

and functionalization. While that plan met with no response, and in fact seemed beyond the possibility of accomplishment at the time, a few months later the confusion reached such a stage that it was seized upon as a solution of the problem and put into effect.

In that instance a plan of co-ordination ready in advance saved us from possible disaster or at least from a very unpleasant situation.

That plan of co-ordination went only part way. It affected only one department of the Army. Logically it should have embodied certain functions of every other supply, or service department of the Army because, while we eliminated the competition and overlapping within the Ordnance Department, those same things existed as between the Ordnance Department and the Signal Corps, the Quartermaster, and various other supply-service activities.

While in Japan a few years ago I was invited to visit one of the navy yards and give them my views on scientific management as it might be applied to their activities. As I talked to their officers after having been around the yard, I mentioned a number of things which were distinctly inefficient. The reply was, "Yes, we know that is so but we cannot help it. We are governed by appropriations by the Diet, by civil service regulations," and so on.

It reminded me so much of the situation that exists in the United States where in many governmental activities able and conscientious men are prevented from availing themselves of opportunities to eliminate waste and inefficiency. Let me cite two instances with which I am familiar. General Crozier attempted to introduce scientific management in the operation of the arsenals, and under the direction of Carl G. Barth an excellent application was made at Watertown Arsenal. It was being extended to Frankford and Rock Island Arsenals, when Congress attached a rider to the Army and Navy Appropriation Bills prohibiting the use of any time-measuring device or the payment of any incentive wage for work done. Perhaps the significance of that is not so apparent at first glance as it is when considered further.

During President Taft's administration the Secretary of the Navy, Mr. Newberry, at the instigation of Admiral Goodrich, decided to have scientific management applied in the navy yards and in connection therewith bring about a co-ordination between the activities of the several bureaus in the yards. Shops had previously been operated by the Bureau of Steam Engineering, by the constructors and others. We set

out in the Philadelphia, Boston, and in particular in the New York, Navy Yards to work out an application of scientific management through which the co-ordination of those various activities could be effected with resultant economies in operation; in other words, to put those yards on a plane at least comparable with the best of our merchant yards. The Secretary made a serious tactical error in designating the Construction Corps officers as managers of the yard. This at once brought down upon them the opposition of all of the other branches of the Navy. If he had only established a new corps called the Management Corps and drawn officers from any department in which there was qualified personnel, it would have been all right. As it was the work was completely overturned the minute Newberry went out.

I mention these cases as an indication of the discouragement which confronts anyone attempting co-ordination of activities and the application of scientific management in governmental circles. Great credit is due those officers of the Army and Navy who steadfastly carry on despite such discouraging experiences in operating our navy yards and arsenals efficiently.

The value of the work that Admiral Craven's bureau is accomplishing is undoubtedly of far greater importance than is indicated by his figures, which may be regarded as economies directly traceable to these efforts at co-ordination. The influence exerted on the thinking of men engaged in the various branches of governmental activity is probably effecting savings which are never known, because there is nothing against which to measure them.

The question comes up as to how this Society can help Admiral Craven in this work. We all complain about the waste of effort in governmental activities. We must realize nevertheless the great value of much of the governmental work that is being carried on. Perhaps we cannot help by any direct effort but we can help by holding up before the public and industry, before the people in whose interest the government is operated, "Simon pure" standards of management regardless of the political difficulties, both internal and external, with which Admiral Craven has to contend. Through influencing the thinking of Congress, of people who are engaged in governmental activities along right lines, we can perhaps contribute to this great work and ultimately benefit ourselves, either by reduction in taxes, in the expense of conducting the government, or by making government yield to us indirectly greater profits.

Hon. Seabury C. Mastick.* When the Old-Age Security Commission was organized I had some of the political difficulties that have been referred to here. We had a fair appropriation and a number of political friends wanted some of it. I said to them, "If you will give me a research director you can have all the rest, because if I can get the facts I am sure I can put over the proposition." Dr. Gulick was the research director I secured and his work has been a standard in old-age security throughout the country. Our recommendations have been adapted by a number of other states.

As a legislator I realize the difficulties of efficient government and of co-ordination between the different departments and between the legislators and the public.

A legislator must be a man of all trades. To cite my own case, I have been a member of the Committee on Education, on Labor and Industry, on Banks, on Military Affairs, on Public Health, and so on. On each I was supposed to exercise judgment on the matters which were brought up by experts in the various fields. Of course it is impossible for one person to know all of those subjects thoroughly. I have not mentioned taxation and public finance, which, as a matter of fact, have been my chief studies during the past decade.

I do not quite agree with those who say that government should be conducted as a business, because it is not a business. In the present situation business is contracting its efforts, reducing its working forces, changing its prices, but the government goes on in the same way in bad times as in good. In this State today we have not only to keep up the impetus of relief but we have all the other governmental activities to keep up. We cannot contract our education or our hospitals. We can cut down on highway building but the minute we do it we meet the accusation of throwing people out of employment or of failing to provide work for those who are unemployed. We do not have the opportunity to exercise business judgment in governmental affairs. The best we can hope to do is to approach business methods as closely as politics will permit us to do.

Dr. Gulick drew a rather black picture of the motives which animate politicians. I shivered

*New York State Senate, Albany, N. Y.

a little as I listened to him. In spite of the truth of his remarks, however, I believe a good many of us do try to work for the good of the State.

In talking to the New York State Chamber of Commerce yesterday I had an opportunity to answer a gentleman who talked about the philosophical and economical aspects of government. I said there was no such thing in politics. Legislators do not listen to philosophical and economical arguments. Their ears are attuned to what the folks back home will say. If we listen to philosophical and economical arguments and do not please the people back home we are not returned to the legislature, and if we are not returned we are not only useless to the State but we are out of luck. And none of us wishes to be out of luck.

I have been through a lot of campaigns and I do not really believe that any of the larger things I have done for the State, like tax reform or old-age security, has had much to do either with electing or re-electing me. What has elected me has been the little bits of head-line publicity on bills affecting local welfare. Those things are of very minor importance compared with the great scope of the State's activities.

I have jotted down a few things that I believe we can and cannot accomplish in improving the efficiency of government. In business you have control of your employes. You can hire and fire them. In government you cannot. If you get an inefficient person under Civil Service you cannot get rid of him. It seems at times as though people under Civil Service have lost all ambition. There are none of the Taylor incentives. The harder a man works the worse it may be for him, as he may be antagonizing his fellow workers. You cannot expect the same efficiency in government as in business, as you do not have the same control over your employes.

A second point is that in government there are certain exact specifications with which one must work in letting contracts. These are necessary to protect the government from those who would take advantage, but they cause delays and inefficiency which would not occur in private business. When bids are submitted by a number of contractors one may be found to be much lower than the rest. Instead of accepting the contract, however, he frequently tries to get out from under and have a re-submitting of bids. The next time his price will