of great value when it is also known for a specific situation from whom the individual or individuals involved seek recognition and for what kinds of behavior. For example, when two things are known: (1) that the large group (e.g. national), of which an individual is a part, is strongly committed to an all-out effort, and (2) that this is a goal to which both the individual involved and the small face-to-face groups of which he is a member and from which he seeks favorable recognition are also strongly committed, the theory being stated here would predict that these small face-to-face groups could put great pressure on the individual to engage



in behavior which would contribute to a realization of the commonly accepted goal. Moreover, the greater the attractiveness of the group to the individual, the greater is the pressure that the group can put upon the individual to act in a specified manner. This, of course, is exactly what happened in the last war in the buying of war bonds: of those who were asked by members of their work groups to buy, seventy-five per cent bought additional bonds. Of those not asked to buy, only twenty-five per cent bought extra bonds. Moreover, personal solicitation on the job was more effective than solicitation at home and this, of course, is what this ego-interaction theory would predict.

Similarly, in work situations the standards with regard to the productivity level set by the members of the face-to-face group of which the worker is a part put very powerful pressure upon him to conform. The more tightly knit the work group and the more the worker desires to be accepted by the group, the greater are the pressures upon him to conform to the group standards. Widespread evidence suggests that in most situations the pressure on the worker is in the direction of restricting production. It is significant that this pressure results in substantial restrictions in productivity in the face of strong economic incentives to the contrary. Group pressure, however, can function either to facilitate or restrict production as shown in Charts 15 and 16.

Fortunately, great strides are being made in the development of more and more precise methods of measurement in social psychology. These developments are making it possible to measure with greater and greater precision the variables upon which data are needed for the effective use of the theory of ego recognition. More and more precise measurements can be made of such variables as (1) an individual's values, expectations, and standards; (2) the values of the groups to which he belongs; (3) the extent of his interest in belonging or being accepted by each of these groups; (4) the cohesiveness of these groups; and (5) the perceptions that this individual has of himself and that his groups have of him. With the development of more precise methods of measurement and of better mathematical methods for analysis, this theory of ego recognition can be stated, tested, and applied with greater precision.

The desire for security--insofar as it involves relationships with other people--appears to be a special case, but a very important one, of the desire for ego recognition, and functions in the same interactional manner. Whenever an individual feels insecure, there appears to be a lack of ego recognition satisfactory to the individual. For example, any threat to the individual's physical security is likewise a threat to his sense of importance. No one can feel important or derive a sense of recognition from a situation in which his very existence is threatened. Moreover, any person or force which threatens us is by that very act making clear to us that it does not regard us as important. Similarly, any threat to our financial security carries with it not only a threat to our physical well-being, but also a threat to our status and prestige in the eyes of others.

Another example of how our desire for security is related to the drive for ego recognition is our wish to be treated fairly. Whenever anyone treats us unfairly he is conveying to us in no uncertain terms the fact that he has no use for us; we are unimportant in his eyes. Here again, the desire for security is clearly related to ego motivation.

The process of interaction functions in the case of the desire for security just as it does for other forms of ego motivation. The kind of security that individuals want and seek is a function of what they have been accustomed to, i.e., of their values, expectations, and standards. Situations which provide security adequately satisfying to some persons are such as to make other persons feel highly insecure.

In utilizing the ego-interaction theory to derive principles to guide managerial and organizational practices, it is important to have a general understanding of how persons acquire their values, standards, and expectations. There is a substantial body of scientific evidence to show that we acquire these guides to our behavior from our cultural background. We acquire them primarily from the values and standards that have dominated the thinking and behavior of the face-to-face groups of which we are or have been members. These are often called primary groups and consist of such groups as our immediate families, our close friendship groups, and our work groups. As children, for example, we were given favorable recognition by

these primary groups when we engaged in behavior consistent with the values of these groups. This emotionally satisfying experience established these values as an integral part of our personalities.

During our lives, as we shift the primary groups of which we are members, we tend to shift our values and standards to correspond with those of the new primary groups. We do this particularly when the new group is one which we are eager to join and in which we seek to gain acceptance. In such a situation, we are careful to behave in a way consistent with what we believe to be the values and standards of the group. The favorable recognition given by this group for this behavior tends to establish firmly in us the values of the new group. The young law graduate, for example, who may have been quite liberal in college, usually becomes fairly conservative after he joins a successful, conservative law firm.

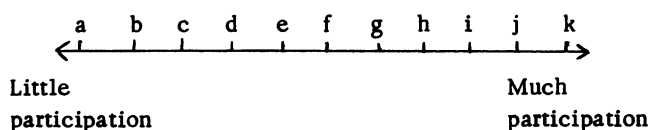
### Some Applications of the Ego Recognition Interaction Theory

The attempt to state in general terms one of the major motivational forces that seems to be functioning in all of the situations that have been studied is of value if it increases our ability to apply these results. It may be useful, therefore, to attempt to make some application of the ego recognition interaction theory to see how useful it is. Emphasis on interaction is included because, as has been pointed out, the desire for recognition is always in terms of the values, standards, and expectations of the individual and group involved. Interaction, therefore, is always an essential dimension of the functioning of the desire for ego recognition.

As individuals we appear to judge the attitudes of another person toward us by interpreting the little day-to-day experiences that we have with the other person in all our daily contacts with him. From these little incidents we arrive at a conclusion as to the extent of the other person's interest in our well-being. In essence these events act as a language which we interpret. This utilization of minor daily experiences as a language mechanism seems to be the basis by means of which members of an organization judge the attitudes of others in the organization toward them. For example, workers use their daily experiences to judge how much management and their supervisors are concerned about their well-being, their feelings of security, and their sense of personal worth. These little day-to-day events become important, then, not in themselves, but in what they communicate. Management's manner of speaking, the relative frequency of its use of criticism and sincere recognition, the extent to which it seeks to inform its personnel of events affecting them and the manner in which this is done, all are interpreted by the employees as an indication of management's attitude toward them.

The fact that the specific activities of management serve as a language mechanism which conveys to employees an increased or decreased sense of security and personal worth helps to explain why it is not possible to make a simple listing of activities which management should always seek to do (or to avoid). Each specific activity can convey different meanings to subordinates, depending upon the circumstances in which it occurs. This explains how it is possible for the same activity (for instance, paying for a subordinate's lunch) to produce opposite results. When the activity conveys to the subordinate a sense of ego recognition, it will tend to improve employee motivation and morale. When it conveys the opposite impression, an adverse effect will follow.

Another application of the ego recognition theory is to the concept of participation. It frequently is stated that participation will increase employee morale and productivity, and that the greater the amount of participation the greater will be the beneficial effect. There is, of course, substantial evidence pointing to the value of participation but there is also evidence pointing to the fact that the amount and character of participation needs to be geared to the values and expectations of the people involved if productive results are to be obtained. Participation should not be thought of as a single kind of process or activity but rather as a whole range of processes or activities. It is even possible to describe participation tentatively as a continuum of processes as is crudely shown in the figure below:



Some of the points on the above continuum might be described roughly as follows:

- a. No information given to employees, either about the current situation or in advance of proposed changes.
- b. Some information given about the current situation but never about a proposed change until the change occurs.
- c. Brief notice of a proposed change given shortly before the change occurs.
- d. Brief notice of a proposed change given shortly before the change along with a few reasons for the change.
- e. Reports sought from employees of problems they encounter in doing their work.
- f. Employees notified of a proposed change some time in advance and an opportunity offered to employees to express reactions and suggestions on the proposed change if they desire to do so.
- g. Employees' ideas or suggestions sought generally, usually through a suggestion system.
- h. Employees notified some time in advance of a proposed change and then asked to comment on whether the proposed change is the best plan or whether some modification would result in a better plan.
- i. Employees (or subordinates) told of a problem and their suggestions asked as to the best way to handle the problem, but the final decision to be made by the head of the unit involved after the suggestions have been obtained.
- j. Subordinates and leader tackle problem as a group and after consideration and discussion decide upon solution but leader (or a higher authority) holds right of veto power.
- k. Leader and subordinates functioning as a group tackle the problem and solve it using the best available methods for group functioning.

These statements are intended only to illustrate the range of possibilities so far as the process of participation is concerned. All of the above points are illustrative and may or may not fall on a single continuum. As described here, they probably are not in the correct order or position.

In the above statements it is assumed that the giving or sharing of information is an essential step in the process of participation and one of the first steps in moving toward more complete participation. There appears to be ample evidence, both observational and experimental, for relating the sharing of information to participation.

Available research data suggest that each social or industrial organization and the people within it are accustomed to some degree of participation in its functioning. It may be a very low level, such as points a or b, or a very high level, such as points j or k. The data also provide evidence that while the total

organization is accustomed to a certain level of participation, the sub-parts of the organization differ somewhat in the amounts of participation they employ. Moreover, we are finding that these differences in the amount of participation that exist between the sub-parts tend to be related to differences between the sub-parts in productivity and job satisfaction. Within the range of participation that exists in the organization, the greater the degree of participation the greater tends to be the productivity and satisfaction. At every level of participation, therefore, there appears to be evidence that a moderate increase in participation will improve performance, but this increase must not be too great nor occur too suddenly. Whenever the increase in participation goes appreciably beyond the habits, values, and expectations of the persons involved, they seem unable to cope with it successfully and often become insecure. Whenever this occurs, the positive value of participation and especially of increased participation is lost.

Recognizing that participation is a continuum involving a wide range of activities and not just a single point or process helps to explain many inconsistencies in results. It also permits important application of the ego-interaction theory. When a group of workers, for example, have been working in an organization in which the control is held tightly by the top levels of management—that is, a highly autocratic or paternalistic organization—any attempt to have them suddenly engage in a level of participation like that of steps j or k almost always encounters serious difficulty. The change required is so drastic that the persons involved are frightened in contemplating it. It requires so marked a change in the characteristic manner of functioning that they are unable to do it successfully. A major cultural shift of this magnitude is not made rapidly or easily.

As persons experience a somewhat higher level of participation than that to which they have been accustomed, they adjust to this new level and gradually become capable of responding to another higher level. This is a gradual process of change in values and expectations and is accompanied by corresponding changes in the interpersonal skills and behavior of the persons involved.

Too little participation, relative to one's expectations, can produce as great an adverse effect as can too much participation. When an individual or group is accustomed to a relatively high degree of participation and expects to be treated accordingly, being given no more than a low degree of participation tends to produce a negative reaction. Withholding information from a person, or failing to let him give his advice, tends to express to the individual whose values and habits lead him to expect the opposite treatment a vote of no confidence. This adversely affects his sense of personal worth and produces a correspondingly negative reaction. The same absolute amount of participation, therefore, can affect some persons favorably and others unfavorably, providing there is a wide-spread difference between the individuals in their values, standards, and expectations.

So long as the degree of participation fits the expectation level of the person involved, participation appears to yield improved results. Increases in participation within the limits that the individual or group is capable of handling appear to have a favorable effect upon results. High levels of participation in an organization with the experience and skills to use such high levels probably are especially effective.

Studies of the use of conference techniques as employed by business and governmental organizations have shown that in occasional situations the mechanics of ostensible participation were used in an attempt to "sell" to the group involved the ideas of those who were in control. The situation was so manipulated that the group never had an opportunity to discuss the problem frankly and to examine fully their own thinking and preferences in the matter. This insincere or manipulative use of participation, where the form or mechanics are followed, is usually detected by at least some of those persons who are being manipulated. When they realize that an attempt is being made to deceive them, they become aware that those in charge have no respect for them. Those who use participation in this way indicate by their behavior that they think their employees are too stupid to realize what is being done to them and are not sufficiently important as persons to warrant other treatment. As the ego recognition theory would predict, those so treated usually react with a violent hostility toward those who have attempted to deceive them.

In brief, participation within the limits of the individual's habits and expectations tends to increase his sense of personal worth and is a highly motivating experience. Insincere participation, conversely, is likely to have just the opposite effect. Available research evidence seems to indicate that the power of participation to motivate persons stems primarily from its capacity to give a feeling of ego recognition.

There is much discussion these days of communication and the need for better communication in industrial organizations. The fact that the presence of poor communication is both a symptom and a cause is often overlooked. Where persons work in an organization in which their daily experiences are a language mechanism telling them that management is indifferent to them as persons and not interested in their welfare, there is a corresponding distrust of management. In this atmosphere any attempt to improve "communication" usually communicates to the employees a heightened distrust and a greater suspicion. Any attempt to improve the situation will necessarily have to apply the basic principles emphasized here. Management's behavior even more than its work will have to be based on a sincere desire to increase the security and feeling of ego recognition on the part of the employees. This behavior, sincerely executed over a period of time, can convey management's genuine interest to the employees and gradually establish trust and confidence in management. When this condition exists, it facilitates effective communication. Statements of management are then trusted and accepted and not interpreted as meaning the opposite. Similarly, this trust coupled with the habit of a high degree of participation enables both employees and management to ask each other what they want to know and to tell each other readily what is on their minds. Available evidence strongly indicates that effective communication cannot be achieved without a sincere adherence to the principles of ego recognition and such derived principles as that of participation.

Another illustration of an application of the ego-interaction theory to management principles concerns the team approach to supervision. In several studies it was found that the high-production sections displayed greater pride in their work groups than did low-production sections. Both supervisors and workers made such comments as:

I think we are 100% tops. We all work together—we are a good bunch and we have good bosses who cooperate all the time. We're tops! In our division we are always on time with our work, we work together.

These comments by both workers and supervisors gave evidence of teamwork and of willingness to help each other in order to get the total job done. The comments of the low-production sections, on the other hand, indicated that supervisors assigned specific blocks of work to individual employees and that each employee did his particular task with indifference as to whether the total job was done well, poorly, or not at all.

These results, along with such other evidence as the Mayo and French studies on group standards and productivity, all indicate the greater power and potentiality of the team approach over the traditional man-to-man pattern of supervision. The current theories of management emphasize a man-to-man system in their principles and procedures. This system is one in which managers supervise their subordinates as individuals, and their subordinates in turn supervise individuals under them. The difficulty with the man-to-man process of supervision is that each subordinate identifies himself only with his specific part of the group task and not with the over-all job. A team spirit identified with the total operation is not developed. At times a subordinate will engage in an activity which benefits his operation and makes it look good, but which may actually have an adverse effect on the total operation. The man-to-man relationship, furthermore, often results in competition and conflict between subordinates. This makes precise job definitions necessary. The precise definition of functions, however, makes for rigidity and prevents ready adaptation to any change in the situation or even day-to-day or week-to-week shifts from one person to another in the work load depending upon the total load and the load carried by each person. Another disadvantage of the man-to-man system is that often an informal group organization develops which sets group goals counter to the formal goal.

Team supervision is far more difficult to achieve than man-to-man supervision and requires genuine skill in handling group processes. In some experimental studies, however, we are finding that present line supervisors can be trained in the skills necessary to build a work group into an effective team. Such teamwork, with its group identification, encourages each member to identify with the total job, not just one segment of it. The experiences, ideas, and potentialities of the group members for improving all parts of the group activity are thereby utilized, irrespective of specific assignments. Team supervision makes group participation an essential condition of operation and sets group goals which become highly motivating.

The differences between the man-to-man and the team approach simply illustrate the changes in management theory and practices which are suggested by the ego recognition theory and current research results. The discussion of the process of participation illustrates another application of the ego recognition theory. Many other applications can be made.

The relatively few studies that have thus far been completed appear to be yielding important and promising conclusions. They seem to justify the statement that more extensive research in this field will produce findings of great practical and theoretical value. This research should seek to discover basic principles and theories upon which sound management practices can be based, as well as the principles needed to apply the new knowledge. Verbal mastery does not assure skillful application. The results obtained thus far clearly indicate that this research can substantially improve productivity and the satisfaction that people derive from their work. There is need, consequently, to increase this research substantially. The return to any organization and to society will be great.

## CHAPTER 9.

# USING FEDERAL MANPOWER EFFECTIVELY

**JAMES M. MITCHELL \***

Effective use of manpower is once again the predominant concern of personnel administrators. The current emergency highlights the need for the development and strengthening of programs geared to maximum conservation and utilization of personnel. It is most appropriate that this Institute thoroughly explore and appraise the various policies and programs now being planned or placed in operation that deal with the method by which our limited supply of manpower is being allocated, trained, and used to assist in the defense effort.

We in the federal service are intensely aware of the need to adjust our civilian personnel programs to meet critical manpower problems. We are also aware that the problems confronting us arise to a large extent from factors that are not peculiar to government employment. Over-all condition of the labor market, general availability of skills in various occupational areas, drains upon manpower by the armed forces, imposition of economic controls on the entire economy, as well as a multitude of other factors interact to influence the direction of our personnel management practices.

For purposes of placing this discussion within a limited framework, I propose to consider the problem of manpower utilization as it applies to the more than two million civilians that work for the federal government, almost half of whom are employed by the Department of Defense.<sup>1</sup> I should like to focus attention especially on the phase of personnel activity in the federal service that we commonly refer to as "employee development": orientation, training, supervisory selection, utilization, and retention of people already on the rolls of governmental agencies.

It is not possible, however, to avoid completely some consideration of the actual and potential effects that controls imposed on our entire economy have upon the working conditions of federal employees. It is true that this same relationship exists with regard to employees in any industry, but the presence or absence of manpower controls has such an impact on governmental personnel practices that I believe the relationship factor merits special mention here. Attempts to impose more stringent controls on government employment than those which exist for the entire economy seem to create as many problems as they solve.

A recent example illustrates this well. In the interest of the defense program, trained federal employees are being encouraged to move from nondefense to defense activities. In addition to appropriation entailments in the budgets of nondefense agencies, special inducements to make this change are offered, such as re-employment rights back to the nondefense activity and prospects of higher paid positions in expanding defense agencies. We do not feel that it is possible to direct the movement of an employee from one agency to another. The shift must be undertaken voluntarily; otherwise we would be attempting to impose a system of individual manpower allocation that has not been accepted as yet for industry as a whole.

On the other hand, we are vitally interested in preventing the flow of federal employees from defense to nondefense activities. Indirectly by regulatory action we can prevent some of this from occurring; we can discontinue the permanent tenure of a person who makes such a change of employment. But if we attempted to restrict his movement to such an extent that he is practically frozen in his present agency, we would stand accused of applying a "job-freeze" within the government that has not been found necessary in private industry.

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<sup>1</sup>The author wishes to acknowledge the assistance received from the research staff of the Civil Service Commission in the preparation of this paper.

This administrative problem serves to illustrate that all of our personnel determinations affecting the freedom of individual action or the economic status of employees must be in harmony with general public policies. Our program planning in the area of personnel administration depends greatly on the existence or absence of a framework of national controls and manpower policies.

It might well be asked, Why the current preoccupation with a personnel utilization program? Is not an inherent objective of a well-rounded personnel program the best possible use of people in carrying out the mission of an agency?

Questions arising from this line of reasoning are quite valid. The obvious objective of sound personnel management is to encourage the most efficient and effective contribution by the work force. Are we confessing that this primary aim has been overlooked or slighted in the operations of our peacetime personnel programs? I do not believe so. What we are actually saying is that under emergency conditions it becomes necessary to place a greater emphasis on those personnel programs that have as their goal the most effective use of available personnel.

One example of this shift in emphasis in a tighter labor market is the concept of "job dilution" or "job engineering." During normal times we find it convenient to provide supervisors with office assistants who can take dictation and type as well as perform clerical duties, even though only a small percentage of the supervisor's time is devoted to dictation. But during these days when stenographic skill has become a rare attainment, we hire clerks as office assistants and use one stenographer to serve many supervisors.

Several interacting developments that can be anticipated in the event of a continuing emergency will have a significant impact on our normal peacetime personnel programs. A drastic expansion of manpower requirements undoubtedly will occur. The Secretary of Labor estimates that an additional 7,200,000 men and women will be required by defense industry and the armed forces in 1951 and 1952. It is impossible to say what the size of the federal service will be a year from now, but if the present trend continues it will certainly be larger than it is now. Increased competition between government and private industry for available manpower and skills must be expected. Effective control of this competition will be virtually impossible as long as we place primary reliance on the voluntary cooperation of workers and employers through the incentives of a free labor market.

Competition among various federal agencies for available manpower will also be intensified. If we approach the stage of virtual depletion of the manpower reservoir, the competition between government and private industry, and between the agencies within the government, may become so serious that it would be necessary to undertake some system of allocating to specific agencies those civilians who are recruited for government employment. Such a program may apply to all federal employment or perhaps only to those occupational areas in which skills are in greatest demand, such as engineers, typists, stenographers, nurses, and doctors.

In any event, we in the federal service recognize that the answer to our civilian personnel needs will not be found solely in the recruitment of people from outside the service. The one answer to the growing shortage of manpower and skills clearly lies in the conservation and maximum utilization of the people we already have on our rolls.

### **Development of Comprehensive Personnel Programs**

The breathing spell provided by the five years that elapsed between the end of World War II and the Korean emergency enabled the federal service to put its personnel house in order. During that period we completed the mammoth task of reconvertng from a war service system to a truly competitive merit system. Substantial progress was also made in many other major aspects of civilian personnel administration. As a



result, we have built a firm foundation in most of the important areas of personnel management. The federal personnel administrator intends to rely on this existing foundation for support of an effective personnel utilization program to meet the challenge of the present emergency.

We need to refer to the pre-World War II period briefly to identify certain trends and concepts which have given rise to our present personnel outlook. It is difficult to realize that recognition of the value of a true personnel program is a recent phenomenon in the federal service. As late as the middle 1930's personnel administration in many federal agencies was still in the stage of clerical paper processing and record keeping. Experts in the field of public administration deplored the fact that federal administrators did not recognize fully the need for a comprehensive personnel program.

In 1938, President Roosevelt instructed each federal agency to institute a personnel program and to designate a top official as personnel officer responsible for assisting the head of the agency in carrying out the elements of such a program. Since that time rapid progress has been made in most agencies. The demands of the emergency period immediately prior to World War II, and of the war period itself, greatly accelerated this development. Today the personnel office performs a vitally important role in the total management picture. We have moved a great distance from the "chief clerk" that was in vogue less than two decades ago.

Another trend deserves attention. Along with the realization that personnel activity in its broadest phases is a recognition of the attitudes, needs, desires, and interrelation of individuals came an awareness that a personnel program can be effective only if it is rooted in the actual work environment. We learned that the approach to sound personnel management must be through the first line supervisor and through the operating activity. More and more we directed our efforts to assisting the supervisor in his handling of people. The operating official, then, is the keystone in our personnel structure. We must rely on him for guidance and information in the formulation of position qualification standards, classification and pay schedules, employee relations programs, training programs—in fact in all of the major areas of our personnel activities.

The World War II days also taught us that effective management is not achieved by the front office alone. As the government grew it became necessary to decentralize management authority and responsibility from the central control agencies to each of the operating agencies. Personnel phases of management were not excepted from this decentralization trend. The Civil Service Commission started the practice of establishing definite standards in the various areas of personnel administration under its jurisdiction and then delegating authority to agencies to act under these over-all standards. Inspections and post-audits by the commission determine whether an agency is properly using this delegated authority. During inspections the commission provides constructive advisory assistance; in those unusual instances when it discovers that standards are completely ignored or grossly violated the commission withdraws authority from the agencies until the defects are corrected.

Most agency heads likewise have delegated to their major subordinate units responsibility for administering personnel programs. The central personnel office on the departmental level establishes policies and procedural guidelines for application by lower organizational levels. A common pattern appears to be emerging in which responsibility for personnel management is placed as close as possible to the organization and locality where employees are actually working.

Building on the concept of decentralized personnel management with primary emphasis on staff functions rather than on mechanistic personnel transactions, the federal service has made substantial progress in several program areas that will be extremely useful in attaining the goal of maximum conservation of manpower. In position classification, employee evaluation, promotion standards, career development, and employee incentives well-developed programs exist or are being initiated in most agencies.

Soon after the end of World War II the Civil Service Commission recommended to Congress that the Classification Act of 1923 be completely revised to meet present-day conditions. This resulted in the passage of the Classification Act of 1949, which simplified the classification system, strengthened the commission's authority, and established uniform treatment for positions in Washington and the field service. Agencies now have authority to allocate positions according to standards issued by the commission, and the commission insures compliance with its standards through a post-audit review.

Frequent review by agencies of individual positions in relation to the functional responsibilities of the agency furnishes an invaluable body of data to the administrator. With this information he can plan training programs, determine general requirements for various occupational skills, forecast his personnel replacement needs, and modify jobs and rearrange work to permit the use of available skills in occupational shortage areas. A well-functioning classification program is undoubtedly the pathway to maximum use of workers. While a sound, progressive classification program does not in itself guarantee effective employee utilization, there is no doubt that poor classification will prevent attainment of this goal.

Another recent improvement is in the field of performance ratings. The previous efficiency rating system prescribed a standard rating form, with many of the same rating elements to be used for all jobs from messengers to top scientists or administrators. Under the Performance Rating Act of 1950 the standard form was abolished and each agency is encouraged to develop a system, within broad standards, that will best meet its own needs. The new law requires that each supervisor clearly inform his employees of the requirements of the job, and emphasis is placed on development of a better understanding between supervisors and employees rather than on penalty actions resulting from poor ratings. We find, then, that our present performance rating system is specifically used to increase employee productivity. We analyze jobs to set reasonable standards for a fair day's work; we tell the employee what is expected of him and whether he is living up to these expectations; and then we use this employee inventory as a major factor in planning future placements and staff training.

Staff development is another area in which significant advances have been made in the recent past. In times that place great strain on our manpower resources it is essential that we do the best possible job of helping to develop to their full potential those employees already on the rolls. The commission has already stressed the desirability of establishing sound promotion systems. Over a year ago we issued a set of standards for the guidance of agencies. While we recognize that each agency's promotion program should be tailored to its own needs, we also believe that certain uniform requirements should be met by all agencies. These include: consultation with employees on development of programs; statement of program in writing which is made available to employees; use of broad areas of selection and the equitable application of requirements to all employees within the determined area; and provision for release of employees selected for promotion.

Under these controlling standards many agencies have developed definite promotion programs. Some of the programs are more refined than others. Some rely on advanced testing techniques and procedures in the selection of employees for promotion while others are lagging behind in this respect. But the objectives of using a promotion system to obtain the best qualified person in filling vacancies and the use of each employee at his highest skill, capacities, and training are recognized in almost all agencies. Attainment of these goals will be increasingly important as the need for maximum conservation and use of employees becomes greater.

A start has been made in a few other areas of career development. Young college graduates are recruited into the federal service through the commission's Junior Management Assistant, Junior Professional Assistant, and Junior Scientist and Engineer examinations. Many agencies have adopted intensive training programs for these junior employees, including periods of orientation in agency functions and missions and rotating work assignments in several organizational and functional areas. The Civil Service Commission conducts a

government-wide administrative internship program for selected junior and middle-grade employees who demonstrate by performance on their jobs and by results on administrative aptitude tests and other appropriate selection devices that they are capable of becoming future top-level government administrators.

The individual agencies, of course, are primarily responsible for the development of their own employees, but the Civil Service Commission can contribute expert knowledge and leadership. For example, the commission is encouraging agencies to plan systematic programs to prepare capable employees for eventual placement in executive positions. We firmly believe that such executive development programs are an integral part of a true career system and will be extremely valuable in achieving effective career leadership. In times of emergency, executive development is even more vital than in normal times because of the effects of abnormal expansion and disruption in the federal service. The preparation of employees who will be expected to occupy positions of administrative leadership cannot be left to chance. The work that has been done in some agencies in evaluating their immediate and long-range executive training needs and in initiating practical programs to prepare employees for eventual promotion must be accelerated and extended throughout the government. On the assumption that we are faced with a continuing emergency, major effort must be made by the government to develop competent leadership from within the service. Otherwise the administrative problem that arose in the last war will confront us again: rapid promotion of ill-prepared employees to positions of importance.

Tremendous improvement in the government service is possible if we can discover means of increasing the amount of employee participation in solving management problems. We now use such devices as suggestion systems, cash awards, and individual and group awards for superior accomplishments that result in outstanding efficiency and economy in operations. But we believe that a vast reservoir of knowledge, insight, and judgment remains relatively untouched. Federal agencies must redouble their efforts to bring about greater employee participation; they must set up machinery for consultation with employees on all significant matters. The framework of an employee incentive program exists in most agencies. It should be expanded and used to the full extent possible if we are to reap the benefit of first-hand, on-the-job experience gained by employees.

There are other phases of a comprehensive personnel program that generally have not been developed to the level reached by those previously discussed. Yet, in some instances, satisfactory agency adjustment to emergency stresses depends greatly on these undeveloped areas. In the fields of employee relations, motivation, and training we have barely scratched the surface.

There is no over-all approach in the federal service today to a sound employee relations program. Variation among agencies indicates the necessity for the development of minimum standards and more effective guidance. The purpose of the employee relations function is to increase the productivity of the work force by making each employee realize that his work is important and that his well-being is a matter of concern to his employer. It is necessary, then, that we inform each employee of the aims and accomplishments of the agency in sufficient detail to permit him to perceive the contribution that he makes. We must provide machinery for fair and prompt handling of his grievances and for furnishing advice as to his rights, benefits, and obligations which derive from his employment both in his specific agency and the federal service. In effect, we must impress upon him by our administrative actions that he is not a minute, insignificant cog in the big wheel of government, but that his contribution plays a significant part in carrying out the mission of the agency. I do not mean to imply that employee relations programs are nonexistent in the government. A few agencies have in operation well-developed programs but unfortunately these do not exist universally.

With the necessity for maximum conservation and use of employees it is imperative that greater attention be given to the human factors implicit in work situations arising during a period of emergency. Satisfaction of employee needs is one approach to worker retention and avoidance of excessive turnover and absenteeism. It will undoubtedly be necessary for the government to become involved with many more matters affecting

its employees than is the case in more nearly normal times. Housing, transportation, shopping, banking, and recreational facilities are examples of areas that will become increasingly important. Personnel offices will need to think in terms of constantly increasing employee productivity wherever possible by removing the distractions of poor social situations occurring off as well as on the job. During World War II many agencies and their field establishments located in abnormally congested or otherwise undesirable areas found this to be of paramount importance.

Perhaps one can say that the entire approach to a sound employee development program centers around employee motivation. As indicated previously, we do use devices to foster employee participation in management. However, we sorely lack basic information explaining what makes employees as groups or individuals act as they do. We are aware of the many interesting and productive studies that have been carried on in private industry. In addition, much basic research in the field of human relations is now under way in many university research centers. A large share of this work is being underwritten by the government. For example, the Army's Office of Research Operations and the Navy's Office of Naval Research have contracted with many of the leading universities to investigate personal behavior patterns of leaders, individuals, and groups. It is hoped that basic understanding of the problems of employee motivation and productivity will result from this healthy research activity, and that sound application of documented research conclusions will be made to civilian as well as to military environments.

Training of its own employees is an integral part of an agency's staff development program. It seems reasonable that agencies should be free to train their employees whenever such training will increase employee efficiency. Yet most agencies are so hampered because of the lack of clear legislative authority to undertake training activities that much remains to be done to improve this important route to increased personnel utilization. Our experience in World War II taught us that training is one of the best possible means of coping with the shortage of qualified workers. We also learned that in a period of rapid expansion it is vitally necessary to give training in the fundamentals of supervision to many inexperienced workers who have bolted upward into supervisory positions simply because they had learned to do their tasks well. Supervisory training, therefore, should occupy a key role in the adaptation of our normal programs to crisis administration.

We are recommending to Congress that it enact appropriate legislation which will authorize necessary on-the-job training and permit agencies to emphasize training activities to a greater degree than they now do. Our recommendation also provides that all agencies be permitted to assign with pay scientific, technical, professional, and administrative employees to laboratories, universities, and private companies for advanced study or research in fields directly related to the work of their agencies. A few agencies now have this specific authority; we propose that it be extended on a government-wide basis.

### **Role of the Civil Service Commission in the Defense Emergency**

Outbreak of the Korean conflict did not find the Civil Service Commission unprepared. Since early 1948 the commission had been making specific plans for dealing with an emergency. However, since the events in Korea were considered a police action and not a full-scale war, the commission's plans, which contemplated total mobilization, could not be put into effect immediately. But step by step, as the crisis has deepened and increasingly far-reaching manpower measures have been needed, we have adapted and applied the pertinent provisions of our plans. In doing so, we have been in close touch with the other agencies of government responsible for national manpower policies.

Much of the action we have taken pertains to the method of recruiting new employees and to the relaxation of peacetime hiring requirements. This phase of the commission's emergency personnel program is not discussed here since this paper is primarily concerned with the use of employees once they are working for the government.

In addition to the emergency recruitment measures which were put into operation, the commission took steps to assist the various agencies in gearing their personnel programs to emergency times. As soon as American troops were committed to Korea, the commission assigned several of its senior officials as liaison representatives to keep in close touch with the defense agencies. These representatives serve on a full-time basis at the Pentagon and with other defense agencies. They have broad authority to act for the commission on the spot and to expedite solution of problems as soon as they arise. As new agencies are created and new field installations set up, the commission assigns experienced employees to help organize and staff the new personnel offices and to see that their employees are properly trained to perform their duties. From time to time the commission itself trains personnel officers and technicians for service in the agencies and assists the agencies in developing training methods for their personnel office employees.

In connection with our regular service to the agencies, the commission's representatives assist the departments and the local installations to do a better job of personnel management. Our inspectors in their regular tours are able to observe weaknesses and to suggest improved methods based on their experience and their observations in other agencies. Recently they have been working with the departments, especially the defense establishments, helping them to install a new and simplified system of personnel records.

We have been helping the agencies to develop promotion systems consistent with our over-all promotion policy. Technicians have been advising the agencies on improved performance rating methods. The commission's Test Development Unit has worked out and provided tests which the agencies may use in selecting employees for supervisory or administrative positions and in choosing persons with mechanical and clerical aptitude. We are assisting the agencies to set up and operate programs of leadership development. Our Law Office has been helping the agencies to speed up their procedures for removing inefficient employees. Medical officers are developing physical standards for additional positions in which physically handicapped persons may be employed. Examiners advise the agencies on methods of recruiting for skills in short supply and of breaking down the duties of certain positions so that persons with lesser skills can perform them. These are a few examples of the continuous service we provide to the agencies in an effort to help them do an efficient and more economical job of personnel management.<sup>2</sup>

The commission has adjusted its position classification program so as to give maximum aid to the defense effort. As part of their regular operating activities, commission position classifiers consult with agency representatives on more effective utilization of personnel. This classification assistance is given especially to newly established defense agencies and rapidly expanding defense installations.

Emergencies which cause large expansions in government personnel give rise to "pirating" and rumors of "pirating" among government agencies. These charges, alleging overgrading of positions, are usually directed at the new agencies and at established agencies which are expanding. In an attempt to prevent this practice, the commission has established in its central office a special group to investigate charges of pirating and to give special assistance to newly established agencies so that positions in such agencies will be placed in correct classes and grades. Regional offices of the commission have also been instructed to give high priority to the investigation of pirating charges in the field service. If an agency is appointing people only to positions which are correctly placed in classes and grades, it cannot be guilty of pirating employees from other agencies.

The commission has been alert to emergency requirements occasioned by the outbreak of hostilities in Korea, and has made major adjustments in its program to meet current needs. The commission can make an important contribution to the defense program by using its influence to improve personnel management in

<sup>2</sup> The commission recently published a series of "Guides as to the Nature and Scope of Agency Personnel Programs." These cover every important phase of personnel management and are extremely useful in evaluating the effectiveness of agency personnel operations.

the government. As manpower becomes increasingly scarce the proper training and full utilization of employees will become increasingly urgent. Measures to reduce turnover and to keep the work force fully occupied at maximum efficiency will have a number one priority.

### **Manpower Conservation Program**

The President officially recognized the urgency of maximum utilization of government workers in his letter of June 8, 1951, to the Director of the Bureau of the Budget and to the Chairman of the Civil Service Commission. The letter stressed the importance of conserving manpower and stated that all agencies would be responsible for giving this objective top priority. The President stated: "The Federal Government, as the largest single employer in the country, should set the example in accomplishing this objective." He charged the Bureau of the Budget and the Civil Service Commission with the responsibility for issuing instructions on steps that can be taken to conserve manpower, and for advising agencies on specific problems that arise in carrying out the program.

Under the President's general directive, the Bureau of the Budget and the Civil Service Commission issued joint instructions to all federal agencies outlining a general program for "Conservation and Utilization of Manpower in the Federal Government." These instructions set forth the responsibilities for achieving the program in the federal service, list steps to be taken by each agency, including the central management agencies, and prescribe reports to be made. It is interesting to note that the program contemplates a dual approach: through improved procedures and through improved personnel management.

Each agency is instructed to re-examine its manpower utilization program to make sure that action is being taken to conserve manpower through improved organization, procedures, and methods. The following steps are suggested by the joint instructions of the Bureau of the Budget and the Civil Service Commission:

- (1) Plan and schedule work programs so as to assure that personnel needs and recruiting are held to a minimum.
- (2) Re-analyze organization structure to insure that personnel requirements are as low as possible, consistent with good management.
- (3) Re-examine procedures in the light of personnel shortages. Use production planning and control techniques in mass operations. Use simplified procedures such as those developed for such activities as personnel processing and record keeping, pay roll, and accounting.
- (4) Study work methods with special emphasis on conserving manpower and use modern business machines where applicable. Use dictating machines, stenographic pool arrangements, and streamlined correspondence methods to reduce the need for stenographic help. Use systematic methods for controlling forms and reports.
- (5) Stress management techniques in supervisory training to develop improvements in procedures and methods. Use Work Simplification or a similar program.
- (6) Encourage the participation of all employees in developing organization, procedures, and methods that will save manpower. Use suggestion systems, efficiency awards and other incentives to secure suggestions for improvements, to improve morale, and to reward persons responsible for saving manpower.

- (7) Adopt modern methods of statistical sampling wherever possible as a substitute for 100 percent reviews, checks, and inspections.
- (8) Review delegations of authority to assure that they permit operating heads to make decisions and put into effect improvements in organization, procedures, and methods that will save manpower.
- (9) Re-examine review systems to assure that they are being used to identify major areas where possibilities exist for saving manpower. Review systems should also be used to identify requirements or restrictions in law or regulation which should be eliminated or modified in the interest of conserving manpower.

The following measures are also suggested to each agency to insure maximum utilization of manpower through improved personnel management:

- (1) Inform all employees and supervisors of the objectives of the agency manpower conservation program and point out the responsibility of each employee for his cooperation with that agency.
- (2) See to it that the supervisors and technicians responsible for the agency's classification program understand that the agency relies on them for the integrity of position descriptions and that public funds are paid out on that basis.
- (3) Accelerate your program for simplifying personnel procedures.
- (4) Match skills and jobs to achieve better use of major skills.
- (5) Determine the extent to which personnel needs can be reduced by the better use of the skills of employees already on the rolls and by reducing employees' absences and keeping turnover at a minimum.
- (6) Shape orientation and training activities so as to improve the development of supervisors and of workers already on the job and to get new employees into efficient production promptly.
- (7) Gear employee relations programs to provide reasonable employee incentives and services.
- (8) Keep constantly before employees and supervisors the fact that their responsibility for good personnel utilization is a continuing one and that more money and more employees are not the chief means for handling increased workloads.

The government's current program also contemplates an evaluation of the results of manpower conservation and utilization efforts. Agencies will use inspection techniques to ascertain whether the suggested measures have been put into effect and the extent of their effectiveness. They will submit regular reports for review by the central management agencies—Bureau of the Budget, Civil Service Commission, and General Services Administration—detailing manpower conservation measures strengthened or initiated; actions taken to solve manpower problems in specific shortage areas such as stenographic and engineering; and recommended changes in legislation or regulations needed to achieve further improvements in the

agencies' manpower conservation program. In addition, agencies will be required to report informally during hearings conducted by the Bureau of the Budget in connection with the apportionment of funds as to steps taken to conserve manpower.

Individual agency responsibility for taking all necessary steps to carry out full-scale employee utilization is the dominant theme of the government's present program. The central management agencies are responsible for providing leadership and advisory assistance; in some instances they will conduct inspections to determine the effectiveness of agency programs, and to assist agencies in fulfilling their responsibilities. In addition, they will identify and distribute to all agencies information about particular effective practices found to be in use in some agencies.

## Basic Issues

I have briefly reviewed the status of our preparations in the field of personnel management to meet the challenge of emergency times, and the government's official personnel utilization and manpower conservation program which has barely advanced from the planning stages. I believe it is well to keep this background in mind when considering the basic issues. Some of these may be stated as follows:

1. Should the central staff agencies of a large organization directly undertake the utilization program, or should they serve in a leadership capacity to stimulate good utilization practices?

Within the government service we have adopted the latter approach to a manpower conservation program. Under the general policies of both the Manpower Policy Committee of the Office of Defense Mobilization and the Office of Defense Manpower of the Department of Labor, the central staff agencies of the government have formulated and put into operation a plan of action. Are we on the right track? Are we expecting the impossible when we charge each agency with responsibility for achieving maximum personnel utilization, or are we realistically recognizing that attempts to superimpose administrative decisions from outside an agency are inevitably doomed to failure? Many point to our experiences in the last war and claim that labor hoarding, malutilization, excessive absenteeism and turnover, as well as a host of other personnel ills were so prevalent that it is sheer folly to expect the operating agencies themselves to prevent similar situations from arising in the current emergency. Others maintain that the postwar level of acceptance and development of personnel programs used in conjunction with other management techniques will enable agencies to avoid the pitfalls of the last war. At the present time we are proceeding cautiously on the latter assumption.

2. Is manpower conservation merely a change of emphasis in a well-grounded personnel and management program, or is it basically something new which should be added to or substituted for the existing program?

The federal plan, which I have reviewed here as a case study, emphasizes the full development of good personnel and management methods, with some change of emphasis to include such concepts as "job dilution" in shortage categories. Are we right in this approach, or have we entirely overlooked some fundamental methods that might help us solve the problem?

3. How far can we rely on voluntary methods to insure maximum output of employees in a time of emergency?

To date, the federal service has used voluntary incentives and inducements to achieve full production. On the other hand, voices have been raised to demand that a "hard-boiled" personnel policy should be adopted for federal workers during the emergency: longer hours without overtime pay, drastic reduction of leave benefits, tighter controls over promotions, and controls to prevent transfers between agencies. Which approach is right? What lessons can we learn from recent studies on human relations and employee productivity that will throw light on the problem?



## CHAPTER 10.

# REPORT ON SEMINAR II THE MORE EFFECTIVE UTILIZATION OF MANPOWER

**MAURE L. GOLDSCHMIDT \***

The Seminar on the More Effective Utilization of Available Manpower concerned itself with two related problems: (1) how to utilize the labor force within a particular plant or organization more effectively; and (2) how to utilize the available manpower of the country as a whole more effectively.

All factors affecting utilization ultimately make themselves felt within the plant in the form of greater productivity and worker satisfaction. Nevertheless, it was thought desirable to give separate consideration to the conditions within the plant which directly affect operations and to the broader factors in the country as a whole which affect not only the efficiency of a given plant but the availability and the efficiency of labor in the entire economy.

It was recognized that the peculiar character of the present emergency has created difficult problems in arousing the public to the urgency and importance of the situation. As long as there is still unemployment in some labor markets and balance in others it is difficult to convince people that there is a serious problem. This difficulty is accentuated by the remoteness of the war and the fact that most people are not directly or seriously affected by it.

### The Structure of Motivation

The seminar turned its attention first to the factors influencing more effective utilization within the plant. It began by exploring the implications of Dr. Likert's paper on motivation. This was a fortunate choice because it soon became clear that a better understanding and application of the principles of motivation would contribute to the solution of the problems of increased plant productivity and of sustaining a high national morale during the prolonged period of the emergency.

Several members of the seminar emphasized the point that good motivation must be based on satisfaction of individual needs. These include security, approval, and self-esteem based on the belief that one has an important contribution to make to the organization. As one member put it, it is necessary for management to give the employee the conviction that "they believe in me, they want my ideas, they want to keep me informed, I do make a difference, they won't hurt me." This was, in general, the point of view presented in Dr. Likert's paper. It received impressive confirmation in the remarks of two members of the seminar—one a psychiatrist, the other an academic psychologist. Coming at the problem from somewhat different points of view, they nevertheless agreed that the findings of their disciplines supported Dr. Likert's findings.

The psychiatrist gave a brief sketch of the development of the human personality, emphasizing those factors which are most relevant to the problem of motivation. He pointed out that the infant is born with a mass of urges, drives, needs, and instincts. These build up tensions which strive for satisfaction. If the most vital ones, such as breathing and eating, are blocked, the infant dies. If the nonvital ones like the need for affection are blocked, difficulties arise. The infant, when he is uncomfortable, yells and something usually happens. This leads him to believe that all he has to do is wish and something will happen. Thus he develops

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the belief in his own omnipotence. This account is, of course, hypothetical, since we cannot be sure what the infant feels. Sooner or later he finds out that there is an external world and learns that he is dependent upon it for getting what he wants. As he grows up he gives up his feelings of omnipotence and begins to think rationally.

Now the problem is how this transition is made. The main factor seems to be a successful identification with parents or parental figures. The child seems to say, "All right, I am not the big shot I thought I was, but some day I will grow up and I will be the big shot." The "big shot" is a good parental image, such as mother or father. This identification succeeds if the parents treat the child with affection and permit him to participate in their lives. The crux of the matter seems to be that the feeling of omnipotence is yielded to adult figures in exchange for affection and some kind of participation in their activities. In any adult authority situation--civilian or military--the success of the organization depends upon the same principles; namely, the ability of the individual to participate and share in the situation with the authoritative figures.

The psychiatrist recognized that certain negative motivations like fear, shame, or guilt could be used to get things done and that in emergencies it might be necessary to use them, but felt that they were undesirable from the point of view of health and satisfaction. The positive motivations based on such values as affection, participation, and security are likely to be more effective over the long haul and are more productive of health and well-being.

The foregoing view was supported by the academic psychologist. The individual, he pointed out, is born with certain physiological motives--hunger, thirst, sex, and others. These dominate his behavior during the first months of life. More important, however, in the practical understanding of adult motivation are three motives acquired in the course of growing up: need for the approval of others, need for self-approval or self-respect, and need for a sense of security.

The infant first seeks the approval of the mother or others in the family because such approval is important in the satisfaction of hunger, thirst, or other physiological needs. Rather quickly, however, the child learns to seek approval as an end in itself. As he grows, he comes to seek the approval of a wider and wider circle of individuals. Such a need for the approval of others is particularly important in adult motivation.

In seeking the approval of others, the child also begins to adopt as his own those values in terms of which approval is granted or withheld by the mother, family, or group. He makes these values his own to such an extent that even when these people are not present to judge, he judges himself in the same terms. He acquires a conscience and a need for self-approval and self-respect.

The importance of these needs for the approval of others and of oneself in adult motivation is seen in the importance attached to signs of such approval--status symbols. In the elementary and secondary school, our primary method of motivation is through the use of status symbols, in the form of grades. Because of the importance of approval to the individual, he is greatly concerned that he receive the symbols due him. The private may be amused to be mistaken for a lieutenant. The lieutenant is not amused to be mistaken for a private, particularly if he is a second lieutenant. The assistant professor is not amused to be mistaken for a graduate student. As Burleigh Gardner points out, the size of the desk one has, whether there is a rug on the floor and a telephone, are often important not for functional reasons, but because of the recognition it represents. A five-cent an hour raise is important frequently not for what it will buy, but for the recognition involved. Men work for money, but they often work harder for titles and other signs of approval.

Recognition of the importance of the desire for approval of others and for self-approval in terms of one's own values helps us to understand the data showing the importance of participation in increasing motivation and productivity. Long-range plans to increase productivity through improving motivation of employees should give primary attention to procedures, for example, Likert's recommendations for improving supervision, which lead to better meeting of these needs.

Industry has given much attention to the need for economic security. But more important is the need for a psychological sense of security—the need for conditions which minimize fear and anxiety. MacGregor's analysis of this is very useful. The individual employee's relation to his immediate boss is particularly important. If the boss provides a general atmosphere of approval, consistent discipline, and information about what to expect, the individual is most likely to feel reasonably secure and as a consequence to work more productively. If, in contrast, the employee works under a somewhat autocratic, disapproving boss, he is likely to do what is necessary to get by and to protect himself, but also to take little real interest in the work and to produce much below his capacity.

In summary, understanding of three needs or motives seems quite important for those who would develop ways for increasing motivation in order to increase productivity: need for approval of others, need for self-approval, and need for a sense of security. Those are the positive motives whose utilization in the long run may be expected to be more effective than use of compulsion, fear, or similar means.

## Social Organization and Supervision

What kind of social organization may be expected to facilitate the use of the more positive motivations? The right kind of organization is one in which there is effective two-way communication between management and workers, so that workers' suggestions move upward to higher levels and information from higher levels is readily available to those below. Such an organization will show a genuine interest in people and will encourage suggestions and participation by employees. It will be an employee-centered rather than a production-centered organization, one in which concern for the interests of the employees is uppermost. Such an organization will be not less productive but more so, because of these interests. One of the significant characteristics of a good social organization is that responsibility will be assumed by groups rather than individuals. There will be less individual competition and more team-play. There will be a general realization of the role of each member of the group and hence less need for clear-cut specification of individual jobs. When the organization is functioning successfully there will be no informal structure differing from the formal one because the latter will be satisfying the needs of its members.

Although great emphasis was placed upon the importance of sharing responsibility, a clear distinction was drawn between democratic leadership and laissez-faire. It is the responsibility of the supervisor or whoever is exercising the function of leadership to see that all the interests in the organization are represented in whatever decisions are taken and not merely those of the few people under his direct control. He should not abdicate his leadership and accept whatever decisions are forthcoming from his group merely because they have emerged out of discussion. The conflict between the principles of democratic leadership and laissez-faire is illustrated by the following example: In a situation where employee participation was encouraged, a group of employees told their supervisor that they did not like their hours of work; instead of coming at half past eight they wanted to come at nine o'clock. According to the laissez-faire view, they should have been allowed to come at nine, but the supervisor pointed out that they were not working alone in the organization, that they had no right to make rules affecting the rest of the people in the plant, and that if the decision affected everybody, everyone ought to participate in it. The supervisor accepted the responsibility of seeing to it that the interests of the whole organization rather than of a part should prevail.

Among the desirable consequences which may be expected from an organization in which work relationships are cooperative are a reduced rate of accidents and absenteeism, increased productivity, and a heightened morale.

These results depend in part on the quality of supervision. Among the characteristics of the good supervisor is an interest in employees' success and performance, in employees' problems rather than his own. Such an outlook requires a high degree of emotional maturity and objectivity on the part of the supervisor.

It also requires confidence in the integrity of his group and belief in its ability to do its job. The supervisor must be skillful in the presentation of problems to his group and must embody in his leadership the qualities which it is desired that subordinates possess. This permits a healthful identification with the leader which is preferable to a relationship based upon fear or some other negative kind of motivation.

Although the seminar was aware of the danger of overemphasizing the supervisory problem, it nevertheless realized that this was an area in which great advances could be made if our knowledge could be applied through effective methods of training. It was agreed that the principles of supervision are teachable within limits. Improvement in supervision is therefore a realizable goal, although we still have much to learn about the qualities of good supervisors, the social conditions under which they may be most effective, and how to train such men. One necessary condition for the success of any training program was stressed: management's support based upon a firm conviction of its importance. Without such assistance training programs are of doubtful value.

Although not much time was devoted to the consideration of other personnel practices now used in better managed industrial plants and governmental agencies, it was recognized that such practices make an important contribution to more effective utilization of personnel. These include job evaluation and establishment of job qualifications; proper recruiting and testing methods; provision for transfer, removal of the inefficient, and retirement; health and safety regulations; performance evaluation; and fair pay scales. In this connection, improvement in the prestige of public employment was stressed as a method of improving morale and efficiency. It was noted that attacks on the loyalty of public employees had had adverse effects upon the prestige and morale of the public service.

### Social and Economic Factors in Utilization

The seminar next turned to a discussion of conditions outside the plant which influence effective utilization. The importance of adequate community services was stressed in improving workers' morale and health, in reducing absenteeism, and in facilitating migration. At present, many industries are being reduced in size and others are being expanded; people are being let out of jobs after having acquired skill and job security; they are having to start over in new work situations and often in strange communities. Many workers have not been integrated into their new communities and their new places of employment; they are faced with new situations, few friends, and an uncertain future. Assistance from community service organizations may help such people to adjust to their new situations. Housing, education, health services, recreation, and child care facilities were cited in this connection. The importance of child care facilities was stressed. Such facilities make it possible to employ many mothers who otherwise would not be available. Knowledge that these facilities are available helps to overcome workers' reluctance to move. Such services by helping to remove sources of workers' anxiety contribute to the reduction of absenteeism and the improvement of morale.

The discussion of community services brought out the point that we need both mobility and stability in the labor force. On the one hand, development of the kind of plant organization suggested above is possible only with a considerable degree of stability in the labor force. The existence of good community services may contribute to the same result. On the other hand, the necessary shifts in production can be made only if we encourage a considerable degree of mobility. The stability of the economy as a whole depends in part upon the mobility of the labor force. This is an observation which naturally does not appeal to employers, from whose point of view labor turnover is an economic waste. Nevertheless, a free market in labor cannot operate without turnover, which is the method of distribution of new workers. Without it the expanding industries could not meet their labor requirements. In view of the relative immobility of workers, special attention should be given to the problem of encouraging their movement.

There are social and economic barriers to employment which seriously limit the more effective utilization of manpower. Racial and ethnic minorities are prevented from making their maximum contribution to the defense effort by discriminatory practices which limit both their entrance into jobs and their employment ceilings. Because of discrimination and neglect many of these people have developed attitudes of indifference and resistance to participation. The wartime experience with the Fair Employment Practices Committee indicated that a determined effort backed by the authority of the federal government could increase employment opportunities for such groups to the benefit of themselves and the nation.

Another area where prejudice and misunderstanding result in the erection of barriers to employment is in the treatment of the physically handicapped. Unreasonable health and physical standards bar many individuals from jobs which they are capable of holding. There are about two million seriously disabled people who can be rehabilitated and made productive. This figure does not include the over-age or the mentally incompetent. Dr. Howard Rusk of New York University has estimated that there are about twenty-two million people in the employable age groups who have some work-limiting physical disability. This includes housewives and many who are now unemployed. The studies of Bert Hansen in Sweden indicate that ninety per cent of the population is to some degree disabled. Most disabilities, however, do not interfere with employment. If handicapped people are properly prepared, trained, and placed, they can be fully as productive as non-handicapped individuals. In fact, there is evidence which indicates that they perform better than the non-handicapped. Their accident rates are notably lower; they have been burned once and are not going to be disabled again. Their absenteeism rate is lower than the average. They are more concerned about keeping their jobs because of their enforced absence from work in the past and the difficulty they would have in getting new jobs.

In spite of the evidence concerning the employability and efficiency of handicapped workers, it is difficult to persuade employers to give such people a chance. They may fear the reaction of their workers; they may believe that their costs for workmen's compensation will increase, although most industrial states have second-injury laws which will relieve employers of a very considerable part of the cost. There are many firms which are unwilling to do the thorough job of analyzing skills which is necessary for placement, and whose officials still think in terms of a person's handicaps instead of his abilities. If this reluctance to employ the handicapped could be overcome, a large reservoir of manpower could be tapped.

Another set of barriers are those raised by professional, trade union, and employer groups, often with the help of government, in the form of licensing and residential requirements. These requirements may severely limit entrance into the occupation either because they are too high, because they give preference to local residents, or because they are unfairly administered. Some of these requirements were developed as a means of limiting competition when jobs were scarce and the economy was contracting. Today, when the reverse is true, they are a serious obstacle to mobility and more effective utilization.

Still another set of obstacles are those which limit the transferability of workers' benefits from one job to another. Among the benefits involved are social insurance benefits and those which arise under seniority plans, collective bargaining agreements, and rules of management. It is very difficult for people in public employment to move from one governmental jurisdiction to another without loss of pension contributions. This problem involves transferability of rights both within a labor market and between labor markets. It was recognized that some complex questions are involved which will require much serious thought.

Another pool of underutilized manpower is farm labor. Large numbers of farms, even under present favorable conditions, are not self-supporting. From the point of view of the most effective utilization of manpower in the economy as a whole, the labor on these farms is seriously underutilized. In spite of the very considerable migration of farm labor to industrial areas, there is still a sizeable amount of such underutilized labor.

It is recognized that it would be no easy task to attract this manpower to industry. It cannot be done by the ordinary recruiting appeals. It will be necessary to place new industrial facilities where they are accessible to these workers either on a full- or on a part-time basis. Provision will have to be made for moving these people from farms to industrial areas. It might be necessary to work out means of closing some submarginal farms.

The importance of raising farm productivity as a means of releasing workers for industry was pointed out. Some of the measures utilized during the last war were reviewed. Longer hours were worked. Educational exhibits and demonstrations stressing labor-saving methods were put on. Standards for the utilization of farm labor were worked out which encouraged farmers to use more efficient methods and which were used as the basis for distributing available labor supply in many areas.

A suggestion put forward tentatively was that efforts should be made to recruit women and young persons for emergency employment. There was a difference of opinion about how much additional help could be secured from women. Many women who came into the labor market during the last war have stayed. Because of the high birth rates of the last few years there is a large number of women with small children. It was agreed that no pressure should be placed upon them to enter the labor market. While it is important for young mothers to stay at home with their children, it was recognized that in many situations it may be desirable for them to work. If adequate child care facilities were available, if special shift arrangements could be worked out, and if the cost of child care could be deducted as business expense from income tax, a considerable number of women could probably be attracted under conditions which would safeguard the welfare of mothers and children.

In the same way it was felt that many teen-agers could be recruited for industry but it was emphasized that recruitment should not interfere with their education. Arrangements could be worked out for part-time employment which would enable them to carry on with schooling.

Finally, it was pointed out that effective utilization of manpower in this country should be considered in the larger framework of the effective utilization of the manpower of all the free countries. The fair distribution of available labor supplies is just as important as the fair distribution of strategic materials.

## The Need for Research and Education

There was general agreement about the importance of increasing research in the manpower field. The amount of money now being spent is slight in comparison with the amounts being devoted to technical and engineering research. It is apparent that much important work remains to be done. The correlation between the results of selection tests and performance is only about .4 to .5. This means that seventy-five to eighty per cent of the factors which account for performance are not explained on the basis of selection tests. If a thoroughgoing program of research were undertaken, it was suggested that gains in productivity to the extent of twenty to twenty-five per cent could be expected.

Research is necessary in order to identify problems. Until management knows what its problems are, it cannot act intelligently to improve the situation. Performance must be measured and evaluated. Difficulties must be spotted. There may be problems with regard to housing, discrimination, material shortages, use of tools, safety precautions, supervision, and labor hoarding. Unless these can be brought to the attention of management in an objective way, it may be difficult to secure more effective performance. In this connection it was pointed out that employees are often in the best position to know what is wrong with an operation. They may be closer to the situation than management and have information which the latter lacks. They are more likely, for example, to know of the existence of labor hoarding or of faulty safety devices. These examples could of course be multiplied manyfold. An intelligent research program could tap this vast source of knowledge.

How can the nation be persuaded of the seriousness of the manpower problem and of the importance of taking systematic steps to secure more effective utilization? This question was discussed at some length. So long as labor surpluses exist and the war is remote, it will not be easy to induce changes in attitude and action. High pressure methods based upon the use of a fear-shock psychology were rejected as ineffective and as involving a threat to civil liberty. Since we have to plan for a situation which may last for ten or even for twenty-five years, the continuous use of negative motivations would probably result in indifference on the part of some; anxiety and tension on the part of others; and a great increase in political intolerance.

The seminar was led, therefore, to re-emphasize the importance of positive motivations in attempting to influence public opinion in the present situation. For example, it was thought desirable to enlist community interest in conserving manpower on the basis of an appeal to an already existing interest in attracting new industry or in maintaining old ones. In this type of situation the decisive consideration is frequently the adequacy of the labor supply. A constructive approach would be to persuade the community that manpower conservation would enable it to maintain an adequate labor supply and thereby to encourage the expansion of its industrial activities. It was thought desirable to reserve the fear-shock appeals for more serious emergencies, such as all-out war.

The importance of an adequate presentation of the facts of the manpower emergency was stressed. Research can make a valuable contribution in this connection, not only by discovering the causes of low productivity and the methods of increasing output, but by providing information through opinion surveys with regard to the expectations and real concerns of people whose attitudes and conduct must be modified.

Face-to-face communications, it was suggested, are generally more effective than the indirect forms of communication which make use of mass media. Studies of World War II bond campaigns, as well as experiences in industry, were cited in behalf of this view. It was suggested that professional, business, and trade union organizations could be used to persuade their members of the importance of the problem. The use of publications of these organizations was also recommended. It was thought that such journals might be of greater value than the nonspecialized mass media. Nevertheless, the importance of enlisting the mass media was recognized. It was suggested that the Advertising Council might be willing to help with a campaign of public education through the press and radio.

Although all participants agreed that the chief emphasis in trying to change attitudes and actions must be upon persuasion, there were some who felt that persuasion alone was not likely to overcome resistance to full employment of minorities and that, therefore, there was a strong case for the use of governmental sanctions in order to remove certain kinds of discrimination. The salutary effects of the wartime Fair Employment Practice Committee were mentioned. However, the advocates of sanctions recognized that they could be used constructively only in certain situations where there was reason to believe that their use would be followed by a fairly general acceptance of the new situation. There was general agreement that a more constructive effort was needed to enlist public support behind a program of effective manpower utilization.

**PART IV.**  
**FINDING EXECUTIVE LEADERSHIP FOR PUBLIC PROGRAMS**



## CHAPTER 11.

# THE DEVELOPMENT AND RECRUITMENT OF ADMINISTRATIVE LEADERSHIP IN NATIONAL AND INTERNATIONAL PROGRAMS

PAUL T. DAVID \*

Within the general problem of how to make the most of our scarce manpower resources in a time of crisis, many specific and difficult problems arise with respect to particular groups of personnel. These problems are likely to be overlooked or to be given only inadequate attention in any discussion of manpower allocation and utilization that deals with the labor force as a whole. Yet a number of these groups are of critical importance in the defense effort.

Medical personnel constitute one such group. The limited number of doctors, dentists, and nurses must be shared somehow between the armed services and the civilian population. Public policy for the allocation and utilization of medical personnel has been extensively debated.

Scientists and engineers are another such group. Their critical importance is obvious in a time of technological warfare. The available supply must be shared among the armed services, other portions of the government, industry, and higher education. Here again there has been considerable discussion of public policy, although mainly under specialized auspices and with little dissemination of the results to the public at large.

The administrative personnel of government have not been widely recognized as a similar group, although they probably should be so regarded. The problem of developing, securing, and holding a sufficient supply of qualified administrative personnel for the war agencies, national and international, was a matter of critical importance during World War II. It is again a critical problem in the present national defense emergency.

The present conference inevitably must be highly selective as soon as it goes beyond the broadest questions of manpower allocation and utilization for the entire labor force. In view of the work done elsewhere, it seems unnecessary to give more than passing attention to the problems of medical personnel, scientists, and engineers. On the other hand, the problems affecting administrative personnel in government appear to need more consideration than they have recently been receiving.

The core of the problem is what *Fortune* has referred to as "Washington's Executive Famine." The problem starts at the top of the government with the difficulties encountered by the President in finding heads for such vital agencies and activities as the National Security Resources Board, the Munitions Board, and the Mutual Defense Assistance Program. Immediately below that high level, it spreads out into the equally critical matter of finding, recruiting, and holding qualified deputy and assistant heads of agencies. Farther down the hierarchy are the hundreds of anonymous officials in the general schedule salary grades 15 to 18, \$10,000 to \$14,000.<sup>1</sup>

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The author desires to acknowledge the great assistance derived from a recent unpublished report entitled "Executives for the Federal Service," prepared for the Carnegie Corporation by Mr. John J. Corson, and to express appreciation for the helpful comments and information furnished by many others in and out of government, including many courtesies by members of the staff of the Civil Service Commission.

<sup>1</sup>Salary rates used are those in effect at the time of the seminar. Rates were later changed by Public Law 201, 82nd Congress.

As of June 30, 1950, there were 2,306 individuals in grade GS 15, approximately 300 in the higher classified grades 16, 17, and 18, and approximately 400 unclassified executive positions as agency heads, deputies, directors, commissioners, and members of boards. There were thus approximately 3,000 federal civilian executives a year ago at or above the \$10,000 level in the general competitive service and the higher unclassified executive positions. The establishment of new civilian defense agencies and the filling of other vacancies has recently added several hundred more officials at similar levels.

Other groups equally high in rank come within the general purview of this paper. These include the American ambassadors and other chiefs of diplomatic missions, other foreign service and foreign service reserve officers in Class 2 and higher, including those on the staff of the High Commissioner for Germany, and similar personnel of the Economic Cooperation Administration, including the chiefs of ECA missions abroad. American officials in these groups at salaries of \$10,330 or higher number approximately 500, of whom more than 300 report to the Department of State and more than 150 to the ECA.

On the international side, the United States as a member of various international bodies is responsible for helping to find and make available qualified personnel for international and combined staffs. No estimate is readily available as to the number of civilian Americans who are presently members of the higher levels of such staffs, but the problem is a significant one, particularly for such programs as those of the North Atlantic Treaty Organization and the United Nations Korean Reconstruction Agency.

The problem discussed in this paper centers in the staffing of the positions just identified, but it also extends to much larger groups of line and staff administrative personnel at lower levels of the administrative hierarchy. Most of the incumbents of positions in grade GS 14 (\$8800-\$9800), for example, are actively involved in administrative work of one kind or another as heads of administrative units or otherwise; and the available personnel in grade 14 are a natural source of talent from which to recruit or promote into grade 15. A similar comment could be made in descending order for grades 13, 12, and 11; and with each step down the administrative pyramid, the number of individuals to be considered is multiplied. As of June 30, 1950, for example, there were 5,542 individuals in grade 14, as compared with the 2,306 in grade 15, previously noted.

Although the distinction between personnel in the direct line of administration and those who have a supporting or auxiliary role is pertinent to the concerns of this paper, both groups must be taken into account. Administrative personnel in the direct line of the administrative hierarchy are likely to be drawn from backgrounds of experience or training reflecting substantive aspects of governmental programs, as well as purely administrative qualifications. Supporting administrative staffs of lawyers, economists, and political scientists, of personnel, finance, and information specialists, have each their own predominant professional origins and backgrounds which may or may not have any close connection with the program objectives served by the agencies with which they are connected. In the case of both groups, some knowledge of administration in general and of its particular specialized aspects is necessary.

Viewed as a manpower problem, problems relating to administrative personnel for national and international programs show major differences from those presented by the medical and scientific groups. It is possible, subject to minor difficulties of definition and terminology, to identify and to count the physicians and surgeons who are available in the United States. It is probably not possible to agree on any definition either as to kind or level that would make it possible to identify and count the administrative personnel who come within the scope of this paper. The central part of the group can be identified, as already indicated, but it is supported by lower echelons of line and staff administrative personnel of varying degrees of specialization and of some professional maturity who must aggregate at least 50,000 persons in the existing national and international programs.

Within the problem area so far defined, there are many issues of public policy for executive personnel administration. Frequently those issues are posed in a form lending itself only to a yes-no type of answer

or decision; that is probably the only way in which parliamentary or representative organizations can proceed when it comes to making actual decisions. But a vote of no on a specific proposal may, in most cases, be either a vote for the status quo or a vote for some alternative course of new action. Accordingly, for purposes of initial discussion it seems more useful to formulate the issues in such form that all of the major alternative courses of action can be analyzed on a coordinate basis before any of those alternatives are eliminated from further consideration.

Several alternative courses of action are noted under each issue in the present paper. The intention has been to state them in broad terms and to include major alternatives that would receive serious support from some quarter, even if the possibility of actual adoption may seem limited. In some cases several or all of the alternatives might be adopted in varying degrees or combinations. Nonetheless, there would remain questions of relative priority and emphasis that would have to be considered by anyone with responsibility for leadership in securing action.

In general, discussion is focused upon the requirements of the present situation, but several issues and alternatives have been included that have a long-range aspect. No possibility has been excluded merely because it could not be brought to fruition quickly, since it is assumed that the emergency may be prolonged over a period of years, with the possibility that the mobilization now in progress may be either intensified or ameliorated from time to time.

Seven main issues have been identified for consideration. The first four issues raise the questions most directly pertinent to the rapid filling of executive positions in the new programs of the defense emergency. The fifth and sixth issues deal respectively with executive development and the supply of promising junior personnel, while the seventh brings up the question as to where administrative responsibility shall focus for the various aspects of executive personnel administration in the federal government.

The inclusion of a further issue on the conflicting requirements of the armed services was considered. This issue would have raised the question as to what, if anything, should be done to prevent the conflicting requirements of the armed services from drawing off excessive numbers of qualified civilian administrative personnel who hold military reserve status but whose qualifications nevertheless are such that they may be considered more useful in the civil branches of the government. A similar question could have been raised as to the kind of provision that may be needed to assure a continuous flow of undergraduate and graduate students into the social science fields leading into public administration, on a basis no less favorable than is provided for the natural sciences and engineering.

The questions involved in the conflicting requirements of the armed services have been debated extensively in connection with the problems of scientific, engineering, and other highly specialized personnel. Those questions do not seem acute at present for administrative personnel, in part because the policies laid down for specialized personnel generally have ameliorated the situation for administrative personnel. The issue of conflicting requirements was omitted for these reasons and because it seemed somewhat afiel from the other direct concerns of the paper.<sup>2</sup>

The issues that are included for specific discussion are not brought to the point of conclusions in this paper. That is considered the task of the conference for which the paper is prepared. Some evaluative comments and other indications of personal judgment are included to facilitate and perhaps expedite the search for conclusions. Pertinent factual material has been incorporated into the discussion of the issues and an attempt has been made to outline the arguments pro and con, although it is expected that this can be done more fully in the discussions of the conference than in any paper of reasonable length prepared in advance.

<sup>2</sup> See Chapter 5 above.

If previous experience is a guide, it will be found that each issue can be the subject of a tentative conclusion arrived at in isolation before other issues are taken up. It will also be found that while the additional issues are being traversed, interrelations previously unsuspected will become apparent and some of the conclusions previously arrived at tentatively may seem out of adjustment with each other. A new synthesis should be possible at the end as the final step in the entire process of group thinking.

### **Issue One: Career versus Program Staffing**

**In a prolonged period of defense emergency, what principle of staffing should be given primary emphasis for administrative personnel?**

In the present situation, the precedents neither of peace nor of war are fully applicable. Some middle course must be gauged to the requirements of an intermediate situation. The need for rethinking first principles is accentuated, moreover, by the cycle through which civilian personnel administration in the federal government has passed in two decades.

Twenty years ago, the virtues of a merit system were accepted in theory, but slow-moving procedures were left to one side in the creation of the new federal programs and agencies of 1933 and 1934. In 1935, the Commission of Inquiry on Public Service Personnel urged the modernizing of existing civil service systems with emphasis upon career service concepts. In 1937, the President's Committee on Administrative Management made its specific proposals for personnel administration. Notwithstanding the controversy over the form of the central personnel agency, other major recommendations were carried out to a considerable degree in 1938 and 1939.

Civil service recruiting, examining, and appointing procedures, however, remained inadequate to the requirements of emergency programs. Under war pressure they broke down. In 1942 the making of permanent appointments was abandoned for the duration in order to remove inhibitions standing in the way of emergency personnel procedures that could meet the requirements.

In 1944 the Civil Service Commission began moving back in the direction of prewar practice, and after V-J Day it proceeded to reconvert the civil service. By mid-1949, most of the established positions in the general competitive service were occupied by permanently appointed employees. The Hoover Commission made its recommendations about the same time, and further progress toward modern public personnel administration along career service lines could be anticipated.

With the coming of the national defense emergency in 1950, there was again a reversal of trend and a return to something like the situation of 1941 and 1942. Pressures developed for simplified procedures by which career personnel could be transferred and outside personnel could be recruited. At the same time, the nondefense agencies were reluctant, because of their reconversion experience, to concur in giving re-employment rights to the employees that they released for transfer to defense agencies.

The first wave of expansion of the military and defense agencies has passed. Planning is actively going forward on the assumption of a continuing emergency. A re-examination of the entire problem of executive personnel administration in the federal government appears to be needed. This might have been inspired in part by the work of the Hoover Commission even if there had been no emergency.

The Hoover Commission was probably the first major public investigating body which gave equally careful consideration to the problems of executive personnel in the civil service and the foreign service. The work of the commission in these two respects was not fully integrated, yet it opened up areas of comparative analysis that had long been neglected and that have become of major importance with the new prominence

of foreign operations. These aspects of public personnel administration have been further studied by the Rowe Committee in its report for the Secretary of State in 1950 and by The Brookings Institution in its recent report for the Bureau of the Budget, The Administration of Foreign Affairs and Overseas Operations.<sup>3</sup>

More sharply than any other study, the Brookings report has brought out the contrast between career staffing and program staffing, as typified, for example, on the one hand by the philosophy and practice of the Department of State for the regular foreign service and on the other by that of the Economic Cooperation Administration for its overseas staffs.

The regular officer corps of the foreign service has been administered as a career service in the most highly specialized sense, with recruitment of young men and women at the beginning of their careers for long tenure, orderly and usually slow advancement to higher rank, minimum entry of new recruits at the intermediate and higher levels of the service, and a compensation and retirement plan based upon expectations of long and secure tenure. In the foreign service system, moreover, tenure and rank are inherent in the person, and members of the corps are privileged in many respects but are also obligated to accept assignments of posts and duties anywhere in the world without regard to personal desires or convenience.

The Economic Cooperation Administration, on the other hand, as a temporary four-year agency charged with action responsibility for the European Recovery Program, may be said to have rejected career staffing almost completely in favor of the concept of program staffing. The possibility of using the career foreign service to provide cadres for the ECA overseas missions was rejected in favor of merely cooperative relationships with the economic sections of the diplomatic missions overseas.

The elements of a personnel system designed for program staffing, such as that of the ECA for its overseas staffs, have been defined by the Brookings report as follows:

active and extensive recruitment for personnel to be appointed at all levels of rank within the organization;

recruitment of persons already equipped by training and experience to assume responsibilities at a high level;

recruitment of persons interested in particular programs rather than in public service careers;

a compensation and retirement plan adapted to temporary employment;

advancement to higher ranks based upon capacity to assume and meet responsibilities with little or no emphasis upon seniority;

reliance upon motivation based on attachment to program objectives rather than upon career aspirations.

In pointing out the basic contrast between career staffing and program staffing concepts, the Brookings report noted the great weight of precedent and official doctrine throughout the public service in favor of the general concept of career staffing, and the absence of any widely articulated view in favor of the concept of program staffing. Despite this absence, the practice of program staffing has been widespread in the executive branch for twenty years in the execution of one emergency program after another. Finally the practice came to the field of foreign affairs, where career staffing had been most entrenched in its most specialized

<sup>3</sup>Washington: The Brookings Institution, 1951.

form; and the decision of the ECA appears to have been vindicated by the results. The Brookings report accordingly concluded that:

Program staffing is a necessary and desirable concept in foreign affairs personnel administration. It should not be adopted to the exclusion of the career staffing concept, but should be recognized as legitimate and essential in a balanced approach. . . .

In the federal government as a whole, the concept of career staffing that has received general support in the established agencies is a looser concept than the closed guild approach of the foreign service. Nevertheless, in an emergency such as the present, processes of personnel administration based upon existing career concepts become disrupted. Staffing from sources outside the established service is inevitable for large blocks of positions in the new emergency defense agencies. At the same time, elements of career service administration are retained and the personnel administering agencies tend to favor a return to pre-emergency policies as soon as feasible.

Realistically, it is clear that in any series of activities as complex as those of the executive branch of the federal government, not to mention associated international programs, there will always be room for the application of both career and program staffing concepts. The question is one of flexibility and of balance. The issue was therefore stated as one of where primary emphasis is to fall. In practice, the three broad alternatives most likely to receive attention in the present situation are, first, to continue the present combination of policies; second, to return to normalcy as soon as possible; and third, to seek a unified system of personnel administration that would make possible the same public personnel policies in peace, war, and national emergency. In the discussion that follows, each of these alternatives is stated more precisely and is the subject of brief comment.

Alternative One is to accept substantially the present combination of policies for the duration of the emergency, with primary emphasis upon program staffing for emergency activities.

Acceptance of present policies may seem inevitable as long as emergency conditions continue at the present pitch of international tension. Undoubtedly the present situation in public personnel administration for national and international programs is chaotic. For that very reason, it has many elements of flexibility. Such flexibility may be considered highly desirable as long as the general world situation contains so many elements of unpredictability. On the other hand, it may be argued that while we currently have program staffing in practice for a number of new agencies, in most cases it has been accepted merely as a necessary evil and not as an opportunity that should be utilized positively to obtain staffs of the high program motivation and special competence that are so much needed.

Alternative Two is to return as soon and as far as possible to the pre-emergency combination of policies, with primary emphasis upon career staffing.

This proposal has the usual nostalgic appeal for those who found comfort and convenience in the arrangements that prevailed before the emergency. Those arrangements provided for some annual intake of able young people into the lower grades of the competitive service; considerable, although unsystematic, provision for promotion from within; and opportunity to reach high levels of responsibility within the competitive service on a career basis.

From 1946 to 1950, as in earlier periods, the rigidities of the recruiting and examining procedures were sufficient to make outside recruitment difficult and troublesome for specialized, high-level, and newly created positions, and thus encouraged promotions and transfers from within the civil service to the extent that suitable candidates could be located. The career service as it existed was more a by-product of the

difficulties of outside recruitment than the result of conscious policy. Careers within agencies were the outcome in most cases rather than careers in governmental administration in the larger sense.

Alternative Three is to seek such balance of emphasis between career staffing and program staffing in officially accepted doctrine and practice as would make possible the maintenance of a stable set of policies under varying conditions of peace, war, and national emergency.

This alternative will be rejected by many, either explicitly or implicitly, on grounds that it is neither feasible nor desirable to adopt a permanent system of personnel administration that would contain enough built-in flexibility to make it possible, as the alternative states, to maintain a stable set of measures under conditions as widely variable as those of peace and war. Those who hold this position will presumably continue to believe that a sharp distinction should be made between the personnel policies of normal times and those that are appropriate or at least unavoidable under emergency conditions. Some combination of Alternatives One and Two might meet the views of members of this group.

Among those who might favor Alternative Three in principle, the difficulty will remain as to what would be an appropriate balance of emphasis between career staffing and program staffing. Does the acceptance of such an ideal mean merely, in traditional concepts, that the career civil service shall occasionally be leavened by bringing in program specialists at high professional levels? Contrariwise, does it contemplate merely the utilization of career civil servants in those housekeeping activities of new program agencies where governmental "know-how" is most essential? Or, more broadly, does it mean a long-term policy of administering the permanent agencies of the government mainly on a career basis while accepting program staffing as desirable in large measure whenever new activities arise and are not yet permanently established?

In terms of the locus of authority and the motivations of men, perhaps the issue could be most sharply drawn in terms of where organizing power is to rest in practice when it is necessary to staff new governmental programs. Is each new program to be organized and staffed by a corps of executives, assembled for the purpose mainly from noncareer sources, free of existing bureaucratic loyalties, recruited primarily on the strength of program loyalty and zeal, and free to enlarge its own ranks by co-opting from either inside or outside the government? Or, when a new program is authorized, is the established career service to take over by some process which will assign a strong group of career executives to take charge, who will then recruit and assimilate additional manpower as necessary from within and without the governmental service?

The armed services have found ways of maintaining the primacy of military career service personnel notwithstanding the violent expansions and contractions that are necessary in shifting from peace to war to national emergency. Other governments with a highly organized corps of career civil service administrative personnel presumably tend to meet war and emergency situations in much the same manner as the armed services. Able career officials take over much of the burden of organizing new governmental activities. New recruits from private life, other than politically responsible heads of agencies, may come in at high as well as low levels, but are seldom asked to carry heavy responsibilities in the direct line of administration until after a period of testing and indoctrination.

Is such a pattern impossible or undesirable or both, so far as the general civilian administrative service of the federal government is concerned? It may be impossible in the absence of a disciplined and highly trained group of career officials who are subject to central direction and assignment, and who clearly owe their loyalty to the government as a whole rather than to particular agencies. In considering whether it would be undesirable, it is necessary to weigh the special advantages of program staffing for new programs that demand unusual qualities of energy, understanding, and motivation.

Perhaps the United States is unique in its ability to create and staff new agencies of government to meet new requirements, an ability that reflects freedom of movement and flexibility in private as well as public

careers in America. But even in the United States, the utilization of noncareer personnel in central administrative capacities in new agencies is often accompanied by striking examples of waste and lost motion.

On the other hand, reactions to the merits of career staffing and to the relative usefulness of career officials may also depend in large part upon whether the concept is one of career staffing within agencies or is alternatively one of career staffing on a basis planned to meet the administrative requirements of the government as a whole. Some aspects of the matter will be further explored in connection with the other issues that follow.

## **Issue Two: Organizing Emergency Sources of Talent**

What should be the method by which qualified administrators and executives in nongovernmental employment can be quickly located, identified, and secured for public programs in case of urgent need?

Whatever the ultimate decision as to the relative emphasis to be given to the contrasting concepts of program staffing, agency career staffing, and government career staffing, emergency programs must continue to rely in some degree upon the recruiting of noncareer staffs. The necessity for noncareer recruiting is most acute in emergency activities involving types of work or levels of experience not often found in the peacetime operations of the government. The production and price control agencies, in particular, must organize to a large extent on an industry-by-industry or commodity-by-commodity basis. For such activities, individuals must be found who know the actual workings of each industry, and who know them at the responsible levels of production management and price administration.

In view of this requirement, it is surprising that the new defense emergency programs have been staffed at the top with career employees as much as they have. A recent analysis by John Corson of 253 positions at grade 15 and higher in eight emergency establishments found almost seventy-five per cent of the positions filled by individuals who had been recruited from within the government. This situation was due in part to the transfer of some previously existing governmental units into the emergency establishments and to the fact that several of the executive departments were called upon to organize emergency programs. It was also partly due to the extreme difficulty encountered in recruiting qualified executives from private industry, with the result that career personnel have been utilized in some cases where it would have been the preference of all concerned to do otherwise if there had been any alternative.

Since the outbreak of hostilities, most of the emergency activities have been staffed after a fashion, but in many cases the line is very thinly held, and most of all so at the top. There are many incumbents of executive positions who serve on a part-time basis or who have agreed to remain only a few months. There is no assurance that replacements will be promptly forthcoming, and there is often a lack of qualified understudies. Even in the older agencies there is a normal requirement for replacements of high-level personnel averaging at least ten per cent a year because of illness, death, retirement, or resignation; the problem of these agencies is accentuated as their able younger executives are drawn off into defense work.

The questions involved in organizing emergency sources of talent thus seem likely to remain acute. In dealing with these questions, there seem to be two main alternatives. One is a further development and refinement of existing measures. The other is the more dramatic possibility of seeking to create some sort of a "public service reserve" of executive talent, which, if successful, would solve much of the problems to which emergency recruiting is directed. A third alternative, not as comprehensive, involves the idea of maintaining a central roster or register without proceeding to the point of an organized reserve. Each of these alternatives will be taken up in turn.



Alternative One is to rely on measures developed from the experience of World War II--a combination of positive recruiting mainly by the agencies directly concerned, wide use of emergency-indefinite appointments, continuously open civil service examinations for general eligibility, and rating of selected eligibles by agency boards on the basis of specific job requirements.

Positive recruiting is by common consent the one indispensable ingredient in any formula for filling high-level vacancies in a tight employment situation. Under such conditions, it cannot be expected that the man will seek the job; the job must seek the man. This simple rule is adhered to in every emergency program, but it is carried out with widely varying degrees of competence and understanding. The instances in which executive recruiting has been organized and conducted as a skilled professional activity have been the exception rather than the rule; there appears to be room for great improvement in this respect. Instead, executive recruiting in the new agencies has been mainly on a catch-as-catch-can basis, with predominant reliance upon the immediate channels of personal acquaintanceship. In some instances, moreover, when a conscientious effort has been made to identify the main sources of potential talent, to compile a list of qualified individuals on the basis of predetermined standards, and to screen the list in order to determine a rank order of preference, the only result has been a series of rejections of proffered appointments, after which there is a tendency to revert to the channels of personal acquaintanceship as the only effective method of capturing potential appointees.

The positions near the top for which initiative in recruiting by the agency heads themselves is most essential are also the ones with respect to which the controls and supervision of the Civil Service Commission are least important. For all of the positions in the competitive service, however, whether high or low, the commission exercises some degree of oversight over appointments. That oversight could be utilized to limit, hamper, or destroy the effectiveness of active recruiting efforts on the part of the agencies. In practice, this appears not to be the case in significant degree at present.

In part, the present freedom of the hiring agencies results from the fact that under the President's executive order of November 13, 1950, most appointments in the competitive service can be made only as "emergency-indefinite" rather than on a permanent basis. Many of the restrictions on permanent appointments are therefore automatically waived, since such emergency-indefinite appointments are "non-competitive." At the same time, some rudimentary aspects of normal recruiting, examining, and certifying procedures are being maintained. Appropriate qualifying standards must be met. Civil service lists must be utilized to the limited extent that they exist and contain currently available eligibles. Increased authority has been delegated to examining committees and boards in the agencies; examining procedures have been simplified.

Even before the emergency, the commission had moved toward greater freedom for the agencies in filling intermediate and upper level administrative and professional positions. In January, 1947, the commission announced an examination for "Administrative Officer," grades 13 to 15, now \$7600 to \$10,000, that has been continuously open ever since. The qualifying standards are remarkable for their breadth and for the variety of administrative positions to which they are pertinent. Applications are received at any time and are examined as to general eligibility. As vacancies occur, the file of applications is reviewed and can be enlarged by positive recruiting as necessary. Applications found pertinent to the particular vacancy are then given a final examination by which applicants are ranked in relation to the particular vacancy. Veterans preference and the rule of three become applicable at that stage. The actual examination is usually conducted under the supervision of the commission by a "committee of examiners" in the agency where the vacancy exists.

With these significant improvements in normal procedure, it would be relatively easy to convert most appointments of administrative personnel from emergency-indefinite to permanent if and when it should become desirable to do so. So far as its part is concerned, the Civil Service Commission has thus made it easier than in former years to think in terms of a personnel system that is organized to function under conditions of peace, war, or national emergency.

The major difficulties in the present situation are not primarily procedural. They arise basically from the limited supply of qualified executives and administrative personnel in either industry or government, from the lack of incentives that would facilitate recruitment and retention of qualified personnel (the subject of the next issue), and to a considerable extent from failure on the part of heads of agencies and other operating officials to organize the most effective methods of executive recruiting. Nevertheless, the current difficulties have led to renewed interest in major alternatives that have been intermittently under discussion for some years.

Alternative Two is to organize and maintain a "public service reserve" of qualified executives and administrative personnel in nongovernmental employment who would be available for public employment in times of national emergency.

This concept was suggested, possibly for the first time, by Herbert Emmerich of Public Administration Clearing House in an address at the University of Chicago in 1945. Donald H. McLean, Jr., of Socony-Vacuum Oil Company has advanced a somewhat similar proposal with special reference to the problem of overseas staffing. David Lilienthal has advocated what he calls Universal Public Service, a plan of rotation by which able men in private industry could be called upon systematically to serve a tour of duty in government. In his recent unpublished report for the Carnegie Corporation, John J. Corson has advocated a further exploration of the concept of a public service reserve.

Details of a tentative plan were developed in 1948 by the staff of the Civil Service Commission. It appeared impossible at that time to establish the plan quickly enough to meet the immediate needs of the Economic Cooperation Administration and it was dropped after a brief consideration of its possible usefulness in preparing for some future emergency.

Under the tentative proposal, each permanent agency of the federal government with major potential emergency responsibilities would be authorized to establish a unit of the Public Service Reserve. The National Security Resources Board would sponsor the reserve units for the emergency production and price control agencies that would not exist except under emergency conditions. Appointments would be noncompetitive and in accordance with requirements for emergency-indefinite appointments, including the requirements for loyalty and security investigations as appropriate. Each member of the reserve would be called to active duty soon after appointment for an initial training period of two to four weeks in the sponsoring agency, receiving full compensation at his designated grade level. He would be recalled annually for another two weeks of training. In the event of an emergency, he could be called to active duty and thereafter would have the same status as any other emergency-indefinite appointee, except that it would be presumed that at the end of the emergency he would remain in the Public Service Reserve.

The basic concept is similar to that of the reserve units of the armed forces and could be presumed to have the same advantages. Key personnel needed in an emergency would be selected in advance, persuaded to accept the responsibility of being available in an emergency, given a tentative mobilization billet, and trained for the duties of the emergency assignment.

The Public Health Service, which is recognized in time of war as a part of the armed services, maintains a reserve corps of commissioned personnel along these lines, except that it has been unable to obtain funds for the training of reservists in inactive status.

The concept is different from that of the foreign service reserve. A foreign service reserve officer, under present law, can be appointed for not more than four years, and is ordinarily expected to serve full time during the period of his appointment. Usually he has no status as a reserve officer either before or after his period of full-time employment. A foreign service reserve officer is simply an official performing foreign service functions who has a noncareer status and a limited term of appointment.

The Department of State, however, has appointed a considerable number of consultants on a "when actually employed" basis who are intended to constitute an informal reserve. The individuals in this group were deliberately selected for potential service in future temporary assignments and for possible full-time appointments in the event of emergency. Consulting appointments make it possible to complete loyalty and security investigations in advance of possible need and to negotiate informal understandings as to the nature and extent of future availability.

The operation of a formal Public Service Reserve on the basis previously outlined would involve significant elements of expense and would be troublesome to the agencies responsible for administration.

A basic question, moreover, is that of whether such a scheme could be organized with enough appeal to make it possible to recruit individuals who would have real value in time of emergency. The armed services have difficulty in maintaining standards of competence in their peacetime officer reserves, yet they are assisted in recruiting for such reserves by the glamor of the occupation, attractive pay and retirement benefits, the compulsory obligations of military service in time of emergency, and a long tradition of cooperation on the part of the private employers.

The political problem of congressional consent or positive approval must also be considered. Even if such a plan could be established by executive order, the expenditures aspect of the plan would eventually come before Congress. Congressional approval in the form of specific authorizing legislation might be deemed desirable.

The case for the establishment of a Public Service Reserve is probably strongest for those specialized administrative occupations that are needed in the federal service only in time of war or national defense emergency and for which it is highly difficult if not actually impossible to develop qualified appointees in the peacetime governmental career service. If carefully organized to meet the most critical requirements of this type, the questions of political, administrative, and psychological feasibility involved in the establishment of a Public Service Reserve would presumably be minimized if not eliminated.

Alternative Three is to maintain a central roster or register for administrative and executive personnel, similar to the existing National Scientific Register.

The predecessor of the present National Scientific Register was the National Roster of Scientific and Specialized Personnel, established in 1940. At the end of hostilities in 1945, the roster was transferred to the Department of Labor along with the United States Employment Service. The files of the roster survived but the activity became dormant.

The wartime record of the roster appears to have been impressive in certain respects. It was a useful source of names for recruiting officials, particularly for scientific and technical personnel. It was of only limited value for executive and administrative personnel, although helpful in dealing with the social science fields from which administrative vacancies were often filled. The roster was used not only by the civilian governmental agencies, but also by the military services and by private industry.

In 1948 and 1949, a new program was initiated by the Office of Naval Research to develop source files of highly qualified physical scientists and research engineers. In 1950, an interim unit was established in the United States Office of Education to maintain and operate these files as the National Scientific Register, pending the readiness of the National Science Foundation to take over. The foundation now exists and is expected to assume financial responsibility for the register during the present fiscal year.

Similar activities have recently been undertaken for personnel in linguistics and the social sciences. The publishers of American Men of Science are producing a second and larger edition of the Biographical

Directory of American Scholars. The American Council of Learned Societies, at the request of the Office of Naval Research, has undertaken the development of a register of persons in linguistics, the humanities, and the social sciences. The Commission on Human Resources and Advanced Training of the Conference Board of Associated Research Councils is conducting a two-year study of the supply and demand for highly trained specialists, under a grant from the Rockefeller Foundation.

There is no doubt that every recruiting official who has the task of seeking individuals with specialized qualifications finds constant need for registers and directories. An improved biographical directory of the practitioners and students of governmental administration might well be useful as a published work of reference. It does not necessarily follow, however, that a roster type of activity should necessarily be organized under federal auspices for executive and administrative personnel.

Such a roster is expensive to maintain, is troublesome to the respondents, and rapidly loses value unless the information is kept reasonably current. If it is comprehensive enough to include all of the existing individuals in the United States who meet prescribed qualifications, most of the names included will be those of persons who are not likely to be available for public employment. If it is limited to those who have given some indication of availability at the time the list is compiled, the list may be short and will soon be obsolete.

On the other hand, the experience of the Second World War indicated that there are many individuals in responsible positions in private life who are willing to cooperate in providing personal information for a roster but who would be unwilling to apply directly for federal employment, to take a civil service examination on their own initiative, or to give a definite commitment in advance of availability for service at a later date.

Much of the pressure for the development of rosters in all fields has come from the need to locate quickly individuals and groups of individuals with particular specialist qualifications. But many executives are almost wholly unspecialized in any sense that lends itself readily to classification for roster purposes, as was indicated by the experience during World War II.

It would probably be possible to develop a roster of individuals who had received specialized training or who had demonstrated special competence in the field of public administration and various subspecialties within that field. A roster of personnel in the social sciences would also have some usefulness in filling certain types of administrative positions, in view of the extent to which such personnel are drawn upon by the government in times of emergency. Other specialized possibilities of roster development with more than average promise could perhaps be identified even in the field of executive and administrative personnel.

### **Issue Three: Incentives to Attract and Retain Executives**

What can be done to make public employment in national and international programs more attractive to qualified executives and administrative personnel?

In view of what has already been said as to the current difficulties in attracting and retaining qualified executives, the present issue needs little introduction. The possible alternatives range from specific proposals for higher salaries to vague suggestions for basic change in attitudes and political institutions.

Alternative One is to provide higher salaries.

The federal government salary scales, as of June 30, 1951, provide \$22,500 annually for heads of executive departments, \$17,500 for under secretaries and similar officials, and \$15,000 for assistant secretaries

and members of most boards and commissions. In the competitive service, the general schedule provides salaries ranging from \$2,200 to \$14,000. The foreign service pay scale provides \$15,000 to \$25,000 plus various allowances for ambassadors and other chiefs of diplomatic missions; foreign service officers serving in other capacities are paid at rates beginning at \$3,630 and rising to \$13,500 for the grade of career minister. Employees contributed by the United States to combined international staffs such as those of the North Atlantic Treaty Organization simply draw pay as federal employees. Employees of international organizations of which the United States is a member are paid at rates fixed by the organizations.

Present pay levels in the federal service are in most cases the result of legislation enacted in 1949, when salaries of agency heads were markedly increased and the civil service ceiling of \$10,330 was lifted to \$14,000, with the addition of the new grades 16, 17, and 18. The Hoover Commission had stated that such action was imperatively needed, and the way had been somewhat cleared by prior legislation increasing the salaries of members of Congress to \$12,500 plus a tax-free expense allowance of \$2,500.

Under present pay scales, it is not possible for the government to compete directly with private business and industry for the services of senior executive talent. A study by the National Industrial Conference Board indicates that there are several hundred private corporations in which even the third ranking executive receives an annual salary higher than \$28,000 a year.

Most recruiting for top talent proceeds on the assumption that if an executive in industry will accept a paid public position at all, he will be prepared to do so at some financial sacrifice. In many cases, however, the difficulty arises from the fact that the individual has built up personal financial commitments that make it virtually impossible for him to accept a salary rate at the government level.

Longstanding congressional opposition to higher salary levels reflects various factors: the rural and small city background of many congressmen, a feeling that federal salaries compare well with those in many state and city governments, a tendency to feel that corporate salaries are justified by competitive tests of efficiency that the public service cannot apply, and finally the difficult situation in which the congressmen find themselves personally, with salaries inadequate to maintain the scale of living and the expenses of their occupation yet with severe political difficulties in the way of any change in the congressional pay scale itself.

Fortune suggested (in its October, 1950, issue) "that more agencies should be permitted to pay key men \$20,000 or thereabouts." This was put forward not as a pay level actually competitive with private industry, but one which would enable many executives to enter public service who could not afford to do so at \$12,000 to \$14,000. Wage and salary stabilization policy, as well as congressional attitudes, would stand in the way of such an increase at present.

For the short run, the issue is that of what treatment will be given to upper bracket employees in the general pay adjustment legislation for federal employees that may be passed in the near future. If the precedents of the Second World War were followed, the civil service ceiling of \$14,000 would not be changed much and the rate of increase would be less for the higher grades than for the lower. On the former occasion, the result, as the Hoover Commission pointed out, was a series of increases aggregating between forty-three and fifty-six per cent in the lower grades and fifteen per cent in the highest grade.

In his letters of July 12, 1951, to the appropriate committees of Congress, the President advocated a flat increase of seven per cent for all grades, including the highest, with, however, a maximum increase of \$800. At this writing (July 1951), the outlook is that Congress will accept the recommendation as to the maximum, but will vote increases of somewhat more than seven per cent in the lower grades. The disparity between executive salaries in government and industry seems more likely to widen than to narrow.

Alternative Two is to provide for greater use of "without compensation" (w.o.c.) appointees.

The "dollar-a-year" man was a familiar institution of the First World War and again during the Second World War, although in the latter case he was usually a "w.o.c." (without compensation) appointee. In the Defense Production Act of 1950, the President was authorized "to the extent he deems it necessary and appropriate in order to carry out the provisions of this Act, and subject to such regulations as he may issue, to employ persons of outstanding experience and ability without compensation; . . ." The President laid down policies in Executive Order 10182, under which preference must be given to the utilization of full-time salaried employees; w.o.c. appointments may be made to administrative positions only "when the requirements of the position are such that the incumbent must personally possess outstanding experience and ability not obtainable on a full-time, salaried basis"; and the heads of agencies are directed to take steps to avoid so far as possible "any conflict between the governmental duties and the private interests of such personnel."

Arguments over a third of a century concerning the use of w.o.c. personnel in public executive positions are reflected in the provisions just summarized. The case for the use of such personnel is a simple one: they are said to be essential, at least in some cases, because of the unavailability on any other basis of individuals qualified for particular positions, mainly in the emergency business-regulatory agencies. The unavailability reflects the disparity between the governmental salary scale and that to which the higher executives or private business are accustomed. It also reflects the reluctance of many business executives to accept the other risks and disadvantages of public employment: loss of contact with their business connections, the insecurity of public employment, the physical and psychological discomforts of work in Washington. Those qualified will sometimes accept appointment only if the disadvantages are minimized by permitting them to remain on a private payroll.

The case against the use of w.o.c. appointees involves mainly a repetition in various forms of the age-old maxim that no man can serve two masters. An appointee who does nothing to sever his previous connections may be presumed to retain his primary loyalty to the business economy from which he comes. Even if dissociated in his public duties from the affairs of the particular enterprise from which he draws remuneration, he is likely to remain suspect, justly or unjustly, of being an exponent of views that are pro-industry rather than pro-public.

In rebuttal, emphasis is given to the many evidences of patriotism as the primary motivation on the part of most w.o.c. appointees and of the business enterprises that have made them available. It is also argued that an honest man, placed in a position of trust, will lean over backward to avoid any appearance of improper behavior.

Even if the exceptions are few, however, they sometimes tend to be widely publicized. The question continues to be debated as to whether w.o.c. appointees should be retained at all, except in advisory capacities, and the tendency appears to be to narrow their use rather than to widen it, at least under conditions of emergency short of actual general war.

Alternative Three is to seek improvement in the relationships between the legislative and executive branches on matters affecting the political environment within which executives in the public service are compelled to function.

The distaste of many former federal executives for the federal service arises in no small degree from the relationships with the Congress. The distaste may be based upon personal experiences with congressional committees or individual congressmen in positions of power. More generally, it arises from the uncertainties as to program content, direction, and survival that are so often revived by the tactics of legislative and appropriations committees. In addition, there are at present the harassments arising out of the problem of security investigations. The possibility of defamation of character without effective recourse has become a risk to which apparently no one is immune.

Some of these aspects of the Washington environment are necessary and desirable if Congress is to perform its functions. Whether desirable or not, a critical attitude toward the executive agencies on the part of the legislators is inherent in the American system of government, if, indeed, it is not inherent in some degree in any democratic system of government. Businessmen, scientists, and members of the professions who have an intolerant attitude toward the legislature in the performance of its legitimate functions often betray a lack of understanding of the necessities of the governmental process.

On the other hand, to the extent that abuses exist, it would be desirable that they be stopped. The question is whether there is any feasible or appropriate way in which they can be. A full examination of that question would go far beyond the scope of this paper, particularly in view of the number and variety of proposals currently pending and the limited extent to which sentiment has so far developed in support of any of them.

Alternative Four is to provide other incentives and to seek to remove deterrents.

To a large extent, the problem may be one of lessening deterrents rather than of providing positive incentives, as already indicated by the discussion under the previous alternative. Program uncertainties, insecurity of tenure, discouraging working conditions, and the variety of miscellaneous difficulties that tend to frustrate accomplishment in the public service are all factors that have been encountered by many newcomers to Washington. The administration has done something to alleviate the situation by the assignment of capable career personnel to deal with housekeeping matters in new agencies. Probably more could be done on more basic aspects of the problem, even aside from the congressional aspect previously discussed.

Perhaps the soundest appeal that can be made to individuals in business and their employers would stress two aspects: the duty of public service in an emergency, and the real values to the individual and to the company to which he may return of a period of experience in government. The latter point should have more validity and attractiveness than ever before in a time when so many private enterprises are deeply concerned with the processes of executive development under modern conditions.

Alternative Five is to promote greater willingness on the part of industry and the universities to make personnel available for public programs, by finding inducements to which the enterprises and institutions will respond. It also involves an energetic presentation of the case through friendly channels and by individuals who can be effective.

Much has already been done in stressing to industry the pressure of the emergency and the need for cooperation in making personnel available. So far as is known, no organized approach has been made to the universities, and with them the need for such an approach may be questionable. If the present period of emergency is long continued, many of the university personnel who would be useful in government may be needed even more to carry on the training function of the universities.

### **Issue Four: Pooling Career Executive Talent**

What can be done to make the upper level (grades GS 14-18) career administrative personnel of the federal government more immediately available for new activities, programs, and program agencies?

This issue should be distinguished from the issue that follows on executive development. The present concern is with how to find and make available quickly the services of existing qualified career personnel who have already arrived at or near the executive level.

The issue is closely related to the question of whether new programs are to be set up within established executive departments and agencies. When that is done, the head of the department or agency usually has considerable authority to reassign personnel from the existing staff of his agency to the new program. On the other hand, when new programs are assigned to specially created independent agencies, the head of such an agency can seek to recruit from the established agencies of government if he desires to do so, but no re-assignment authority is directly available to him.

In either case, under present conditions much of the movement of career personnel into new activities and programs is the result of the initiative of the individuals themselves or of the positive recruiting efforts of the hiring agencies. To only a limited degree is it the result of the intervention of the central personnel or executive institutions of the government.

Undoubtedly there are certain advantages in this kind of situation, both for the hiring agencies and for the individual career employees. The advantages are those of any laissez faire policy, which tends to reward initiative and to leave freedom for its exercise on the part of both employee and employing agency. The disadvantages are the possible lack of sufficient information for wise action on the part of either employees or agencies in so unorganized a situation, together with the inertia resulting from the normal distaste of many of the most able employees for the sort of shopping around that is necessary if they are to arrange their own transfers.

If the issue of public policy is one of what positive action to take, as it has been stated here, then there appear to be three broad alternatives under which a variety of specific possibilities might be grouped. The first alternative would build upon existing measures without attempting any radical change. The second alternative would be a radical change indeed, namely the creation of a government-wide corps of career administrative personnel along the lines of the existing pattern of the foreign service. The third alternative would seek to establish a government-wide pool of career administrators who would be subject in some degree to central assignment, but to do so on a basis which would avoid some of the objections to the foreign service type of pattern.

Alternative One is to continue and intensify present types of measures, including the new program of executive identification testing within the service, the weekly meetings and related activities of the Inter-departmental Placement Committee, and measures to protect the re-employment rights of career executives who transfer to defense agencies.

The most recent and possibly the most progressive step taken in this field by the Civil Service Commission was announced in March 1951 by "Executive Recruiting Notice No. 1." This notice announced written tests which were open only to the approximately 49,000 federal employees in grade GS 12 or higher (\$6,400-\$14,000).

The tests were taken by approximately 4,000 federal employees, mainly in grade 12. Lists of those scoring in the top quartile were made available to interested agencies within thirty days, together with brief personal histories and an indication of the area of administrative work for which each candidate appeared to have qualifying experience. Defense agencies were invited to use the lists in recruiting candidates from the nondefense agencies in accordance with the established standards of experience and training for the processing of noncompetitive appointments. (Employees within the competitive service are usually transferred and promoted from grade to grade on what is called a "noncompetitive" basis, meaning that there is no advertised examination, ranked register, or formal application of veteran's preference.)

The interval since the scores became available is too brief to yield much information as to the success of this experiment. If the placement experience proves satisfactory to the hiring agencies, the candidates, and the Civil Service Commission, a precedent may have been established for a significant new procedure that might be repeated from time to time.



For several years, a special placement unit has existed in the Civil Service Commission which has had responsibility for measures to facilitate interdepartmental placement of administrative personnel. The head of this unit has served as chairman of the Interdepartmental Placement Committee, a group of more than thirty agency placement officers. The committee has met weekly and has operated as a clearing house for the informal exchange of information concerning vacancies and available personnel, mainly in the intermediate administrative grades. The early work of the committee in 1946 and 1947 was concerned primarily with the placement of displaced career employees; it has been gradually assuming a more positive role as a medium for the facilitation of positive recruiting across agency lines to fill vacancies at levels mainly between grades 7 and 13.

The Civil Service Commission has considerable control over the incentives that hiring agencies can offer career employees. The commission has sought to guard against overgrading of jobs in the new agencies by its post-audit and other controls, and has limited the extent to which employees may be promoted rapidly from grade to grade in connection with transfers. These measures, while probably necessary to prevent abuses, tend somewhat to lessen the ability of the new agencies to attract career employees.

Re-employment rights have been a much more contentious subject. Under a policy adopted in November, 1950, mandatory re-employment rights were available as a rule to career employees only when transferring into critical defense jobs, which for that purpose were defined as those which could not be filled by normal recruitment methods from outside the service or which were recognized as being in a shortage category. The object was to avoid excessive granting of re-employment rights, the later validation of which might be administratively impractical.

Three months later, in February, 1951, the commission found it necessary to change the policy on re-employment rights at the request of the Department of Defense. Under the new policy, a permanent employee transferring from a nondefense agency to a defense activity is granted re-employment rights "unless the nondefense agency appeals to the Commission and is sustained on the grounds that the transfer would unduly disrupt a vital program of government." The new policy should facilitate the efforts of the defense agencies to recruit career employees, but if continued in effect for several years will doubtless produce exactly the kind of situation that the earlier policy sought to avoid.

The emphasis upon re-employment rights points up sharply what is probably the most critical problem in the utilization of existing career executives and administrative employees in emergency programs. The career administrative employee, however loose the definition, is nonetheless one who usually expects to make his career in the federal service. His stock in trade consists largely in knowing the technique of public administration. If he has already reached the executive level or is nearing it, he is well aware how few the open positions at that level can be in times of curtailment of emergency activities. His permanent status in the competitive service is no more than a hunting license; his re-employment rights in a particular agency will be valid only at the level of the job to which they apply and probably cannot be exercised without embarrassment unless the former agency really wants him back for a position different from the one he left.

All of these difficulties, plus the ones noted under previous issues as inherent in outside recruiting, are among the reasons for giving consideration to the second and third alternatives.

Alternative Two is to create a career administrative service on a government-wide basis that would be modeled on the present foreign service, would be established initially by the assimilation of existing competitive service incumbents in designated positions in grades GS 7 to 18, and would include provision for appointment of reserve officers for temporary service.

Under this proposal, there would be established an Administrative Service of the United States, consisting of administrative officers holding rank in appropriate grades, who would be available for assignment to perform the duties in designated executive and administrative positions throughout the executive branch.

The first step in establishing such a service would be the identification of the positions to be included within the plan. Presumably most of the competitive service positions in the present grades GS 15-18, other than those of a highly scientific or technical nature, would be so designated. In the lower position grades, down to and including grade GS 7, which is roughly equivalent to the entrance level of the junior foreign service officers, positions would be identified that comprise steps in the promotion ladders that normally lead to the highest executive positions of the competitive service.

Having identified the positions, the incumbents who already have a competitive status would automatically become members of the new Administrative Service of the United States in grades of rank corresponding to their present position grades. Incumbents with temporary or emergency-indefinite appointments would be designated as Administrative Reserve Officers. Some provision would be made for lateral entry into the upper grades of the service with full status, but emergency requirements for expansion would be met mainly by the appointment of reserve officers whose appointments would be valid for not to exceed four years.

Highly selective competitive examinations would be held annually for entrance into the service in the lowest grade. No one would be selected for appointment unless deemed likely in time to demonstrate the qualities required for service at the level of a bureau chief.

The assignment of career officers would be centrally controlled under the direction of the President. Officers would be subject to rotation from post to post, but no one would be assigned for service in a particular agency without the consent of the head of the agency. Appointments to the service and promotion from grade to grade would be subject to the confirmation of the Senate, as is now the case in the foreign service.

A proposal of this kind, breaking so sharply with tradition in the greater part of the executive branch, could not be quickly installed and may seem to bear only a theoretical relationship to the problems of the present defense emergency. Nevertheless, if such a plan has the merits that are claimed for it by those who ardently defend the foreign service system of personnel administration, then it would seem worth while in a long-continued defense emergency to move as rapidly as feasible in the direction of such a plan. Contrariwise, if such a plan is considered unsound for the general administrative service, consideration should be given to whether such a plan should continue to be maintained in its present form for the foreign service, which also must assist in meeting the administrative requirements of the defense emergency.

Alternative Three is to provide for filling high-level nonpolitical administrative positions (present grades 14 to 18) with career and reserve officials who would be compensated and hold rank on the basis of their individual qualifications and who, in the case of the career officials, would be available for assignment on a government-wide basis.

This alternative, by contrast with Alternative Two, would be premised on the assumption that executives cannot be selected successfully or accurately many years in advance of their readiness for executive duties, but only when they are approaching that level. Leadership personnel, on this basis, would be selected and publicly identified at the mid-point rather than at the beginning of their respective careers.

The present alternative would look toward the possibility of creating a pool of career executives in the federal service who had been selected as qualified to hold positions at what is now the grade GS 14 level or higher. The competitive service positions now classified at grade 14 or higher would likewise be set apart from the remainder of the general competitive service, and such positions would ordinarily be filled either by career executives previously designated as such or by temporary appointment of reserve officials recruited from outside the career service.

Argument for this alternative would assert the following contentions:

1. The most qualified career executives of the federal civil service should be available for service wherever in the executive branch they can be most useful.

2. The loyalty of all federal employees and of the career executives most of all should be to the government as a whole and not to a particular agency in order, among other things, to facilitate the concept of service wherever most useful.

3. At the executive level, compensation and rank should be based upon the qualifications and prior service of the individual rather than on the position occupied at the moment; the same position may appropriately be held from time to time by individuals of differing rank.

4. This is not inconsistent with the principle of equal pay for equal work, the principle that is supposed to justify existing practices of position classification at the executive level as well as elsewhere, because at the executive level the responsibilities assumed and the work actually performed may depend more on the man than on the job, and in any case may be so insusceptible to measurement and so variable from time to time that the principle of equal pay for equal work becomes irrelevant.

All of these contentions are subject to rebuttal to some extent; nevertheless the concept of pooling career talent at the executive level for service on a government-wide basis has attractive aspects that would give it the right to be weighed as a possible alternative to the amount of program staffing that might otherwise be necessary.

There would be many practical difficulties. One would be the question of where and how the funds for the payment of the necessary salaries would be budgeted and appropriated, since it would be necessary to budget the funds on the basis of a government-wide schedule of strength in the various grades rather than on the basis of the positions occupied in particular agencies and programs. Possibly this point could be met in the legislation that would be necessary in any event by authorizing the creation of a fund by transfer of some stated percentage of all appropriations available for civilian personal services. This would be preferable in some respects to the creation of a politically vulnerable appropriation for the salaries of a group of civilian administrative officials. The experience in appropriating for the salaries of the commissioned personnel of the Public Health Service would be worth examining, since that service administers many separate appropriations for a variety of projects and programs.

More important would be the question of the degree and location of central assignment authority. Would the career officials comprising the pool be subject to rotation at stated intervals? Would they be subject to involuntary reassignment while fully occupied in positions satisfactory to them and to the agencies concerned? If not, is the obligation for service on a government-wide basis to be left merely to negotiation and persuasion when new programs and agencies require staffing? When career executives become available for reassignment because of the termination of emergency or temporary assignments, what is the process by which other positions are to be made available to which they can be assigned?

A consideration of questions such as these may be thought to indicate that if the basic scheme is to be adopted at all, the jurisdiction of the central assignment authority must be complete, even though the necessary powers of assignment would have to be exercised in full consultation with the affected agencies and employees. That in turn means that the central assignment authority would control the personal fortunes of the central career management group in every federal agency. It would seem obvious that such authority could only be vested in the President and in practice could be exercised by him only with the assistance of a staff agency that would work directly with him in a close and intimate manner.

A proposal of this kind would open up general issues of administration going far beyond the specific question of executive manpower for the staffing of new agencies. The status of the members of the cabinet, their relationships to the President, and their relationships to their own departments would change materially if the President were to assume as firm a control of the assignment and reassignment of the senior civil service officials in each department as he now exercises over the budgetary arrangements of those departments. Coordination within the executive branch might be improved. But the ability of each department

head to carry out his responsibilities would presumably be somewhat impaired unless he were prepared to act as a member of a government-wide team to an extent that has not always been insisted upon under the American form of government.

### Issue Five: Executive Development

What methods of executive development will be most useful for personnel already in the service at intermediate levels?

The recent publication of a book entitled, not in jest, The Growth and Development of Executives, by Professor Myles L. Mace<sup>4</sup> of Harvard University, is a sign of the times. The book deals with a subject that is said to have become deeply disturbing and controversial in the management circles of private industry. The subject is equally significant in the civil branches of the federal government.

Most private managements are in a position to control the succession of authority in their own house. From their point of view, the problem is one of determining whether it is still safe to rely on the processes by which leadership emerged, found training through experience, and eventually reached the top in a simpler era. With the increasing complexity of modern industry, management groups in increasing numbers are finding that a positive program must be undertaken for the development of their successors.

In the armed services, the situation at present is not unlike that in private industry. Traditional schemes of officer rotation and training have been developed into the complex apparatus that now exists for the training and development of potential general officers.

In the civil branches of the government, executive development has not yet been accepted as a matter of real importance or controversy by any considerable number of the executives themselves. The responsible officials tend to live in the short run so far as almost all questions of executive personnel administration are concerned. The exceptions are to be found mainly among the executives in the field of public personnel administration and in the specialized, professional, and semiautonomous career services such as the Public Health Service and the Forest Service.

Throughout the government, there are many thousands of able younger men and women in the intermediate grades of administrative responsibility who have had remarkably varied and educative experiences in the military and civilian activities of the last ten years. In view of this resource, there will be question in the federal service, as there is in industry, whether any positive or concerted effort for the planned long-range development of future executives is necessary. One possibility, in fact, is to let things remain as they are on the assumption that a sufficient supply of executives of sufficient training and experience will continue to appear automatically as the need arises.

If a positive approach is preferred, the alternatives divide first of all between those that seek to secure better training on the job and those that provide for additional training off the job. The on-the-job approaches may be further subdivided into those that emphasize agency programs and those that call for action on a government-wide basis. Off-the-job approaches may likewise be divided into two main groups, those that provide for assignment of administrative personnel to the universities for periods of further training and those that favor an expansion of executive training institutions under federal auspices.

Alternative One is a series of executive development programs within individual federal agencies, providing for supervised plans of transfer and promotion through progressively more difficult, educative, and responsible assignments.

<sup>4</sup>Cambridge: Harvard Business School, 1950.

In the fall of 1949, the Civil Service Commission offered to make certain modifications in civil service procedures to facilitate the operation of executive development plans in agencies that would undertake specific programs that the commission could approve. In January 1950, the President noted these activities with approval and directed that they be given continued emphasis. The Departments of Agriculture and the Navy entered into executive development agreements with the commission, and other departments and agencies are said to have developed programs of a less formal character.

Job rotation through a series of understudy positions coupled with emphasis upon the duty of the superior to give instruction to the understudy is an ancient form of training. It tends to be practiced to some extent in all large-scale organizations. The practice rises to the level of a program when it takes on such characteristics as, for example: (1) speeding up the tempo of rotation to the point where the understudy may remain on a single assignment only long enough for maximum training values, with the result that he may move on about the time he is becoming most productive; (2) establishing systematic methods of selecting the personnel at intermediate administrative levels who will be deemed capable of development for the higher level executive positions; and (3) inventorying the higher positions that will probably require replacements within some planning period such as five years and the making of specific plans for the development of particular individuals to fill those positions.

An agency head considering the introduction of a strong executive development program along the lines of the present alternative would have various factors to weigh: the direct expense involved in relieving personnel from their present duties to put them into training assignments; the loss of efficiency in rotating personnel through specialized assignments in which they would be inexperienced; possible difficulty in securing cooperation throughout the organization; adverse effects on morale in the organization if those selected for training are regarded as favorites; and the risk that the selection process will be inadequate and that the program as a whole will therefore fail.

Such considerations tend to inhibit action even on the part of the agency heads who are convinced of the need for action. Moreover, a complex and potentially controversial internal program of the kind described is not readily established in any federal department under conditions such as those that have prevailed since the outbreak of hostilities in Korea.

Before the emergency, the Civil Service Commission had moved to appoint a Director of Executive Development Programs. The first incumbent arrived on duty after the emergency had begun and remained only a few months before moving up to another assignment. Since then the position has remained vacant. The President's Advisory Committee on Management Improvement, the Bureau of the Budget, and the President's Liaison Officer for Personnel Management have all been occupied with other matters and have given little or no attention to the fostering of executive development programs in recent months.

In the face of this record, the basic question concerning the present alternative becomes one of its desirability and feasibility under emergency conditions. Do the emergency conditions make it impossible to organize effective internal programs of executive development? Or should the emergency be regarded as making such programs so desirable and important that they should be given high priority? The question turns in part on the other alternatives that may be available to facilitate executive development.

Alternative Two is a government-wide executive development program for the executive branch as a whole, providing for the development of career executives who have had the benefit of management experience in several federal agencies.

This alternative would also emphasize on-the-job processes of executive training and development and in its technical aspects would be similar to the previous alternative. It would be subject to many of the same difficulties and the same basic questions could be asked concerning it. It could be argued, however, that if the present emergency is to be interpreted as making essential a strong on-the-job program of

executive development, the program should be undertaken under central sponsorship with the objective of shaping it completely to the requirements of the emergency for staff development throughout the government.

In longer range terms, it could also be argued that there are two main requirements for on-the-job executive development programs and that the approach at the departmental level does not meet either. One is the requirement for programs within bureaus and other major self-contained units smaller than an executive department or agency, a requirement that could be met on terms somewhat the same as those in private industry. The other is the requirement for executives with enough breadth to maintain perspective after leaving the confines of a single specialized field such as that represented by an individual bureau or service. This requirement, it could be argued, should and must be met on a government-wide basis; and if it is, the problem of departmental staffing will be solved as a by-product and possibly in the only way that it can be.

A factor in considering the present alternative would be that of the kind of central leadership or direction that it would require. One possibility would be a voluntary exchange program, by which major departments and agencies would cooperate in exchanging suitable administrative personnel for periods of six months or a year. Another possibility would vest authority to direct such exchanges in the Civil Service Commission or an appropriate unit of the Executive Office of the President. The first possibility might have little success under emergency conditions even if promising in normal times; the second might encounter resistance and noncooperation to the point where its feasibility would be doubtful.

Alternative Three is provision for the assignment of qualified employees at intermediate administrative levels for periods of intensive full-time training in university graduate schools and other nongovernmental educational institutions.

A number of federal civilian agencies, as well as the armed services, have authority to assign employees for training at educational institutions, with the employee remaining in pay status and with provision for the payment of tuition. The Foreign Service Act of 1946, for example, provides that any officer or employee of the service may be assigned for training at a public or private nonprofit institution. The act provides further for the payment of the tuition and other expenses of officers and employees of the service when so assigned.

To the extent that statutory authority is available to the other agencies, it is specific and limited in most cases. The Comptroller General has repeatedly stated the general policy that government officers or employees may not, in the absence of statutory authority, be furnished educational courses or other training at government expense. This is on the theory that all expenses of qualifying for a government position are considered personal.

The Hoover Commission concluded that "Congress should make it possible for the executive branch to provide for the training of its most promising career employees," and recommended that "Congress should enact legislation which will clearly set forth the policy of the Federal Government on the conduct of training programs for civilian employees."

The Civil Service Commission is sponsoring a draft bill, "To improve the efficiency of the Federal Government by authorizing training of Federal officers and employees." This is under study in the executive agencies and may be recommended to Congress after supporting information has been compiled. It would clarify authorizations for "on-the-job training" and it would provide specific general authorization for "off-the-job training" of scientific, technical, professional, and executive officers and employees. Assignments for off-the-job training would be limited to periods not exceeding twenty-six weeks in one year and employees receiving the training would agree to remain in the employment of the federal government for at least two years thereafter.

Congressional reluctance to approve such legislation arises from several factors. One is basic skepticism as to whether the training will have real value. Another factor is the expense of the training: to send a single \$8,000 employee to a graduate school for twenty-six weeks with pay, expenses, and tuition will accrue direct costs of several thousands of dollars. There is also the question as to why some employees should receive advanced education at public expense when others pay their own way. Finally, there is the fear that the favored employees will utilize the opportunity merely to facilitate a transfer to more remunerative private employment.

All of these factors must be weighed against the potential benefits to the public service of administrative and professional personnel who have been more fully equipped for their various duties. One commentator has suggested the need for permitting "seasoned employees, particularly at the executive levels, to undergo intellectual reconditioning at least once or twice in the course of a career." This need may be greatest for the typical career executive who has been promoted up the direct line of advancement in a single specialty. In other instances, there is a general requirement for bringing employees up to date in fields where the existing body of knowledge has recently been greatly changed and expanded. In still other cases, the federal government as an employer has specialized educational requirements that have only recently become highly important. A case in point is the present need for "area specialists," persons who have both a specialization in an area of the world, including its culture and languages, and a subject matter specialization, as in the economics of the area.

The relative merits of the present alternative should be appraised by comparison with on-the-job training of the kind contemplated by the first and second alternatives. It could be argued that the present difficulties in organizing systematic programs for executive development on the job make it more necessary than otherwise to rely on arrangements for training at universities. Such arrangements may be simpler to organize and administer, even if less effective in certain respects than the best training on the job.

Alternative Four is the development in the civil branches of the federal government of additional high-level full-time training institutions for potential executives similar to the National War College, the Industrial College of the Armed Forces, and the Foreign Service Institute.

The National War College and the Industrial College of the Armed Forces are both joint institutions of the armed services, operated under the supervision of the Joint Chiefs of Staff. In recent years they have been conducted with the intention of making them the highest ranking service schools. The officer personnel who attend as full-time students for a period of ten months are usually of the rank of colonel, lieutenant colonel, or equivalent, and are likely in time to attain general or flag officer rank.

The National War College was planned not only for advanced study of military science, but also for the study of foreign policy and national security problems in the broadest sense. The Department of State assists in the direction of the college. The student body for the year just ended included twenty-four civilians, including twelve foreign service officers, seven other officers of the Department of State, and one employee each from the Office of the Secretary of Defense, Central Intelligence Agency, Bureau of the Budget, Treasury Department, and Department of Commerce. More recently the Industrial College of the Armed Forces has also begun to include a few civilian employees from appropriate federal agencies in its student body.

The Foreign Service Institute is an educational institution authorized by the Foreign Service Act of 1946 and operated by the Department of State. It provides brief periods of full-time instruction ranging up to six months for federal employees in the field of foreign affairs, with an orientation course of three months for new foreign service officers. It also provides a large amount of part-time instruction for employees working on regular assignments.

The decision to establish the Foreign Service Institute involved consideration of the possibility of establishing an undergraduate academy for the foreign service on the pattern of West Point and Annapolis. This possibility was rejected in favor of the pattern represented by the advanced staff colleges of the armed services. In actual development so far, however, the program of the Foreign Service Institute is relatively meager at the upper policy and administrative levels.

The National War College is apparently serving as one of the models for the new international defense college to be established in Paris under the auspices of the North Atlantic Treaty Organization. According to plans announced in London on July 3, 1951, the new institution will begin this fall with an international class of about fifty for a term of six months. Civilian administrative officials will comprise one quarter of the class, the other three quarters being drawn respectively from army, navy, and air force officers of NATO countries. English and French will be the languages of instruction.

Perhaps the most important possibility that might be envisaged under the present alternative would be a new federal institution for in-service training that might be known as the Administrative Staff College of the United States. This institution might be modeled to some extent on the semi-official Administrative Staff College in England, but the National War College of the United States might provide a more useful precedent. That would imply a relatively small student body, possibly one hundred, drawn from the administrative grades around the \$8,000 salary level for intensive study for a period of not more than a year. The Administrative Staff College would be a government-wide institution under civilian auspices, although selected members of the armed services might be included in the faculty and student bodies. The subject matter would include not only administration in the broadest sense, but also basic problems of national policy and program in the world today. The teaching methods, like those of the National War College, would be a combination of lecture and committee work, with the committee work carefully planned to utilize the students to the maximum degree in the education of each other.

The advantages presumably would be akin to those derived from the program of the National War College: a curriculum tailored to the specific requirements and utilizing classified information when necessary; instruction drawing upon the resources of both officialdom and the best academic institutions; a stimulating environment arising from the cross-fertilization of ideas among able and mature students; the breaking down of the tendency to think only in bureau and agency terms as the students work on problems together; a strengthening of the channels of personal acquaintanceship among permanent officials across agency lines; and, finally, a form of individual recognition that would increase the attractiveness of an administrative career in the public service.

The disadvantages that might arise or be suspected would be very similar to those noted under the previous alternative. In addition, there would be the expense of organizing and maintaining an institution and the possibility that appropriations would be inadequate for an institution of high quality even if legislative authorization were obtained.

### **Issue Six: Supply of Promising Junior Personnel**

What can be done to increase the supply of promising junior administrative personnel who enter public employment on leaving college or graduate school?

This is a familiar issue, one that has been discussed intensively for a long time. The pioneering activities of Dr. Leonard D. White in securing modernization of the examining techniques of the Civil Service Commission for junior personnel were undertaken more than fifteen years ago. The initial efforts of the National Institute of Public Affairs in the demonstration of a successful junior administrative intern program go back to the same period.



Federal personnel officials are inclined to feel that their efforts have been relatively successful in dealing with the problem of junior administrative personnel, particularly by contrast with the limited progress in establishing programs of executive development at the intermediate and higher levels. Yet there is evidently much to be done. The recent report by John Corson finds that government attracts only two to four per cent of the graduates of colleges, universities, and technical schools each year, with the prospect that approximately 12,000 will be recruited in 1951. He believes that the goal should be at least 25,000 annually.

The present issue is concerned primarily with the supply of promising junior personnel who enter the public service to seek a career in administration. Junior personnel who enter the service in scientific, technical, professional, or other specialized nonadministrative capacities are another problem, even though they may later move into administrative work.

Three alternatives can be distinguished that may merit separate consideration. One emphasizes positive recruiting; another emphasizes the problem of attitudes toward the public service; a third goes to the questions of examining procedure and in-service training and their effect upon potential candidates. The present issue is one for which the alternatives are substitutes for each other only to a limited degree and mainly with respect to emphasis.

Alternative One is to intensify the positive recruiting efforts of the appointing agencies and the Civil Service Commission.

This alternative is particularly pertinent to the requirements of a tight labor market. Under employment conditions such as the present, many large private employers send their own representatives to the campuses in an effort to recruit the most able students leaving college and graduate school. Some of the federal agencies do the same, and it is argued that they should intensify these and other positive recruiting activities.

There is considerable question as to how the federal agencies can organize to be most effective in carrying on positive recruiting for junior professional and administrative personnel. The requirements of the merit system appear to dictate large-scale, organized examining processes for junior personnel, which in turn introduce rigidities that hamper the more flexible types of recruiting. If the individual agencies send representatives to numerous educational institutions, the same students may find themselves approached by several agency representatives. This appears wasteful and duplicative and the tendency is to suggest that the Civil Service Commission should take over the task. But the commission is limited in its own manpower resources and may be less likely to be effective in recruiting than the direct representatives of hiring agencies.

Alternative Two is to seek means for widely indoctrinating college and university faculties and students with more favorable attitudes toward public service careers.

In recent decades, many studies have been made of attitudes toward employment in the public service and have served to document the low esteem in which such employment is held in the United States. Unfavorable attitudes are widely held among college students and college faculties, in part because of misinformation as to the actual opportunities and prospects. A wider dissemination of authoritative, factual information should be helpful in improving the competitive position of the public service.

For example, a recent study of what has happened to the junior men interns who became acquainted with the federal service between 1936 and 1941 in the first five annual groups of the National Institute of Public Affairs showed that those who were still in the federal service in 1949 were receiving an average annual salary rate of \$7,762, with a low of \$4,730 and a high of \$12,500. The average period of service and the corresponding length of time out of college was about 11 years. A high proportion of the group had achieved rates of advancement that would be considered favorable in any environment.

Viewed as a practical course of action, the question as to the present alternative is mainly one of under what auspices and by what means measures could be taken, and the extent to which they could be expected to be effective.

Alternative Three is to provide a rigorous examining procedure for junior administrative personnel, followed by prompt appointment for those who pass and a well-organized program of assignment and training after entry.

This alternative, insofar as it should be contrasted with the previous two, proceeds on the assumption that a program of the kind indicated will rapidly develop its own prestige and will thereby generate the acceptance by hiring agencies and potential candidates that is necessary for success.

In March 1948, 3,020 eligibles were rated as having passed the Civil Service Commission's examination for Junior Management Assistant; the Hoover Commission found that by July of that year, only 13 had been appointed. In the spring of the present year, approximately 700 eligibles were rated as having passed the examination for Junior Management Assistant. Substantially all who passed were promptly offered appointments at \$3,100 per year; some were able to select from among the offers of several federal agencies.

The striking contrast in the record between 1948 and 1951 partly reflects the change in employment conditions in the federal service. In 1948, the program for recruiting junior administrative personnel was in the doldrums; the passing standard for the register was not adjusted to the potential opportunities; one result of permitting the register to become so large was probably a list of disabled veterans at the top, many of whom were not qualified and whose presence on the register limited its usefulness.

The contrast between 1948 and 1951 also appears to reflect real changes in policy and attitudes in the administration of the examination on the part of the commission, with a positive effort to achieve a register of limited size and of such high quality that it would be used rapidly and completely by appointing agencies. The announcement of the examination in 1950 stated that "successful candidates will be assigned to work which will prepare them for promotion to higher level administrative, staff, and planning positions." This was a sweeping commitment, particularly in an announcement that had previously stated that "the examination is intended to bring into the Government those young men and women who show outstanding promise of developing into future executives." The commission could not wisely have made these statements unless it had reason for its assurance that all of those permitted to pass could be appointed, that they would be appointed to the type of position contemplated by the announcement, and that they would not be lost sight of after appointment, but would instead find career developmental opportunities actually available. Such developmental opportunities are provided in part by the intern and other training programs of the various agencies and by the two government-wide administrative internship programs under the auspices of the commission, the Junior Management Intern Program for employees up to and including grade GS 7 and the Administrative Intern Program for employees in grades 7 to 11.

The examining techniques in the written part of the 1950 examination for Junior Management Assistant have recently come under attack and there has been some controversy as to whether the examination was not too rigid or improperly constructed. Many educators have been concerned as to whether the written questions so far used have all reflected either the kind of training most essential to future executives or the highest contribution that universities can make to such training. Students completing an undergraduate liberal arts major in political science, economics, sociology, psychology, anthropology, geography, or history were encouraged to take the examination, but few of them were able to pass in the absence of more specialized preparation. Students in women's colleges and in liberal arts colleges generally do not seem to have fared well on the examination; two-thirds of all who passed have had some graduate training. Eighty per cent of those passing were veterans, about 16 per cent of whom were disabled. The examining standards were evidently high enough to have the result that the disabled veterans could all be appointed, thus clearing the way to the appointment of others who had passed the examination with high scores without the addition of preference points.

Some changes may be made in the examination, but the recent discussion is more important as a milestone of a sort in the development of a career administrative service. For the first time in America we have an annual examination for entrance into the general administrative service of the national government that has become important enough to be widely controversial.

In future years and under different employment conditions, the Civil Service Commission may have difficulty in determining whether to adjust the grading standards annually in such manner that anyone passing the examination can be assured an appointment of the kind intended. The experience of other career services suggests that adherence to such a policy may have a close relationship to the prestige of the examination and to its ability to attract recruits of the highest quality. If that is so, the present alternative may present significant problems of feasibility in its longer range aspects.

### **Issue Seven: Responsibility for Executive Personnel Administration**

Where shall responsibility be fixed in the executive branch of the federal government for recruiting and developing an adequate supply of qualified administrative personnel for national and international programs?

Each of the previous issues has implications for the administration of executive personnel matters. A decision to accept a heavy emphasis upon program staffing would probably imply a corresponding decentralization of responsibility to the heads of program agencies. Career staffing with an emphasis upon careers within agencies might have a similar implication. Career staffing with emphasis upon the development of a larger group of career officials owing their loyalty to the government as a whole and not to particular agencies would be something else again.

Some of the other issues present a choice similar to the choice between program staffing, agency career staffing, and government career staffing; the implications for administration may be roughly similar. On the other hand, the issues concerned with emergency sources of talent and the measures necessary to attract and retain it present a somewhat different combination of factors.

Four main alternatives have been distinguished for consideration under the present issue. The first is simply to continue the existing situation so far as the general distribution of responsibilities is concerned. The second is to decentralize more responsibility to the various executive departments and agencies. The third and fourth alternatives would go in an opposite direction, emphasizing greater centralization of responsibility for policy and leadership, if not for operations. In one case, the centralization would be in the Civil Service Commission; in the other, it would be in the Executive Office of the President.

Alternative One is to continue the present distribution of responsibility between the Civil Service Commission, the Department of State, other executive departments and agencies, and the Executive Office of the President.

Under present arrangements, the Civil Service Commission is officially recognized as the agency that "shall exercise and provide leadership in personnel matters throughout the federal service. . . ." It has a general concern for all phases of personnel policy, is authorized to prescribe regulations and standards, and continues to carry on a variety of personnel operations, particularly for positions and occupations common to several departments.

The Department of State is unusual among the executive departments in the extent and importance of its authority for civilian personnel administration. It operates the foreign service personnel system, controls an unusually high proportion of high-level excepted positions, and has some responsibility for personnel

assistance to international organizations of which the United States is a member and for appointing American citizens for service on combined international staffs.

The executive departments and agencies generally have extensive authority for personnel administration on matters affecting their own executive staffs. Supervision by the Civil Service Commission is important in connection with examinations for initial appointment to the competitive service, less important for non-competitive appointments and for promotions, and almost inconsequential so far as reassignments of duties and posts are concerned.

The Executive Office of the President contains several units with functions related to executive personnel administration. An administrative assistant to the President serves as his Liaison Officer for Personnel Management, performing such functions as the President directs. The Division of Administrative Management in the Bureau of the Budget contains a small staff that deals with questions of personnel policy in connection with proposed personnel legislation and proposed executive orders to be issued by the President. The Office of Defense Mobilization is concerned with the questions of manpower utilization and personnel administration that arise in the mobilization of the federal government, and has intervened in a number of such matters since its establishment.

Both the President's Committee on Administrative Management and the Hoover Commission advocated reorganization of the Civil Service Commission as a unit in the Executive Office of the President. These proposals were not received favorably by Congress on either occasion and seem unlikely to be carried out. A part of the Hoover Commission recommendation was placed in effect two years ago, however, when authority for the administrative direction of the Civil Service Commission's work was vested in the chairman, with policy and appellate functions remaining jointly in the three members of the commission. The results of this change are just beginning to become apparent, but it appears to have improved the commission's ability to assist the President in the management of the government as a whole.

The most recent examination of major administrative issues in the organization of federal personnel administration is that by The Brookings Institution in its report, The Administration of Foreign Affairs and Overseas Operations. The Brookings report favored new basic personnel legislation to create a foreign affairs personnel system inclusive of all, or nearly all, civilian foreign affairs staffs at home and abroad. It concluded that leadership in securing the establishment of such a system could not be provided effectively by either the Civil Service Commission or the Department of State, and therefore proposed the designation or appointment, within the Executive Office of the President, of an administrative assistant to the President who would devote himself intensively, with a small staff, to the problems of foreign affairs personnel administration for a period of one to three years. The principal function of this interim unit would be to develop legislative proposals in consultation with the interested agencies and to assist during their consideration by the Congress.

Major aspects of the existing distribution of responsibilities for civilian personnel administration in the federal government have been the result of an evolution in which many considerations, various pressures, and repeated debate have had their effect. In the field of executive personnel administration, however, the special issues as to organization and assignment of responsibility have never been discussed extensively. A consideration of alternatives to the present situation may therefore have more promise than would otherwise be the case.

It is probably a fair statement that responsibility for critical aspects of personnel administration for the civilian employees who are at or above the \$10,000 salary level is at present more scattered and more confused than any other phase of personnel administration in the federal government.

Alternative Two is to put into effect the Hoover Commission recommendation that recruiting, examining, and appointing for all high-level administrative, professional, and technical positions should be the

responsibility of the respective major departments and agencies, subject to program approval and to inspection of personnel operations by the Civil Service Commission.

The Hoover Commission commented on the delay, rigidity, and unsatisfactory outcomes of procedures under which operating responsibilities for recruiting and examining were placed upon the Civil Service Commission, particularly for positions with specialized requirements. The Hoover Commission favored a maximum decentralization of the operating aspects of personnel administration to the executive departments and agencies, on grounds that they would know their own requirements best, would be most likely to take necessary action on time, and could be deterred from serious violations of civil service and veterans preference legislation by inspection.

Members of the staff of the Civil Service Commission are of the opinion that relatively little remains to be done in order to carry out this recommendation of the Hoover Commission. The defense agencies have full authority to recruit and appoint to all positions for which the commission is not immediately able to supply names from a register, which means for virtually all intermediate and higher level administrative and executive positions, as well as many other types of positions of all grades. Nondefense agencies are under more compulsion to follow normal recruiting and examining procedures when they are unable to fill positions by transfer or promotion, but in most cases the examinations for high-level administrative, professional, and technical positions are conducted by committees or boards of examiners, the membership of which consists entirely of the operating personnel of the agency concerned.

The nondefense agencies are inclined to feel that the delegation of recruiting and examining authority from the commission is not as complete as they would like. Criticism centers on the detail with which the Civil Service Commission reviews plans for examinations in advance, retains the right to approve as distinguished from the right to audit and inspect, and interests itself in what are considered minor details of procedure.

Regardless of the extent to which the Hoover Commission recommendations have been carried out, there could be some question as to the fundamental merits of those recommendations for the higher administrative personnel. Each agency doubtless knows its own objectives best and is most likely to find and appoint administrative personnel who will sympathize with those objectives and work actively to carry them out. But the agencies individually may have little concern for the general integration of the work of the entire government. To the extent that they are encouraged to recruit, appoint, transfer, and promote administrative personnel on an individual agency basis, it could be argued that there will be damage to the processes of coordination within the executive branch. This could arise from excessive development of agency loyalties and from a lack of appreciation based on experience of the requirements of the government as a whole.

Alternative Three is to emphasize and develop the responsibility of the Civil Service Commission for executive personnel administration in the broadest sense.

The Hoover Commission favored increasing the responsibilities of the Civil Service Commission for encouraging transfers and promotions across agency lines. The recommendation was apparently motivated by a desire for better utilization of personnel who would otherwise find themselves in dead-end positions in individual agencies, although the training value of experience in several agencies and the effect on individual loyalties may not have been wholly overlooked.

If the central tasks of executive personnel administration are considered in terms of the amount and kind of authority they might involve, three kinds of tasks can perhaps be distinguished. One kind of task involves persuading the individual agencies to do what they need to do in any event in order to develop a capable group of career executives. It may be argued that such persuasion ought not to be necessary, but the plain fact is that many agencies have never assessed their problem of executive development in long-range terms.

The appeal, however, can be mainly to each agency's own self-interest, and the moral leadership of a professional personnel agency of high competence could be expected to be effective.

A second kind of task may involve preventing the agencies from pursuing their own self-interest in developing agency career services to the point where their self-interest conflicts with the interest of the government as a whole. This possibility may be thought to arise when an agency goes far in the direction of a closed career system within its own ranks. If existence of the possibility of conflict is agreed, measures presumably could be taken centrally that would be in the nature of veto processes. By definition, the exercise of a veto requires more than moral authority, but the kind of authority required is of a negative sort and is relatively easy to exercise if standards can be determined in advance for later application. For example, the Civil Service Commission might adopt and administer standards under which certain types of career executive positions could be filled only by individuals who could meet specified requirements as to combinations of prior experience in two or more agencies, in the field service as well as at headquarters, and so on.

A third kind of task would arise if it is assumed or concluded that the possibility exists for conflict between agency and general interests in executive development and that measures of a negative and possibly somewhat mechanical nature will not suffice. It might then be necessary to contemplate the kind of authority that is exercised by the British Prime Minister on the advice of the Permanent Secretary of the Treasury, a civil servant who is the permanent head of the British civil service and in that capacity is concerned with the assignment and reassignment of the senior civil servants. In such a case, there is provision for the exercise of positive authority by the head of the government with the object of developing and maintaining a group of executives who, wherever assigned, will have regard for the interests and the program of the government as a whole and who will not give undue weight to the special interests of the agency to which they are assigned at the time.

British analogies suffer from many weaknesses when the attempt is made to apply them to American conditions. The institution of a civil servant who is the permanent head of the civil service has never existed in the American form of government. It would be difficult to visualize the Chairman of the Civil Service Commission in such a role, although perhaps not impossible should the chairmanship come to be filled on a clearly nonpolitical basis by a career civil servant. On the other hand, the British analogy does something to illuminate the opportunities as well as the difficulties and limitations that would be involved in a systematic approach to the central problems of executive personnel administration.

Alternative Four is to develop the Liaison Office for Personnel Management in the Executive Office of the President, or a successor unit in the Executive Office, as a policy and administrative center for executive personnel administration.

The first Liaison Officer for Personnel Management was a long-time career civil servant who appeared to limit his functions to the nonpolitical phases of personnel management. In recent years a principal function of the Liaison Officer has been that of assisting the President in finding possible candidates, and selecting from among them, for the several hundred major positions that are subject to direct Presidential appointment. The Liaison Officer has also assisted in the establishment of the new defense agencies by making arrangements for the loan or detail of career employees from older establishments to form temporary cadres of officials for the new agencies.

It would not be difficult to develop proposals for adding a variety of functions in the field of executive personnel administration to the work of the Liaison Officer for Personnel Management and his staff. The unit might be regarded as the natural center for the coordination of the high-level positive recruiting activities that are at present going on in all of the defense agencies. If the proposals for a public service reserve or for a central roster of executive personnel are considered deserving of further prosecution, the leadership in dealing with those proposals could be assumed by the Liaison Officer.

The special problems of personnel administration for foreign affairs staffs may require recognition in considering the future functions of the Liaison Officer and of other units in the Executive Office of the President. The Brookings Institution proposal for a temporary unit in the Executive Office to deal with these matters while new legislation is developed and enacted was noted earlier. Similar action on a provisional basis for all phases of executive personnel administration might be considered as the most feasible next step under present circumstances.

Any strong move to develop an administrative career service on a government-wide basis, such as those contemplated by either Alternative Two or Three under Issue Four, would appear to involve initiative, continuing interest, and persistent leadership upon the part of the President. In seeking aid in dealing with such a matter, the President could look, under present circumstances, to the Liaison Officer, the Chairman of the Civil Service Commission, and the Director of the Budget, as well as other members of his immediate staff.

The argument could probably be made with considerable effectiveness that the Liaison Officer is disqualified for dealing with the active development of a nonpolitical administrative career service as long as he is actively concerned with the filling of political positions. If, however, the Liaison Office were to be returned to its original concept or if a successor or separate unit in the Executive Office were to be created to assist the President in dealing with the nonpolitical phases of civilian personnel administration, the situation would be different.

Many will doubt the possibility of carrying recent changes in the Civil Service Commission to the point where the chairman of the commission has a working relationship to the President similar to that of the director of the budget. The relationships of the commission to the Congress, the size of its establishment, the habits of its existing senior personnel, all would limit the ability of the commission's chairman to adopt the role of a Presidential assistant.

It can be argued, moreover, that executive personnel administration, by its very nature, requires central policy control and leadership by the chief executive with the assistance of a unit in his own office. Unless it is thought that the director of the budget could provide such assistance in addition to his other duties, this line of argument would appear to point to the desirability of a new unit in the Executive Office of the President if the development of a career administrative service on a government-wide basis is to be emphasized. If, on the other hand, the main objective is a further development of a combination of agency career staffing and program staffing along present lines, it would be easier to envisage central roles for the Civil Service Commission and its chairman.

## **CHAPTER 12.**

# **REPORT ON SEMINAR III FACTORS AFFECTING ADMINISTRATIVE LEADERSHIP**

**ALBERT LEPAWSKY \***

Two questions stood out in the Seminar on Recruitment and Development of Administrative Leadership for National and International Programs:

1. Whether to staff the agencies conducting these national and international programs with career men from the public service or with personnel drawn from nongovernmental fields; that is, the issue of career staffing versus program staffing.
2. What measures can be adopted in order to make public employment in the national and international programs more attractive to qualified executives and administrative personnel.

### **Career Staffing and Program Staffing**

In approaching the first question the members of the seminar were practically unanimous in their feeling that the present administrative manpower shortage was not likely to be a temporary one even if there is some relaxation in the present international crisis or in the defense production program. World problems and domestic affairs are such that international development programs and national economic policies will have to be instituted which will require a continuous recruitment of executive skill and administrative talent in our public administration, national and international. One of the members of the seminar felt that the Point Four Program and related international undertakings in this country alone would consume at least a generation of talent. In fact, looking back upon some of our domestic programs of the previous generation, he felt that we had been in a state of continuous emergency with respect to administrative leadership for the last twenty-five years.

On the specific issue of career versus program staffing, another seminar member pointed out that the present type of emergency-indefinite appointments in the federal government is likely to last a full career's length. He would therefore favor rescinding the President's recent executive order concerning temporary appointments outside the normal civil service system and would make all government appointments permanent. Jobs could always be discontinued by reductions-in-force, which could be carried out under fixed and standard rules when they proved necessary. This was the only way, he felt, by which government employment during the emergency could be made as secure as employment in private industry. Without such a practice he did not see how capable young persons, college trained in many instances, would decide to enter government when they could get better and possibly more permanent offers in private enterprise.

On the whole, the seminar was impressed with the distinction that had already grown up in the federal government between the concept of a career service and that of program staffing. The seminar requested one of its members, a former United States Civil Service Commissioner, to define the career service concept. This he did in the following terms: A career service is one which is based upon permanent tenure, proceeds normally by recruiting its members at an early age, attempts to keep its members progressively employed throughout their career, provides retirement at the end of their career, is normally devoted to the execution

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of continuing programs of government, and may also be supplemented by other forms of public service on special occasions.

The wide use of program or noncareer staffing, especially in federal government posts involving new, complex, or specialized administrative functions, was felt to be in contradistinction to although not necessarily in conflict with, the career system thus defined. It was a significant fact, for example, that practically every member of this seminar had at one time or another served in such so-called emergency positions, either on a temporary or consulting basis, and some had held permanent status in the federal civil service, although they were not so employed at the present time. It was pointed out that by far the largest number of non-career, program, or emergency appointments involve business executives at the higher administrative levels and, at the clerical level, additional large numbers of persons appointed from outside the government for service during emergency periods. On the other hand, it was pointed out that, as a matter of practice, there is a tendency for career staffing to predominate in certain established services in the federal government, such as the Foreign Service or the Forest Service, and it might therefore be more accurate to speak of the career concept as characterizing certain agencies rather than the government as a whole.

Another career tendency in our federal public service was noted. Housekeeping posts, involving higher administrative positions of a service nature—those dealing with fiscal, personnel, and certain planning functions, and which serve in somewhat of an auxiliary relationship to the substantive program—are usually held by career officials. A seminar member, who was originally responsible for coining this terminology of career versus program staffing, warned that exclusive career staffing of such housekeeping functions can be dangerous. He suspected that the sterility that sometimes characterizes governmental housekeeping services is often caused by the tendency to staff such posts with career men only. Program staffing of high housekeeping posts in his opinion is as important as program staffing in the substantive fields.

A fundamental question about the relative effectiveness of the program approach as contrasted with the career system of staffing governmental agencies was raised by one seminar member, an outstanding professor of public administration: does the program type of recruit to the public service, as contrasted with the career type, tend to be a zealous, enthusiastic supporter of a new governmental program; and does this have a negative effect upon the internal administrative procedures and legislative relationships that necessarily have to be carried on, even though it may contribute a positive effect upon the morale of the program itself?

One seminar member who had served as a "program" administrator of this type pointed out that during the New Deal period program enthusiasts were picked for high posts from among the career men as well as from outside the service. These career men generally made fewer mistakes in handling administrative procedures and legislative relations, he admitted, but the program selectees learned fast. With regard to enthusiasm or motivation, he felt there is no such thing as a neutral civil service, that this applies to the career men as it did to the program men, and that this is an additional reason why they ought all to be bulked together and put into a career service more broadly defined.

Another experienced member felt that, generally speaking, program staffing implies very strong motivation in terms of program goals. He added that career men are interested in doing a good job whatever program they are working on, but they assume no great attachment to any particular program. They do have a strong loyalty to the requirements of the public service generally and they are men who plan to get ahead in public employment.

All in all, program staffing of important federal posts was recognized by the seminar as a widespread current practice along with career staffing. In attempting to interrelate the two, one seminar member, an eminent social scientist, pointed out that career staffing is considered as respectable while program staffing is regarded as being expedient. What we lack, he felt, is an adequate concept to match the combined practice. He raised the question of whether it would be possible to articulate a theory or policy which would

lend more dignity to the newer experiments we have been forced to adopt in obtaining the necessary personnel to conduct public business. Another member indicated that the program staffing pattern is in accord with our dislike for an overly bureaucratized society run by career officials, and that it therefore has some basis in American ideology.

So far as the formulation of a more practical concept was concerned, he asked whether we believe in program staffing within a career system or career staffing within a program system. Further questions were raised along these lines by other members of the seminar. Do we want to spread our established career bureaucracy over the newer program agencies so as to absorb the newcomers? Do we want to sprinkle some new but highly skilled nongovernmental personnel among the existing career personnel? Do we want to assign persons with particular abilities wherever they belong, regardless of whether they come from inside or outside the public service?

There was rather general agreement that it is preferable not to adopt any one system exclusively but to combine program staffing with a career service, as we have so far attempted to do. It was for this reason that the seminar, in listing its concrete suggestions, recommended continued staffing of emergency programs with administrative leadership drawn from sources outside the established civil service but also urged the continued use and strengthening of the career system. For, in spite of our growing dependence upon program personnel, the seminar recognized that it is necessary to have a ready cadre of administrative leadership available within the government to undertake the increasing responsibilities assigned to public agencies especially in periods of continuing crises, national or international, under peace or war.

The various measures by which such a personnel system could be put into practice were well enumerated for the seminar in the background paper prepared by Dr. Paul David, one of the seminar members, and reproduced in the previous chapter of this volume. The seminar went a long way in adopting the most feasible of the various alternatives and suggestions contained in this paper. These specific recommendations are presented in the "Findings and Recommendations" at the front of this volume. It may be helpful, however, to refer here to some of the seminar discussions on particular points of policy and procedure with regard to the personnel practices of the federal government.

### **Sources of Administrative Leadership**

The seminar felt strongly that although program staffing would have to go on continuously, our present methods for utilizing and developing our existing administrative skill within the present career civil service are inadequate. While the total amount of administrative leadership within the public service falls far short of our present and potential needs, there are untapped abilities at particular points within the service which should be better marshaled than they now are. One of our problems is that of departmental hoarding of good, high-level executive capacity. Existing machinery such as the interdepartmental placement committee is inadequate in handling this problem. The members of such a committee represent departments, and they are seldom inclined to trade away their own personnel assets. In this connection, the seminar made reference, but was not able to give the time it would have preferred, to the proposal for a government-wide pooling of executive talent in the higher administrative positions (present grades 14-18), with the possibility that such a pool would be controlled by the Executive Office of the President. One member of the seminar, a former United States Civil Service Commissioner, stated that this was the kind of thing he had long been dreaming of and that he felt that the proposal had tremendous implications.

Another major source of administrative talent might be found among former government employees who had left the public service after an enriching though brief experience that would be highly relevant during the emergency. Adequate machinery is lacking even within the United States Civil Service Commission for readily identifying such personnel, or, for that matter, for spotting specially qualified personnel presently

occupying local, state, or national government posts, or those in business and professional fields. This raised the whole question of government rosters or national registers of administrative personnel.

Apart from the specific recommendations of the seminar in this field, listed in the "Findings and Recommendations," there was considerable discussion of experience with the Roster of Scientific and Professional Personnel during the 1940's. One seminar member who had worked closely with the roster pointed out that it had failed to accomplish its purpose of placement because it had become too large and cumbersome. Instead of a manageable list of several thousand, as had originally been planned, it grew to over a million and its own mechanics made its practical use prohibitively difficult. Nor did it include sufficient data to reveal the crucial factor of availability for placement.

Another member of the seminar, a representative from the learned societies, explained the revised conception of the roster or register that was now being considered by the various learned societies. It would be not so much a placement device, like the Roster of Scientific and Professional Personnel, as a research tool. The Office of Scientific Research and Development and the Office of Naval Research were both interested in the new register as a basis for research into national personnel problems. The new register would not only furnish data that might be useful in estimating our national stock of administrative and other specialized talents, but would help answer such basic management questions as what constitutes administrative leadership, or what is the role of administrative leadership in relation to teamwork.

### Public Service Reserve

A more immediate tool for the emergency recruitment of administrative skill, the seminar felt, was the informal public service reserve. A seminar member who administered the State Department's reserve system described his experience at length, and the most workable features of this system were incorporated in the seminar's recommendations on this point as detailed in the "Findings and Recommendations." The informal aspect of the suggested reserve system was emphasized by other members of the seminar as a means of avoiding the difficulties which had arisen in administering the military reserve system or the formal Foreign Service Reserve previously set up by the State Department. The inadvisability of compulsory assignment as part of a public service reserve system was stressed. Even in the case of the military reserve, one member pointed out, only a claim on the body is established; before assignment is possible, the individual has to be located and his availability determined.

With regard to specific appointments from outside the civil service, one member raised the problem of how to maintain standards in the quality of appointments if our principal dependence is placed upon departmental appointing officials without a definite check by the Civil Service Commission. It was admitted that formal standards might be expected to fall during the emergency period, but it was thought that there are adequate means to apply minimal civil service requirements. It was also pointed out that speeded-up open competitive examinations can be conducted on a departmental basis.

Another point at which stronger safeguards were thought necessary was in the case of without compensation appointments or dollar-a-year men. There was some expression of doubt about the wisdom of continuing such appointments at all in view of the possibilities of conflict between governmental duties and private interest. However the seminar as a whole did not feel that there was enough experience to indicate that the valuable administrative talents available through these means in time of crisis could be dispensed with. It therefore recommended continued emphasis on the few existing safeguards contained in the regulations.

The members of the seminar did not have sufficient time to evaluate the various training programs now being carried on for the public service, both pre-service and in-service. They commented favorably upon the Junior Management Assistant examinations given annually by the United States Civil Service Commission

which are based upon the existing university programs of training in public administration. However, members of the seminar also indicated that the techniques of administering examinations, the methods of notifying examinees, and the procedures for employment of eligibles on the JMA register could be improved. The higher level in-service training facilities of the federal government also need further study, the seminar felt, before any policy can be formulated with regard to the proposed administrative staff college to be conducted by the government. There was not sufficient information available, it was stated, concerning existing federal institutions, such as the National War College, the Industrial College of the Armed Forces, and the Foreign Service Institute.

Another subject which the seminar regretted the lack of more time to consider was that of the necessary organization for public personnel administration. The role of the Civil Service Commission, of the Federal Personnel Council, and possibly of higher levels of personnel management in the Executive Office of the President were among the subjects mentioned as requiring further research and consideration.

The prestige of public service was a background consideration throughout, but the only specific point made here was at the political level. The seminar did not hesitate to criticize irresponsible political influence, undue party patronage, and unethical behavior on the part of top executive or political leaders as constituting a direct discouragement to the development of an efficient and impartial administrative leadership.

The seminar reserved for final discussion, but elevated to a position of prior consideration among its dozen points of recommendation, another political practice, namely the attack currently being made upon the character and loyalty of public servants or candidates for public appointment. Some members of the seminar chose to designate this new ism in American political affairs as the most important single deterrent to the entry into the public service of many highly qualified executives and experienced administrators in American public affairs today. It was defined formally in the seminar's summary as "defamation of character for which there is no recourse in law."

**PART V.**  
**DEMOCRATIC VALUES UNDER STRESS**

## CHAPTER 13.

# AMERICAN LABOR AND MOBILIZATION

**BORIS SHISHKIN \***

One of the fundamental problems with which we have to come to grips, in dealing with America's manpower problem, is the position of the United States in the free world. I want to present briefly the concern we have with preserving the most important values in the strength of the United States as a nation, a strength we must maintain in order to meet the present challenge.

### America's World Position

We are a nation of 153,000,000 people. Our alliance with the free nations of the western world brings us together with another 275,000,000 in Western Europe. Our relationships with these people are vital and must be examined in terms of what we have compared with what they have. In weighing the total against the Communist-dominated world of some 750,000,000 people we have likewise to match what we possess with what they have in the way of resources.

To understand the problem, we must look back some twenty years and take stock of our place in the world then as compared with today. We have to recognize that the characteristics of our national economy are quite different today from what they were in 1930, and even in 1941. Twenty years ago we were a secondary nation. We were a secondary nation in terms of our production, our world trade, our navy, and our merchant marine.

We were a secondary nation in 1930 and we had, at that time, a problem of employing not only our natural and productive resources, but also large numbers of our people. Today we have attained nearly full employment, and a relatively high level has been attained in many other countries in the free world. But there is still a lot of unemployment and a terrific amount of underemployment in the other nations, which has placed us in a position of peculiar responsibility on two counts.

First, we have, simply by achieving this tremendous amount of progress, attained a leading position in the world. The United States today produces over half of all manufactured products in the world and, because the world is so dependent upon our production, we cannot talk seriously about the development of a manpower policy as if we were going it alone. We must give attention to the availability of manpower in the other nations associated with us, and to the possibility of its full utilization. It will help if we translate "manpower utilization" into the simple term "employment." We have both productive capacity and manpower available in the countries of Europe for much basic production that can be done both less expensively and more speedily there than it can be done here. Thus the coordination of productive activity here and abroad can greatly speed up the process of bringing the western world to the state of preparedness necessary to meet aggression. As we go on with plans for carrying out the policy we are now pursuing, the importance of this will become clearer and clearer. I believe our allies will become increasingly responsive to the idea of America's being the chief supplier of productive potential, rather than the supplier of manpower as such.

The second point that I think we have to recognize goes much further. This is our obligation to exercise constructively the leadership we have attained. As someone has said in the course of this Institute, if there is an immediate threat to the security of the United States, if our whole survival is at stake, then everyone

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will have to pitch in and there is going to be no theoretical level at which we will decide what is appropriate and what is not appropriate. But this possibility is in the background of the situation as it is today. Since the end of the war, the foreign policy of the United States has been to assume a major degree of initiative in the development of programs of foreign assistance, both within the UN and outside the UN. From our major contribution to UNRRA and to the Marshall plan, we in America have taken the initiative and leadership among the other nations on a positive basis—not a defensive but a positive program of dealing with the issues. Today in the consideration of a mutual security program by the Congress we find our positive model being traded in on a completely defensive model. Now, this is the heart of my second point, and I think the heart of the political problem within which this manpower problem of ours is unfolding.

## Leadership versus Defense

We have actually accomplished abroad much more than we recognize. Just before I came back to this country, I made a swing around all the Western European countries. I have visited the capitals, and I have gone into the by-ways, the factories, and the mines in many of them. The most significant fact of all is that for the first time in history the European worker—not at the level of top representation, but the rank and file worker—is beginning to recognize that the Communist heritage is the heritage of the dictator, and that we are offering help and actual liberation because we offer him self-government and independence.

But coming back here after that experience I find that we have less faith ourselves in the kind of things that we preach than do those to whom we are preaching. I think it is a tragic failure that can still be stopped. If we continue to carry on in a purely defensive context we will inevitably change the impression that is growing now, and growing with great rapidity, that we are the revolution and the New Year. The hope that we are offering unselfishly, the aid that we are offering, the positive goals of improvement and growth will be lost. Advancement and social progress seem attainable for the first time in all the generations that anybody can remember among those Western European nations that have lived and still live in the image of poverty. If we are going to turn entirely to a policy of defense the Marshall plan, the mutual security program, and every other agent that guides our foreign policy will be interpreted as completely defensive. It will inevitably result in their saying, "Well, America wouldn't have done this if it hadn't been for Stalin." I think it is important for us to retain the initiative, to retain the positive context of what we are doing.

It is a mistake for us to say that the military objective we have in defense is the only objective. I will be the first to say that, in terms of aggression and the immediate threat of aggression, there is danger right now. I think it is immediate, and short-range defense policies have got to be intensified. The sense of security for the free world has got to be greatly strengthened. But let's not get lost. In a fifteen- or twenty-year program history does not run that way. We have to retain other values if this threat of aggression is averted, if our military program for immediately averting the threat of attack is successful. Let us be sure to retain the positive force of the kind of assistance that has already been given, and from now on can be given on an increasing scale without the actual investment of public funds. It can be done through the aid we are giving, the influence of ideas, the exchange of persons, and so on. We can give positive content to the concept of the expanding economy and demonstrate the effectiveness of competitive forces. We can show what others can do along the same lines that we have done.

One of the things that is happening today (and we don't recognize it as clearly here as it is understood abroad) is that labor in England and non-Communist workers in France and in Italy are recognizing more and more that we in America today are not a country of untrammelled free enterprise, that we are not therefore trying to save what we don't have. They see that we do have a competitive enterprise that is regulated, and they understand the extent to which these regulations have made possible the economic development that has come about since 1931.

They have heard so much of our accomplishments that they asked at every meeting about our social security program, our housing program, our regulation of the stock exchanges, our regulation and insurance of banking facilities, which many of them do not have. These are the things about which they wanted to know because they want the same minimum of security in order to maintain full employment. They want to know about competition and risk-bearing. They want to know about freedom of choice, because they don't have anti-trust laws.

The first anti-trust law introduced by a presumably progressive government in France would be laughed at in this country. Since it was insufficient, it was finally shelved and a new draft of an anti-trust law was presented by the leading socialist deputy in the French Assembly. This would have been regarded here as a completely childish piece of work, simply because it would not regulate the trust-dominated situation they have in modern France.

Those are the things with which Western Europe is at grips. Forces are at work that add up to economic revolution, and this economic liberation is patterned after the steps which we have already taken. No matter what the nationalistic considerations and what the institutions, whether it be a labor government or the De Gasperi government in Italy, for example, the world is looking to the techniques of social organization and the techniques for safeguarding freedom of choice that we have developed in the United States.

So my third point is the question of how we are going to tackle this problem at home.

### Defense and Ideological Warfare

I think the recent action that has been taken in Congress on a mutual security program and its presentation by the administration have been extremely disappointing in terms of maintaining our leadership abroad. A year ago nothing was said about defense in relation to foreign aid; today all of it has been justified on defense grounds. We have made tremendous investments in foreign economic development from which we, as part of the free world, are going to reap tremendous returns. Yet the crucial problem of how we are going to conduct and organize our own economy in order to meet the grave and immediate military threat is obscuring our view. In dealing with the military problem we cannot underestimate the urgency one iota, but while dealing with it we must recognize that the goals set have to be immediate, not long-term, goals. This is a short-time problem. In meeting it we have to develop and devise new solutions that will make it possible to win friends abroad. We must secure their support because we have won their wills, and we have not done that yet.

When I was testifying before the House Foreign Affairs Committee a little while ago, I was told by the committee that General Eisenhower had sent them a statement to the effect that the will for defense in Western Europe is very strong and that in the event of aggression Europeans will fight. I think this is quite true in many areas, but as a generalization I do not think Western Europe is strong. A great deal depends on the amount of confidence that the people themselves have that they can save peace and build the kind of life that they will be willing to defend through the cooperation of Western European countries and through the amalgamation of their interests.

Those who have little or nothing to defend are not going to fight, no matter how modern the arms you place in their hands. Therefore, for us to sacrifice our essential freedom of choice more than is made absolutely necessary by the imminent emergency would be a very grave mistake. The existence of freedom of choice is a great and powerful symbol among the nations of the world; it is something to fight for. They are recognizing more clearly every day that the whole conception of a free world is in our position, not in a world dominated by Communism.

I think we must go one step more. We are concerned here with the necessity for sitting on a plateau of three and one-half million men under arms for the next few years, and with how difficult it is going to be to



accomplish it. We are in danger of shaping our whole psychology in terms of the negative action that this implies. We are defending our homes, our people, our land, but we are not defending any values. I don't know how effective our program, with or without the atomic bomb, can be, but unless we have fundamental moral foundations for our position we are not going to win this fight.

My basic proposition is that military warfare is no more important than the warfare that is going on right now, the war that is being waged by the Kremlin today, everyday, in all parts of the world. It is ideological warfare. The ideology may be phony, but the fight is for ideas, for capture of the will, for capture of the heart, and it has been waged for fifty years in Bolshevism by the most skilled agents of propaganda. You can't meet them with bazookas. You have to meet them with positive programs and a demonstration of what you can do. You have got to capture the minds of people.

I cannot spell out the implications of this battle for the whole broad front on which we have to fight, but I can point out some of them in terms of specific situations. I can tell you about Italians in Milan who line up ten blocks long for any opera performance, tramping on each other just to see the great ladies and gentlemen who attend. And, coming out of poverty as they do, they see all the beautiful gowns and costly jewelry. I have seen in Milan luxury that we never see here, enjoyed by profiteers and speculators. Is there any wonder, then, if you go into a poor quarter just a few blocks away that there isn't a single paper on the news stands that isn't Communist, that only the Communists are listened to? Is there any wonder that there has been a strong Communist vote in the Italian government? At the same time, when our aid comes through in the kinds of things that Italy needs, it often isn't visible to the people. They can't keep machinery; they don't understand that. But when I visited a village that was bombed out, and it was a pitiful village, I saw a housing project built with Marshall Plan aid. It was modern and it was the kind of housing that they were proud to live in. When we arrived in a battered jeep, everybody in town came out with their Madonnas and their roses. They looked to us as to someone sent by Providence because this was the first time they have seen the kind of living that the Marshall Plan has brought to them.

This feeling is going to grow around the ideas that have been planted by the ECA. But you can't expect a French mineworker in the Pas de Calais area to understand. He works long hours underground without any clothes on, rubbing against living horses, because the management doesn't provide clothes for the mine-workers in France. You can't give him hope unless you change those conditions, and it can't be a small margin trickling down. He has to recognize directly that our objective is to remedy that condition and we must state that this is our purpose. Yet when the law for Marshall Plan aid was drawn in Congress that was overlooked, and we are paying a heavy political price for it now. I could mention a long list of things that can be done, things which determine our fundamental ability to convince the people that we are concerned with an advancing standard of living in these countries.

### **Home Support for a Positive Program**

If the full importance of raising the productive effectiveness of people living in Italy, France, or Greece, and lifting their living standards, can be sold to Congress, I think it will have broad support among the American people. But it hasn't been sold, and this is a very serious problem. Even the immediate benefits of foreign aid are often not understood. On my return from Europe, I went to Rochester, New York. We had a big conference, and everyone there was telling me how important it is for the people of the United States to afford billions of dollars for military purposes. But while Eastman Kodak has one of the major contracts for Marshall Plan aid, none of those people knew that they received the benefits of such aid in Rochester.

From there I went to Morgantown, West Virginia. A plant there was shut down after the war, followed by unemployment. Some 1,600 people were affected, but they didn't want to go anywhere else. A fertilizer contract was given to this plant and work was started, utilizing everybody in that plant. Having just come

from Rochester, I started to explain to those workers how the Marshall Plan worked. They said, "Oh, we know we wouldn't have jobs if it wasn't for the Marshall Plan. We know that those dollars are spent right here." The important thing was not only their jobs, but what interested them greatly was the fact that it was fertilizer and not food that was shipped to Europe, so the Europeans themselves would be able to grow that food.

It is estimated officially by the ECA that out of the \$11,500,000,000 spent, \$8,500,000,000 was used directly on actual procurement in this country. Of course, the economic fact is that all of the \$11,500,000,000 will be spent in this country eventually, but \$8,500,000,000 was actually spent here and not a single cent of that went abroad. We shipped the goods overseas, but the money was spent here. If it hadn't been we would have had a mild recession. It is important for the people of America to understand how valuable the program was to them as citizens and as taxpayers. They don't realize it today, but it is important that they do, because we have a much larger job yet to be done in this field.

I feel very strongly that we must develop a program to secure public support for our leadership abroad and develop it rapidly. We have got to get going. We have got to roll up our sleeves and see that the community itself responds, so that the burden is not left to Mr. Truman, Mr. Wilson, and others. Our communities expect these things to come down from above, and no actual support is being given them except to the extent that it has been provided by organized labor. In this and other aspects of defense mobilization, the resources of the voluntary agencies must be utilized. We have done some things already in the way of appointing committees and programming manpower through them. This work should be intensified. We need a broad program in which labor and management are working out together the problems of production and of the productive demands upon our economy. It isn't only the public employment services and all the necessary agencies operating with them that are meeting the problem of production today. Look, for example, at the job announcements moving back and forth through the country in the publication of the International Association of Machinists. This is an auxiliary thing, but it is needed critically.

If fear can be replaced by a positive production program at home the response will be terrific. It will mean utilization of a resource as yet untouched. The possibilities have not been tapped. But in tackling this task let us preserve our central theme of one positive value which is simple, which is understood by everybody no matter what comes. That theme is freedom of choice. We may have to surrender it for military service for a particular time, and this is justified. But we will have surrendered it only temporarily and not given it away. This is a value we cherish and this is a value that we will defend. Above all, only that value has real meaning to the people in all of the countries that surround us who have been denied freedom of movement, freedom of choice, and freedom of seeking the opportunities we have here.

Don't forget that as we stand here today the national incomes of the countries standing with us are very low, that the per capita income of the United Kingdom is a little over half of the per capita income of the United States; the per capita income of France is only one-half of that of England; of Italy one-half of that of France; and of Greece one-half of that of Italy. So you can see what a tremendous disparity exists, and how great is the difficulty of unifying the economy of the free world. But despite these disparities we are standing at the top. We provide the inspiration for the demand for equalization, for the broadening of markets, and for the expansion of economic life. The concept of the expanding economy is much better understood by those who have not seen that expansion, who have not risen, than by those like ourselves who take it for granted. It is a tremendous value for them, and it is a tremendous weapon for us. Consequently, in carrying out the defense program we must not stop or curtail the economic assistance that is still needed. We must broaden our program to include business, labor, and all those who can make a contribution, including above all our educational institutions. Finally, we must carry out the kind of a program that has been so well laid down in the Rockefeller Report for Point IV, and which has not yet been tackled.<sup>1</sup>

<sup>1</sup>See Partners in Progress: A Report to the President by the International Development Advisory Board (Washington: Government Printing Office, 1951).

With those things, the military defenses that we have provided can be backed up by a positive program which will go further, much further. With it we can go in a short time beyond the Iron Curtain. We are laying plans for increasing production twenty per cent in less than three years. Can we do that? We hope to be able to work it out. If we can help others to advance in the same terms, we need not be afraid of Communist threats and Communist aggression. We can look for and expect some kind of uprising—revolts on the other side of the Iron Curtain by the people that have been subjugated and want to join in a free world. Ours has got to be a positive program.

## CHAPTER 14.

# THE INTEGRITY OF THE UNIVERSITY IN A PERIOD OF CRISIS

CHARLES E. ODEGAARD \*

In approaching the topic, "The Integrity of the University in a Period of Crisis," I intend to present to you only a few variations on the theme which have to do very directly with manpower policies; and I am interpreting this phrase "in a period of crisis" to mean not a crisis in general but our present circumstances, which should be critical enough for the taste of most of us. Since it is the difficulty of meeting new military manpower requirements which poses, in the first instance, manpower questions touching heavily the university, I am further restricting my remarks tonight to aspects of military manpower in relation to the university.

One more preparatory remark—by using the phrase "the integrity of the university," I do not wish to be construed as rising to the protection of the university as a vested interest in our society, sufficient unto itself, desirous only of conducting "business as usual," unmolested by the trials and critical testing which are being applied to so many of our social institutions in these times. I do rise to the defense of the idea that the university is a very important institution in the service of our national safety and welfare—even in such a time as this—with a special function which cannot be carried out unless respect is shown to the nature of the university and to the large measure of freedom which it must have to make its contribution to our society.

In this sense I believe that one can plead for the integrity of the university as something essential to society as a whole. For this audience, it is unnecessary to develop the case for this assertion, and I shall pass it by.

Please allow me, however, to present bluntly a few propositions concerning the function of the university, the very nature of which requires that it be left, even in this crisis, as free of additional restrictions as possible. The university is an institution developed through cumulative planning and experience by the wisdom gained through trial and error, of past generations, for the purpose of enabling men and women to maintain organized bodies of knowledge about man, society, and nature from generation to generation and to expand and improve upon those bodies of knowledge. Maintenance as well as increase of knowledge, especially of those bodies of knowledge requiring higher levels of intellectual abstraction for their mastery, constitute related and mutually dependent functions of the university. These bodies of knowledge are complex, not easily mastered, and varied in subject matter.

The level of individual interest and of special qualifications for mastery of the different fields is so high that arbitrary assignment of individuals cannot be effective. One cannot make a man a really useful engineer, doctor, linguist, or economist in spite of his individual interest and aptitude. University levels of competence in fields of specialization appropriate to the university can be achieved by individuals only through a combination upon the part of each individual of personal ability and real desire to gain such competence.

A good deal of practical skill is required to select individuals for the successive experiences which constitute university education, and discretion in these matters had best be left to the university. Anything approaching arbitrary assignment from outside the university is doomed to inefficiency and failure. In this sense then, I believe that force is foolishness in the university scene.

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## The Social Function of the University

In still another sense, university air should be free air. Despite charges concerning the traditionalism of the university, I believe that, if we look at the role of the university within our total society, we will conclude that, certainly in the last century, it has played a very active part in assisting successive generations to meet changing circumstances. Human life is dynamic and each generation is forced to engage in efforts at problem solving. While by no means all of these are happily solved, the university has been a help rather than a hindrance. Critical as popular opinion of the university may be on occasion and misguided as it may be in its understanding of the salutary principles of the operation of the university, the public has not concluded that the professors and the university are a "bad thing" to be rejected.

A fundamental reason for the continued contribution of the university to our society has been the relative freedom of the university to be adventuresome over a broad front, to engage in training and in searches into the unknown where immediate utility is not always evident. Of course, individual institutions have known restrictions, but these have been of different origins—sectarian, political, economical, sectional, philosophical, or professional—and they have fallen with varying incidence on our universities so that the totality of our university institutions has not been rigorously limited. Whatever force these restrictions have had has been mitigated by a counter-current of persistent belief in establishing conditions within the university which will encourage free inquiry both as to subject matter and as to the critical spirit in which investigation is conducted.

Important as is the second aspect of free inquiry, and I think no problem in our culture today exceeds that in importance, I am more concerned at the moment with the freedom of the university to choose subject matter which it will maintain and investigate. The very breadth of interest cultivated in the university, the right to pursue what some might call useless knowledge, has led many times to the fortunate circumstance that the university has been able to help deal with the unexpected. Thus it has been a valuable supplement to the more utilitarian-minded planners who have developed some means for meeting the calculated risks they could foresee. This very breadth of the university's interest has turned out to be one of our society's important hedges against the unexpected contingency which threatens our safety and welfare.

We may thus speak of the integrity of the university as including, among other freedoms, these two: the right, in admitting and retaining students, to exercise judgment as to their qualification in aptitude and previous training, as well as in interest or motivation; and the right to maintain a concern with many different bodies of knowledge or subject matter in the light of its own judgment of their appropriateness to university development.

I mention these freedoms tonight because in an effort to deal with present manpower problems—especially the immediate needs of the military—national policies could be adopted which could easily, and in my opinion unnecessarily and unwisely, infringe these freedoms to the general detriment of the national interests. Let me explain what I have in mind.

The administration, Congress, and I think we may conclude the public in general, are committed to the idea that, in the face of the present international situation, the nation must maintain for some years to come—say, for the sake of argument, at least five years and probably much longer—a military force approximating three and one-half million men along with the material required to permit the armed services to engage in actual conflict under the most favorable circumstances possible. As a practical matter, I believe that as a Nation we have no alternative but to accept willingly, if reluctantly, this commitment to the maintenance of such an armed force, to hope that its existence will serve as a deterrent to a full-scale war and, if this hope should be too rosy, that such a force will serve as a sufficient base to hold off the enemy, leave time for all-out mobilization, and make it possible to best the military force of the enemy.

I believe also that we must build political defenses of an ideological kind as well as military ones. There is growing slowly, if ever so slowly, a realization that a total program of national security must embrace not only a military defense system but also an ideological plan which is intended ultimately to be as curative as possible for the ills of peace. Failure to take full account of ideological and cultural factors certainly contributed last time to our loss of the peace after we had won the war. The concern with scientific and technical matters to the exclusion of anything like comparable concern with human and political, social, and cultural factors is a symptom of a basic imbalance in our concept of the national security problem.

While we are far from having achieved popular understanding of these matters, in some places there is a growing appreciation of the importance of the university for its contribution to the training and knowledge essential to national security—not only in the sciences and technologies directly related to weapons, but in the fields of other physical sciences and of the humanities and social sciences.

### **Military Requirements and Deferment**

For the moment I am more concerned with the military establishment which, as one part of our defense system, it now appears that we must have. Though the administration and Congress have committed the nation to a military establishment of this magnitude for a considerable period of years to come, I do not believe that the government—I mean especially Congress—and the public have assessed the full meaning of this commitment in terms of our manpower resources. In an all-out war involving full mobilization, it is possible to enlarge the regular army with a large levy of reserves and draftees from the civilian portion of the population. This was, of course, the procedure in World War II. In the last couple of years we have maintained a substantial force (gaining in size, of course, this past year) by supplementing the careerists in the armed services with reservists trained recently enough in World War II so that at least a portion of the reserves have been useful for active duty. With the passage of each year, however, the remainder of our World War II forces, still in the reserve, is obviously of decreasing utility.

We have also enjoyed the advantage of having a reservoir of young men who reached military age at the end of World War II and in the years up to 1950 and who were not drafted earlier for service. The aging reserves from World War II and a small accumulation of previously unused and available manpower in the eighteen to twenty-six age groups have temporarily mitigated our problem and made it relatively easy to expand our active-duty armed services during the past year toward the three and one-half million mark. However, neither public opinion nor reason will permit the World War II reserves to be retained indefinitely—Mr. Johnson has already portrayed for us brilliantly this morning some aspects of this very question—and we will soon exhaust the supply of younger age groups not previously used for military service.

I believe that we will be forced in time to conclude that reservists can be used in significant numbers to supplement the careerists only for expansion toward full mobilization for all-out war, and that the three and one-half million armed forces for a period of partial mobilization can be maintained over a period of years only by supplementing the careerists with men providing nonvoluntary service of fixed duration on a rotational basis.

I think there are a great many bugs in this system of reserves as a basis for maintaining the army at a level of three and one-half million, and I think many of us have not thought through yet what it means to have a reserve under conditions quite unlike those which preceded World War II.

From the point of view of the military, there are obvious reasons for collecting this active duty from men in their younger years, from eighteen to twenty-six. From the point of view of the civilian economy as well, there are good reasons for getting as much active military duty as possible completed in these same earlier years. I think I need not enter into the reasons here.

I suppose we could go into a discussion of universal military training and of the pro's and con's advanced for it as a peacetime proposition—whatever that may mean in the foreseeable future—but such a discussion is somewhat academic at this point, for we are being forced toward Universal Military Training and Service by the mere commitment to maintain an armed force of three and one-half million over the next few years.

Making a reasonable allowance for the number of Americans who can be persuaded to adopt the military as a career—never a colossal number—granting that enforced service will have to be established on a rotational basis, and comparing the magnitude of the numbers to be obtained by compulsory service with the numbers available in the desired younger age groups, I am led to the belief that it will be hard to escape the need of collecting a military tax from virtually every man in each oncoming age group who is at all capable, physically and mentally, of serving. It is even probable that as a three and one-half million man armed force is placed on a rotational basis, the period of service will have to approximate a minimum more nearly three years than the two years now permitted in the law.

If the administration and Congress really mean to maintain a force of this size, they will in time be forced by manpower statistics to abandon deferments which permit any appreciable number of men in each age group to be deferred to the point of exemption from military service. If we wish to push the age groups up, maybe it can be done; but if service is kept within this more restricted number of years, I think we are forced in this direction. There are hard facts ahead which have yet to be faced fully. After a year or so there will be no surplus in the younger age groups to cushion the shock of exemptions. The pressure on the available manpower in these age groups will be so great that deferments which become tantamount to exemption will perforce lengthen the service of those who are actually called to the military. Whether one likes it or not, the establishment of a three and one-half million standing armed force and the restrictions of enforced military service largely to the nineteen to twenty-six-year age groups lead directly to the necessity of giving the armed forces a prior lien on two to three years service from every young man.

Now, so far, I have spoken of military manpower only in terms of numbers and not in terms of differences among the men who serve in the total group; in terms of quantitative, not qualitative differences.

### Threats to Educational Freedom

This three and one-half million force must, however, include something besides raw recruits aged eighteen or nineteen, however useful many of these may be. The ROTC programs of the armed services constitute the most obvious recognition of this fact. The standing armed force requires a substantial component of more highly educated men, men trained in various kinds of university experiences. So, too, does the civilian economy both for its support of direct defense needs and for other essential social and cultural needs of the nation.

Considerations of quantity—the magnitude of the armed forces in relation to available supplies—lead, as I have already suggested, toward the possibility of universal service within oncoming younger age groups. Considerations of qualitative differences based on aptitude and training for various specializations lead to the desirability of collecting military service at somewhat different age levels, within younger age groups to be sure, but after individuals have reached different levels of education and training.

It is at this point in our consideration of manpower policies that we touch upon the university as an institution necessary for developing more highly trained men. It seems to me most important for the nation to be very sure of the consequences of whatever policies are adopted with regard to the drafting of men, especially as these consequences affect the university's performance of its functions and in particular the two freedoms which I mentioned earlier. The breadth and variety of university training could be seriously curtailed by adoption of a policy giving some public agency the power to determine so-called essential fields and to assign individuals for training. Remember that the power to determine the essential fields, if it is

useful in the manpower sphere here in a restricted market, implies the power to determine that such and such fields are nonessential. Otherwise there is no meaning in this policy. I personally fear a policy which gives any agency the power to prevent training in what it chooses to consider nonessential fields, and I could accept such a measure as justifiable only in the most extreme emergency. I have similar qualms concerning the wisdom of any effort to impose students for training upon the university unless the university itself is left free to determine the qualifications of each student.

I do not mean to imply here that the university should not receive from the military selected individuals even in considerable numbers for training in short or even longer specialized courses, in subject matter of great and direct interest to the military and in which the university is well equipped to give the training. The university has performed this function before and it should be expected to do so again. I do have distinct reservations about any plan by which substantial segments of the age groups receive their own basic university education under the auspices of the military. Granted that the military needs to use for active duty large numbers of college-trained men at some time during their lives, I believe that there is a long-run difference between receiving them into the military after education under civilian university auspices and sending them under military auspices for training prior to active-duty service.

Because of financial difficulties higher education now runs the risk of inviting seduction. We all know the clamor for new ROTC units. It may be idealistic on my part, but it would seem to me desirable in the long run to find some method of financing the deficit of higher education other than hanging to the coattails of the defense budget. I cannot believe that this represents a desirable policy for higher education or for the nation. I even wonder if the military would not be better off if it were not forced to devote so much time and energy to educational questions and were in a position to receive from civilian society, without so much intervention on its own part, men already largely trained in the nonmilitary requirements of military service. As long as the military feels that it must fight civilian interests to obtain possession of a sufficient number of properly trained individuals for required periods of service, there will be the tendency to favor policies which involve serious interventions in the university.

### **An Educational Deferment Policy**

I have already indicated my belief in as large a measure of freedom as possible for the university to carry on its activities. I would like to suggest for discussion a way to steer a middle course by which the military may attain the required numbers and the university may be left relatively free to do its job. This suggestion for discussion—and it is no more than that, and not something that is a fixed idea of mine—involves recognition of universal military service. It also recognizes the desirability of continuing the education of those best qualified for normal termination of their university course without restriction as to subject matter and so argues for the justification of an educational deferment which is not in fact an exemption but a deferment, a postponement of the time for payment of the military service tax until these individuals are qualified to serve with a fuller, more useful background than they would have had at eighteen or nineteen. Educational deferment, especially for the most able, seems to me one deferment which can be justified, even under the stringent conditions ahead.

Certainly, as long as the present numbers are involved, perhaps we must come to a position where there is virtually no escape or exemption from military service by those who have been deferred for some years for further education. Once the public and the military were assured that university students would serve like nonuniversity men, much of the pressure for interference with the university would go down. Public fear that student deferment was tantamount to draft dodging would also tend to be dissipated. A clear-cut obligation to serve in the military the allotted time required for rotational maintenance of the standing army might help to make it possible for the university to continue the broad range of training required for the military, industrial, ideological, social, and cultural activities of our society.



Such an obligation for universal service would delay entry into civilian life and practice of those trained students, probably for a three-year period. At least I think it would come to something like that if we maintain the present size of the armed forces and actually begin to look at our resources. This will create difficulties and shortages and I do not minimize them. This is a very critical question to face and I do not wish to beg this question; but at least such a proposal guarantees the training of these individuals. After military service they may enter their civilian pursuits. Some will come back into civilian life with their professional competence increased by additional experience in activities in the military service directly comparable to civilian practice.

If Earl Johnson's hopes for improving allocation programs within the army are realized, there will be even more use of men in the light of special skills which may be directly related to army or military activity. In other cases the trained individual may have applied his previous learning to military experience in more subtle ways not so obviously related to civilian practice but not without some value in subsequent experience. Perhaps, in some cases there may be an actual loss of competence during the period of military service; but if I may be permitted to venture a hunch based on personal experience in the last war, these cases will be a distinct minority.

These suggestions I am presenting to you are not by any means finished proposals, but they do at least address themselves to some of the bitter realities involved in maintaining this three and one-half million standing army, and they do take some account of possible ways to keep the university relatively free, as it must be if it is to continue to be an important insurance policy in our society.

Peter Odegard and Robert Clark have already reminded us that our highest end is not merely to create a military machine which will deter or, if necessary, destroy an enemy, but to work our way as best we can to a world order which dignifies man and makes ultimate victory palatable and worth while. As Earl Johnson has said, we do not want to create a defense instrument in such a way as to destroy the very things we would fight for. We do run the risk of doing just that and there are many people who need to be reminded of this fact. I believe that this group is aware in principle of this danger, and I have therefore not taken your time for an expatiation of the idea.

I have chosen to discuss certain procedures rather than principles because I have been increasingly impressed in recent months by the numbers of persons who accept the very principles which are not respected in the procedures they advocate. I present these propositions to you tentatively as embodying certain procedures which might respect some principles of ultimate value to American life. How sound they are, how wise, I am trying to determine. I know that there are weaknesses in these propositions, but I know by this time that we are going to have to find compromises and not ideal solutions.

## CHAPTER 15.

# THE CLARIFICATION OF GOAL VALUES

**HAROLD D. LASSWELL \***

The purpose of my talk is to relate our consideration of manpower to problems of motivation and morale. It is very striking that people nowadays feel that they know a great deal about describing the step-by-step techniques in acquiring a skill. The problem is how, by what incentive procedures, it is possible to elicit and sustain the kind of motivation needed over a period of time to enable people to acquire and exercise these skills. But even that is not the only preoccupation here. One has also the problem of asking how long the motivations which are involved in an extended defense program will sustain themselves. One has the task, if he holds a responsible administrative post, of forecasting to some extent the continuity of the incentives, the motivations which will sustain public policy the next several years.

Unless reasonably adequate forecasts are made it may be that in a few years' time someone will be called anti-American because he made erroneous statements about the future. Consequently, we have to estimate the probability that, through time, the situation will continue to sustain a common interpretation of threat. This is a problem that concerns all of us who have anything responsible to do with manpower.

In addition, each one of us is a participant in the process by which we decide American policies over a period of time. We have the task of clarifying to ourselves what our participation as citizens will be in the continuous organization of consent. So, when we talk about problems of motivation and incentive, we find that we are discussing a problem that enters into our deliberations at a great many points. Is there anything of general application that has emerged in recent times among those who have been exploring the circumstances under which people are prompted to act?

### Modern Inquiry into Motivation

I think it is fair to say that modern scientific inquiry into motivation has tended to confirm some parts of common sense along these lines. Common sense, of a certain kind at least, operates on the relative rule-of-thumb conception that if you want somebody to do something you indicate that it is worth his while. It is worth his while because his present aspirations can be more fully satisfied, or he can be protected from some loss.

This is supposed to be common sense, and I am happy to report that science frequently underlines this kind of common sense. The discussion of goal values in modern society to a very considerable degree reveals, I think, a harmonizing of some of the important findings of inquiry with the fruit of manipulative common sense experience.

On the scientific side, I will make reference to but two or three examples of what is happening. First of all, belief in the importance of goal values has come, to some extent, from the process of searching for more satisfactory, more limited categories for talking about human behavior than some of the basic-drive categories within which some psychologists have operated. You know that some psychologists have achieved results by stressing such things as sex drives, hunger drives, and a variety of other drives of this character, some of them alleged to be basic. They undertake to show that if you knock your glass over when you are speaking it indicates some sort of hostility against your audience. This in turn has something to do with deep hostilities

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against previous authority symbols, like audiences and so forth. This tying up of momentary activities with underlying rages or loves, and the like, constitutes a type of intellectual activity which is sometimes persuasive, but more often entertaining to the layman and confusing to the analyst.

Since this type of analysis is not always satisfactory, what has been happening is that there has been greater emphasis upon exploring the value systems by which the deeper rootages of behavior get themselves modified in the course of experience. This has come to pass partly because the people who are interested in studying comparative cultures are busily engaged in showing that there are some cultures where power, for example, is not sought as a major value: or that the production and accumulation of wealth are not operations of any particular consequence in the value system; or, again, are engaged in the investigation of the class differences in any society, by which we become aware of the degree to which the origins of people and their class position in society profoundly modify the working conceptions of value and their patterns of behavior. This means that we expect people of low respect position, low income position, low power position, or low position with respect to any other set of categories, to act, in some ways, differently from people in the middle range or in the upper level of access to these values.

So upper, middle, and lower class peoples in our society, for example, are differently organized toward the acquisition of wealth and/or the acquisition of knowledge and so on through the list of things. Nowadays there is a great deal of emphasis on this type of situation. Hence, under modern conditions, we become acutely aware of something going on intellectually that modifies the sum of the simpler stresses on biological rootages.

In psychoanalysis, for example, modern investigations are concerned with the so-called ego-psychology. The ego processes of perception have incongruously-held ideals and demands, and so on through the list of factors of this character.

Now, the second scientific rootage that I will mention is this one: there is a trend away from very simple conceptions of stimulus and response. Twenty-five years ago it was not uncommon for people to be talking about stimulus-response patterns on the now ill-famed analogy of the telephone switchboard. You will remember that in the name of reflexes and the like, people were talking very glibly about circumscribed stimuli in the environment. What happened was that somehow your central nervous system connected a stimulus with a response and you got a sequence of reaction patterns.

What has been happening is that the rats have become more puzzling to the rat observers. They have learned to respect the rat more than they did at the start, and to operate with a conception of stimulus and response which substitutes for the telephone-operator analogy a conception that resembles rather more of a sketch topographical or profile map to be compared with a situation where there are known psychological factors present.

I have referred here hastily to some of the diverse scientific sources of this shift, this emphasis upon categories like value goals or objectives. What is perhaps far more convincing to most people is the empirical emphasis which has been put in some quarters on different groups of values.

## Value Systems and Motivation

All of us are aware of the significance of variations in income, but in industry, for example, the big news of recent decades has not been that people sometimes respond differently on the basis of income arrangements. The big news has been that people were extraordinarily responsive to variations in their positions in relation to values other than income. Take for example respect. Nowadays it is rather commonplace to emphasize the point that in a work situation a person should receive appreciation on the basis of his individual characteristics or his characteristics as a participant in a meritorious group, as distinguished from his position

as a member of a group whose characteristics he cannot control, such as one based on color. This emphasis upon the great importance of eliminating discrimination, on the importance of increasing the signs and symbols of appreciation, represents the type of inquiry which has caused any number of people to achieve a new awareness of the significance of respect factors.

Then, besides that, students have gone to great lengths to demonstrate that congenial relationships among people who are in face-to-face contact with one another, at the work bench and in any other type of situation, make a profound difference, that the inflow of affection from a friendly interchange is important.

Another factor which has frequently been stressed is enlightenment. Very often great changes in people's response come from the process of clarifying for them what an action is all about, what are the goal values which are being sought in the situation, and what is the relation between what they are asked to do and the consummation of those goals. The war experience provided any number of striking examples of this.

Let us take another value. People have been emphasizing the great importance of health, of the differences in their stock of energies. Very often changes in nutritional habits bring highly satisfactory consequences including an extraordinary shift in the way in which the individual can operate in human relationships. The value of health, then, in the psychosomatic sense, is of considerable significance.

Then, of course, there is a great deal of stress upon the importance of skill as a value, upon discovering who has latent potentialities which can be directed into satisfactory ways of expression. Important here is the fact that the individual has a peculiar facility in the acquisition and completion of the performance responses which are in question.

Once more, people think also in terms of participation in the decision-making processes. Any number of labor-management adjustments represent effective participation by the worker in the making of the decisions, and they often carry with them severe sanctions. Similarly, a high value is placed upon participation in the making of the company's policy decisions.

Another value which has received all sorts of empirical emphasis is rectitude, the conception that good people are concerned about the moral importance of taking responsibility for different objectives. This is certainly an obvious inference from the experiences of those who came through imprisonment in concentration camps and elsewhere. It is important for survival that people in adverse circumstances have a high sense of rectitude—a high sense of the significance of the patterns which they were attempting to realize in their everyday relationships.

Certainly what we are saying here about these cumulative empirical studies, with which all of us are acquainted in degree, has this general significance: that continuous motivation must have its source in conceptions of human dignity which are part of our tradition. In a sense this is a long way around to discover the ideal values of life, liberty, and the pursuit of happiness, making it possible for people to become constantly more and more intimately engaged in a vast enterprise of common shaping and sharing of values. Human dignity can, I think, be spelled out conveniently in terms of spread-charts showing the degree to which people receive these very values that we have been referring to.

## Values and Personality

Well, so much for that aspect of the matter. I think I ought to allude to two other aspects: first, this emphasis upon the importance of values and of different sorts of values is, I think, equally an emphasis upon the great importance of the personality structure of human beings. That is to say, today we are more than ever aware that one of the most important things to know about a person is: "For what components of his personality is he demanding wealth, or power, or respect, or rectitude, or enlightenment, or some other values?"

We need also to notice that the detailed patterns which are involved vary appreciably from one sector of his personality to another. That is to say, each of us represents an I-me, an I-Harold Lasswell. The personality includes all of those identifications which constitute the self. The self includes Harold Lasswell, college professor; Harold Lasswell a member of the New Haven community; and so on through the rest of the symbols that constitute the self-structure with which the primary ego-symbol, the I-me, the I-Harold Lasswell, is identified. Now each part, each component of each personality, has varying degrees of value demands, and this is what gives us the great opportunity for variety and ingenuity in the discovery of opportunities for providing incentives in a human situation.

Then, too, this type of analysis indicates the great importance of the expectation structure—not only the value demands, not only the identification structure in terms of which the demands are organized in various systematic ways, but also the structure of expectations, the assumptions about past, present, or future events irrespective of value purposes or demands.

And here is a matter of the utmost significance to all of us, since the problem in most of these cases is to what extent—in relationship to a large defense effort, for example—the expectation structure of our personality is involved in a significant way. All of us recognize that one of the great advantages of genuine absorption in an ideology is that one has a structure of reality—past, present, or future—that protects one from adverse circumstances. You do not expect, for example, if you are a Communist or if you are identified with a religious philosophy, that in most instances you are going to achieve rapidly very much of the kingdom of heaven on earth. Consequently you are protected against the adversities of the other fellow's successes, and your own relative failures. You are protected against the ups and downs of the immediate shift of your environment, so that you are able to maintain the integration of your system of expectations and your value demands, and you are totally identified as a self. You are in a position to carry on through environments which, in many respects, are adverse to your demand system.

## The Function of Studies in Human Relations

The last thing I want to emphasize is this: what is the significance of this general set of platitudes? I would say that one of the implications is this: if we are to think creatively about our problems of motivation and incentive, one of the tasks is to recognize what can be expected from the systematic accumulation of knowledge. Here I want to call attention to the following point: that science has often been oversold in human relationships on the theory that if you improve your science you improve your predictions. I want to point out that in most of the factors affecting morale I doubt whether prediction is the most important function of scientific work. I think that its function is, for instance, to develop procedures by which the full richness of a human situation is laid bare, so that the creative potentials of management and of all participants in the situation can be stimulated and realized. That is to say, the important thing is not the set of maxims which are repeated in the name of scientific findings. What is important is the procedures by which the human significance of a situation can be brought to the focus of attention of those who have a significant relationship to it. Thus the main function of the careful systematic scrutiny of what happens in human relationships is to bring about a change in future relationships.

I will put it this way. The main function to be performed is not prediction but creating the conditions for freedom. The purpose is to free individuals from compulsive repetitive factors in themselves. I will give only one quick illustration of what is referred to, and I will pick an example that I have often referred to in the past because this was one of the earlier cases where I saw this thing work.

In a study of the selection practices of certain administrators, it turned out that some administrators in a given area selected people who were physically shorter and from a lower social class than they themselves. From one point of view this could be formulated as a scientific finding. You could point out that there was such-and-such a correlation between these responses and some other features in the situation, but that would not be the main significance of the use of the scientific procedure.

The significant point was that when these data were made available to those administrators they suddenly asked themselves, "Have I been the victim of this sort of tendency? I must take this into serious consideration." And what happened was that hitherto unobserved factors in the exercise of choice were observed, and thus one enlarged the scope of freedom and the scope of inventiveness in these administrators. These methods can promote the richness of interrelationship, and people looking at the results can then themselves figure out a significant way of changing that situation in the future if they wish to. It is the consequence for freedom of choice that I think is the important thing to be emphasized here.

I am going to make only one or two additional summary comments. The first comment is this one: if we are to operate successfully in meeting our problem of clarifying goals, what we need to do is to generalize effective communication by picking good examples. Any discussion of in-plant, in-shop, on-the-farm, in-the-laboratory activities will show that at the present time there are many magnificent examples of situations where the achievement level and the performance level are very high. The explanation of why the performance is high may vary enormously, depending upon the particular constellation of factors which is involved. What is significant, if you want large-scale effects in a relatively short period of time, is primarily to utilize the instrumentalities of communication skillfully for accumulating existing examples of positive practice and sending them to the thousands of persons whom you desire to edify and whose conduct in consequence you hope to affect.

The second point in this connection is the following: while at the present time we have the relatively simple task of learning how to disseminate what we already know, the next part of our task is to maintain through time a consensus about the meaning of the threat to our values which is represented by the outside world. This is not something that can be settled by disseminating information in plants or in laboratories. It is a matter of maintaining for the community as a whole, through time, confidence in those members of the community who are telling them about the magnitude of this threat.

Now, how do you maintain that confidence through time? Well, there is a partial history on that, but I will point out only that we are operating in a world of continuous uncertainty as well as a world of continued insecurity. It is the continued insecurity of the world at any given time in the inter-crisis period which permits the distortions that come from the fact that honest, well-intentioned people of varying perceptions make varying interpretations of the threat. Two sharp examples of this are exposed when we are told that the worker in the Soviet Union has only twenty-five per cent productivity, compared with the American worker, or that the productivity of the agricultural worker there is fourteen per cent of the figures for the United States. Suppose you hear this from a person who you think has some technical basis for such a judgment. What is the significance of that for the estimate of the magnitude of the threat through time to the values that are important for us? It is a commonplace that some of us will interpret this as a justification for relaxing certain efforts; that some of us, on the other hand, will interpret this same detail as a justification for redoubling our interests in the same activities.

It seems to me that the task of maintaining continuous clarification of our objectives; of maintaining a continuous community of perception of the probable magnitude of the threat to our values; and of utilizing the opportunities for the positive maximizing of our values represent an enterprise which is within the limits of the institutions to which we are accustomed. We can by using our instruments of communication, and notably the private instrumentalities, move forward with some probability that we will accomplish our task.