



CHECKUP ON OUTPUT

We have the stuff to keep a Western Front going at full blast. But there is more to be done to meet the President's schedule. The big problems that need special attention.

Washington

SIX months have passed since Donald Nelson replaced William Knudsen as chief of the war production agencies. During this critical period output has swelled enormously, from the trickle preceding Pearl Harbor to the flood now pouring out of plants all over the country. Mr. Nelson has accomplished a great deal. He deserves full credit for what he has done despite the enormous difficulties confronting him when he took over from Mr. Knudsen. Sufficient materiel is now at hand to open and maintain a western European front in full force. The prerequisites of such a front have been fulfilled so far as production goes. But we dare not rest on our laurels. Impressive as are the present records of ships launched, airplanes built, tanks and jeeps rolling off assembly lines, guns and munitions fabricated, the present production rates must be sharply accelerated to meet the President's full yearly schedules. The needs of total war are limitless, demanding the most prodigious production far exceeding anything yet attained. For though production figures are large in contrast to 1941, they do not approach the vast potential of which the United States is capable.

Recent shifts by Mr. Nelson in the War Production Board acknowledge that production problems have not been fully mastered. Moreover, these shifts amounted to an admission that Mr. Nelson did not succeed in establishing his authority over production so that it could not well be challenged. Actually, in his attempt to assure his authority, Mr. Nelson perforce came into conflict with the procurement agencies of the Army and Navy. Under Knudsen, these agencies and the Maritime Commission entered into contracts for war materiel directly with manufacturers, specifying how, where, and in what manner these contracts should be handled. When the President created WPB, the control over contracts remained with the procurement agencies—though Mr. Nelson clearly had the power, had he chosen to exercise it, to exert great influence if not absolute control.

For a brief period it seemed as though Mr. Nelson would force some modification of the manner in which contracts were handled. Much talk went around Washington about a "civilian ministry of supply" that would free the armed forces from any responsibility other than to train the new army and to wage the war. But the recent shifts in WPB once and for all are testimony that the armed forces, instead of relinquishing their hold on production, have succeeded in swallowing most of WPB's production prerogatives. Former WPB executives—among them MacKeachie, Harrison, and Browning—have been commissioned and now serve the procurement agencies; they have the authority of their rank, subject of course to the direction of their superior officers. As things stand today, the

Army and Navy spend the money, and business firms continue to go to the procurement agencies for war orders. The WPB has almost no direct control over contracts, and therefore little weight in determining where orders will be placed. Mr. Nelson quite truly points out that in cases of dispute he can personally intervene to alter contract provisions or to set them aside. But he does not add that he lacks the organization and the facilities to exercise this paper power.

Actually, after six months, WPB has failed to emerge as an operational division. The way things are, the general opinion of the unions and of most observers is that WPB will never function as a civilian supply ministry. The procurement agencies retain much the same function as they enjoyed under Knudsen. That disadvantages exist in this setup is only too obvious. The armed forces lack the flexibility of a civilian agency—subcontracting and conversion in any broad sense are pretty much stymied. The procurement agencies are not so easily approached by small business; the unions find it difficult really to exercise influence and persuasive power. It would be far better if production were a civilian responsibility under civilian direction. But Mr. Nelson let his chance slip by.

Consequently WPB attempts to exercise supervision by keeping tight control over supplies of raw materials, in particular over steel, copper, aluminum, tin. Coupled with this, Mr. Nelson jealously guards his right to determine how and where machine tools will be utilized. Even in this respect he has run into trouble. The procurement agencies must decide what shall be built in the way of tanks, guns, planes, and other instruments of war; quite logically they demand the strictest priorities for firms filling their orders. Therefore, the armed forces insistently urge a more decisive place for their representatives on Mr. Nelson's policy board supervising raw materials. But this last week, the army and navy formally acknowledged Mr. Nelson's primary authority over priorities and the allocation of materials.

TODAY WPB is not the agency it was expected to become when the President set it up. But even accepting the fact that Mr. Nelson exercises less supervision over production than originally was intended, he yet retains vast power to increase war production and thereby speed victory.

In July 1942 the rate of spending for arms reached the huge figure of \$4,500,000,000 a month. According to plan the monthly rate will be almost doubled by July 1943 to about \$8,000,000,000. Even at the present rate the enormous appetite of industry is making deep inroads into available stocks of raw materials—serious shortages have developed especially of steel and non-ferrous metals. To meet the ever expanding program, to accelerate this program so that schedules will not only be met on time but anticipated and surpassed, WPB must find the needed metals. This is Mr. Nelson's number one problem.

To date WPB has been inclined to be too lenient toward those who waste critical materials, too slow in cracking down on hoarders. WPB laxity permitted manufacturers to gobble up copper, steel, aluminum, tin, zinc, and other indispensable metals and to utilize them for items having no place in a war economy. Wasters have been accorded far too patient a hearing when they pleaded pathetically for further allotments just to complete processes on partly finished inventories which should never have been started in the first place.

The WPB and Mr. Nelson have the responsibility to act in a completely ruthless fashion to end these abuses. It is interesting to visit retail stores where shelves groan with articles by no stretch of the imagination "essential," but just as surely

rich in needed metals. Could not the WPB step in to buy up these goods, using them to swell stock piles? Perhaps such buying would be "expensive"; today, however, expense cannot be the criterion. It seems all wrong to find for sale rubber balloons, rubber mats, copper wire insulated with rubber, tin toys, copper vases, bronze gadgets and ashtrays, waffle irons and electric toasters, all the other metal ornaments and knickknacks offered in five-and-dime emporiums, novelty shops, hardware and department stores. WPB could cut down the time that now must elapse before that indefinite and remote day when the consumer throws these objects on to the community scrap pile.

The whole drive for scrap, of primary importance to winning the war, has been handled far too casually. As I reported last week, Philip Murray, CIO president, criticized WPB, the price administration, and the Bureau of Industrial Conservation for not pressing the scrap campaign more vigorously. Walter Reuther of the United Automobile Workers added his voice to denounce waste of critical materials for construction of unnecessary plants and for temporary government buildings. Mr. Nelson could prevent this prodigality. As long as war plants idle or shut down, no effort can be spared to provide them with the necessary raw materials to bring them back into production.

In addition, one has only to enter the ordinary lunchroom, the typical hotel, the corner drugstore, the average shop, to see the amount of metal in fixtures and decorations that could be salvaged without impairing efficient operation. Agricultural machinery still lies rusting under sheds or in back fields. Ornamental fences still parcel off land that does not need this protection. There is scrap everywhere. But WPB must more strongly express the urgent need to bring it in. The recent newspaper advertising campaign lacked the sense of acute emergency. Mr. Nelson has the obligation to present the scrap drive to the people as the burning issue it has really become.

EQUALLY important, Congress unanimously authorized the setting up of the Smaller War Plants Corp. to aid small business. After excessive delays Mr. Nelson appointed a board headed by Lou E. Holland of Kansas City to organize and supervise SWPC. So far, however, the board has not announced its general plan of operation. The war emergency clearly demands that the SWPC begin to function at once, and that it be given all help to achieve the ends Congress outlined for it. Mr. Nelson has only to say the word.

Unfortunately the WPB has been inclined to be apologetic about the SWPC, too readily anticipating failure and depreciating the new division's importance. The SWPC should not be considered an attempt to "save" little business so that the smaller enterprisers can carry on little business-as-usual. Today war production is what counts—speedy war production. There is no substitute for time—if the result of aiding the smaller manufacturers can be greater production of war materiel with less delay, then obviously every effort must be made to provide small manufacturers with contracts.

Supposedly the Smaller War Plants Corp. will help finance little enterprisers; supposedly, too, the SWPC will be eligible to receive prime contracts which it will in turn distribute to factories lacking orders. Today, of course, small business cannot on a percentage basis make as large a contribution to war production as it could have made six months ago before the giant firms really got under way. But on an absolute basis, small business can add significant volume to the nation's productive output—from fifteen to twenty-five percent according to the House Tolan committee. The objection is heard that lack of raw materials precludes the utilization of smaller plants. But energetic action by WPB and other agencies can bring in the scrap metals that will swell the supply of raw materials. Today there remains the inclination of procurement agencies to pile up backlogs of orders by granting new contracts to giant

corporations already overburdened with commitments. But contracts are no substitute for production; if small business can speed the output of war goods, then these little firms should be eligible for a share of raw materials and of orders. Furthermore, proper utilization of smaller industry can result in freeing the great plants from the task of producing essential civilian goods, and allow the largest plants to concentrate all energy on turning out tanks, planes, and guns.

It has been estimated that 2,500,000 smaller non-manufacturing plants in retail, wholesale, service, amusement, and other occupations are in danger of being pushed to the wall during the war. Philip Reed of WPB predicted that 24,000 smaller manufacturers normally doing \$4,000,000,000 of business a year would be forced to close down. Not only does this prospect threaten national morale, but in the light of postwar economy this squeezing process can well prove disastrous. SWPC can prevent this high death rate.

ONE other consideration: during the days immediately before and after Pearl Harbor, much testimony was heard by the Truman, Tolan, and Murray committees about "exploding" tanks and guns and even planes into component parts so that smaller factories could sub-contract for the manufacture of these parts. The "explosion" process remains relevant—though it has not been given its proper emphasis in war production. Nor has conversion been pressed sufficiently—too many new plants have been built at great expense in vital raw materials while machine tools located in smaller plants have gone unused. The SWPC can find these machines and bring them into production.

The problem of building scrap piles and the problem of utilizing all America's vast productive capacity are related. The unions recognize this relationship. From all over the country are heard demands for a Win-the-War conference, first proposed by the United Electrical, Radio, and Machine Workers, later endorsed by the CIO. A broad conference of the CIO, AFL, and Railroad Brotherhoods would necessarily consider all aspects of production. It would serve to give urgency to the building of scrap piles, to conversion, to sub-contracting, and to increased utilization of smaller business facilities.

Production today shows impressive advances over six months ago. Plenty of war materiel exists to open and maintain a western European front. Mr. Nelson has every right to be proud. But with this gain acknowledged we have not yet earned the right to slap ourselves on the back. There is too much still to be done.



"An oracle told me to build the Silver Shirts"—
William Pelley at his trial for sedition.

Moscow (by mail).

WE ARE moving slowly along boundless fields, rich in the summer's peaceful fecundity. Waves of ripening wheat alternate with bright patches of poppies, and spread far beyond the distant horizon and run clear up to our railroad tracks.

Children meet us at every station, at every wayside stop. Towheads bleached almost white by the strong sun bob alongside our train. They drag heavy bucketsful of water to quench our thirst. Excellent cold and refreshing water out of nearby springs or forest streams. Their lovely blue eyes wistfully follow our box cars when we leave. To them we must look like their fathers, brothers, and uncles who are already somewhere at the fighting front.

We throw our heads far back and drink the refreshing cold water brought by children's hands. And in their deeply tanned, pug-nose faces, in their sunny, freckle-splashed cheeks, in the seriousness with which they drag those heavy buckets over to the railroad, we find so much resemblance to our own children left at home. And we hasten to push candy and cookies into these children's hands.

For a long time after we climb back into our box cars we notice some glistening tears in one another's eyes. And for a long time the children stand along the edge of the bright poppy field and wave to us. We, who are headed in the same direction as their brothers and fathers before us—we, for the moment, are their fathers and brothers.

Day after day children would troop into the steppes, crouch in ditches between the fields or in the thickest growths of grain, watching hour after hour for men for whom they in their stern little hearts had only hatred. For hours they would watch for parachutists.

No, the enemy never could take advantage of the boundless stretches of our steppes where men could come down unnoticed beneath the tiny white cloudlet of a parachute. Children were always the greatest peril for them. Whenever the fathers prepared to go to the war, their children would become totally different overnight. Whenever the fathers, in bidding them farewell, would kiss the closely cropped children's heads, they would know full well that these children were already different, already far more matured.

LONG covered wagons, as large as many a house, would take entire families of children away, to save them from the Germans. Children rode atop piles of straw and household goods, in wagons covered with heavy tarpaulin to protect them against the burning sun. Children rode and traveled in every imaginable kind of contraption and vehicle. And only too often death met them on the endless steppe roads. Howling with the cruel triumph of murderous savages, German fliers would swoop down out of the skies, dropping bombs and machine-gunning the roads, knowing that desperate mothers would try to hide their children in the small undergrowth along the roads in the naive hope that these sickly dusty bushes would save the children's lives. Long wagon trains full of refugees would be destroyed by German fliers. And hundreds of distorted and tortured children's bodies were scattered on many a road.

In many a village of the Ukraine mothers would lead their children to the highways lined with trucks. And they would quietly peer into the faces of the men. But never would they find that beloved face among all the dust-begrimed, sun-blackened faces. . . . Bunches of flowers or cherries, carefully wrapped by children's hands, would come flying into the trucks. Dozens of tiny hands, like little chicks' wings, would flutter in the air, waving to us, reminding us that it was for the happiness of these very children that their fathers had gone off to fight on the battlefields. In many a house, where we ate with a saddened hostess, the children would come to sit on our knees and put our helmets on their heads. These children loved us, the passing fathers, and would gladly have given us everything they possessed. They would stand for hours on

CHILDREN

*Theirs is the future and for them we fight, writes
strangle our young seedlings in the black gloom of*

the village streets to shout their encouraging "hurrahs" in ringing voices whenever sun-heated helmets would float by them in speeding trucks. For hours they would shake cherry trees, hastily gathering the cherries in bunches and wrapping them in large field leaves. They were for the most part unripe and sour. But, oh, how sweet these cherries tasted.

Kakhovka, of glorious fighting tradition. The first target the German fliers found was the local nursery. Laid out in rows in the dazzling summer daylight, dead children. Most of their eyes were open. The blue of their sweet, doll-like eyes was turned skyward, whence death came crashing down upon them. There we stood, near these rows of dead. One could easily discern the single thought under all of our green helmets, on all of these stern dark faces. They killed our children, they murdered my little Vasyatka, my tiny Peter. . . .

Heavy silence reigns this summer over this field of children's death. And in this moment of silence, we fathers and older brothers take a great silent oath of vengeance.

WHAT sweet memories we have of you, Petro, the village letter carrier, and your mail bag. With all the solemnity and importance of your fourteen years, you would bring the mail to the women of your village. Time and again, you would have to sit down and read a letter for some old mother, and you would feel just as important as if you were a special messenger right from the battlefield. The days and nights you used to stay around the house, full of the magic chatter of the teletype and the singing radio—the days and the nights when you were always so unobtrusively ready for any errand, any service required by us, some other children's fathers and brothers. And the Red Army men, stern and serious, would quietly give you their stars and other marks of distinction that

Soviet youngsters gat

