

concern in the country, it has worked out a fine method of storage. This company is a fine example of centralized control. Everyone of its branch offices is a completely organized unit and all are brought together under one central executive control. If the President of the United States wanted to set in action Monday morning every portion of the organization of the Western Electric Company, everyone of its plants in every city and in every state in the country, he could do it by communicating with one man who under the authority vested in him by the board of directors could instantly set the entire organization in perfect working condition.

A perfect organization that constitutes a single machine, whether for fighting or for some other purpose, is what we must have. The seriousness of the situation will brook no delay. Occasionally I see in Government circles and elsewhere complacent people, men vested with great responsibility, who seem to think this is a little private war; I wish I could make them feel the reaction I get from talking with other men who know more about the situation and who feel as if they could hardly contain themselves with worry and anxiety about what we are up against.

I do not want to be understood as saying anything that might seem unpatriotic, but I believe that either this message has to be shouted now from the housetops, not by one alone, but by many, or else it will be conveyed to our people by the needless and useless slaughter of a great many thousand men. The blame will then be placed on the lack of organization and the lack of foresight in organizing.

I feel that there is material in this country in private industry, in the Army, in the Navy, in the Government service, in all the walks of life, material that is better than any other nation can produce, but it is not being properly used. This struggle is the struggle of the nation as a whole. It is not the Army's struggle, not the Navy's struggle. Just as important then as the proper control and administration of the Army and the Navy is the control of shipping, of storage, of the industries of the country, of labor, and of every factor contributory to the conduct of the war.

I feel that the weakness of the situation is the lack of organization at the top, and because of this lack of organization at the top, organization of the individual departments in it cannot be forced. These departments cannot be tied together and coordinated or have their responsibilities defined. Until things are organized at the top, we cannot have a fighting machine and our country cannot put its whole force into the combat.

I am very frank in saying that I think the weakness is due to the fact that the head of our nation does not understand the principles of organization. The men

who should handle it under him were selected in peace times. Some of them are doing the work of ten men and doing it well, but ten men ought to be doing that work and these others ought to be able to hold themselves apart and keep a detached viewpoint. They should see things from a mountain top, so to speak, in order to get the proper perspective, which they are not able to do now because of the crowding of details and the pressure of work upon them.

The Food Administration have had to tackle a new problem; they have been at it for only a few months. They have kept the cost of living down to a remarkable degree. They are regulating the purchase of food to the Allies, and why is that? It is, in the first place, because the administrator was given a free hand within certain limits by the legislative enactment, and the President's backing, and he has built up an organization of trained administrative executives and defined the authority of each one. He has not cared about refinements of organization—there has not been time,—but he has had established the principles of a big organization, and the refinements will come later. Now, that is true of the other departments that have been given authority, and in which the men have been well selected. You may say that he is taking hold of a new line in which he is not hampered by traditions. Well, traditions have their value, but there is a time when they have to be broken, when red tape has to be cut, when Congress has to change its viewpoint and its method of action.

At the other extreme from centralization and organization at the top is the process of evolution from below. This is the natural process of development, but it is a slow process, working by natural selection and the survival of the fittest, and we cannot wait for its working out at the present time in the face of the present crisis. We must not lose the value of what democracy has evolved for us. But it has to be controlled from the start; we have got to organize and work from above, and failure to do so pretty soon spells disaster. From my discussions with Mr. Cooke it seems to me that if there is a difference in opinion between us, it is on just this issue.

I do not believe there is a difference of opinion on what the final organization shall consist of. The final organization should be an organization of experts with complete responsibility so far as that responsibility should be delegated, and responsibility in outlying branches as well as at the head. The issue between Mr. Cooke and myself is on the method of procedure. He believes in working up from below. I believe in working from the top down primarily and from the bottom up secondarily, the two processes going along together where possible. If you put wise, strong men into various departments, you can get these depart-

ments well organized immediately without a doubt; but if you put those same men into other departments where the men already there will not submit to re-organization, those departments will lag behind the other in their development and will neutralize the efficiency of the others. Even with the right men, at the top of and meeting with success in their various departments, all that you will accomplish in the course of time—even granting that we had plenty of time—is the development of a lot of well functioning departments, but that is not by any means all that we need. Those departments must be fitted together and form parts of one great whole. Inter-departmental relations must be established and the things which are common to all, transportation, purchasing, financing, accounting, record-keeping, employment, wages, etc., must be standardized and controlled from one central point, so as to operate harmoniously all through the country.

The highest and most perfect type of organization is necessary to make those departments function and be effective. It will call for the highest type of railroad coordination; our railroad facilities are going to be strained to the limit. It will call for a schedule of cargoes. It will call for the utilization of our ships, so that a ship has a place to dock when it comes in. Coal and freight must be in readiness, so if that ship comes in in the morning, it can leave in the afternoon. The record time of loading a ship in Hamburg has been seventeen hours; the record time of loading American ships is anywhere from forty-eight hours to three weeks! Those are facts, gentlemen! We have got to load ships in a day, and we have got to unload them in a day on the other side, and there cannot be any delay on those cargoes. The storing and handling of materials alone, I believe, means an organization of 100,000 men. Such an organization does not exist to-day.

Now, gentlemen, I do not believe that we shall get organized in time to save this situation unless we organize both from the bottom and from the top, and I believe that the organization from the top must be tackled in mighty short order. Mr. Cooke is such a good democrat that he thinks he will accomplish the desired ends by working from below, but I do not think for a minute that he will; and I am ready to take my chances at being shot in the morning at sunrise if I can only get my message presented somewhere emphatically enough so that the President and Secretary of War, Congress and the Council of National Defense, will feel that the responsibility for winning this war is on them. How are we to face the American people if we lose the war and it develops that the war was lost because we did not heed the writing on the wall bidding us organize at the

top, because we were afraid to remove inefficient men, because we did not put ourselves behind a plan and scheme of things fit to cope with a nation as well organized as the one we are fighting against?

I was glad to hear President Hopkins say to-day that he believed if we had centralized control that we ought to have the advantage of universal service, that every man should be selected and controlled. Now it seems to me the finest thing that can be done is for democracy, this democracy, right off, to organize itself into the most efficient, democratic autocracy with the spirit and view-point of the best and most scientific management as typified in some of the organizations of the Government and of the Army and Navy to-day. I do not believe there is any time to waste. I believe the responsibility rests on the members of this organization; if they believe it—if their theory is sound—I believe in preaching it from the housetops and making that thing come about. If I am wrong I hope every man here will fight those ideas to the finish to-night.

THE PRESIDENT: I am going to ask Mr. Cooke to make a new statement of his point of view so that we may know whether he agrees with Mr. Kendall as to where issue is joined, if any is joined. (Applause).

MR. COOKE: Mr. President, ladies and gentlemen, nearly everyone who has spoken to me this afternoon said that Mr. Kendall and I had not been practical, that we were up in the air, and to please get down to brass tacks this evening.

Now, as a man who has to spend seven days of the week in Washington and cannot get to Norwood, Massachusetts, tonight, I want you to realize that I have to be a little careful about what I have to say; but I want to premise what I have to say by saying that I have got more out of my association with Washington a thousand-fold than Washington has gotten out of me, and that all through the Departments are men that are getting busy about as fast as the average business man would get busy if he were put in a similar situation. I really believe that our Army and Navy have shown a disposition and ability to shift their position, and that has made our problem radically different, if not absolutely different, from the one they had in England. And while I kept my mind in abeyance on that for two, or three months after I came here, it was that consideration that led me to the judgment that a great civilian organization was not necessary as long as the Army and Navy showed such a desire to get the best out of business, out of what industry and others could teach.

Now I wish that democracy had reached that point where its judgment is unerring in the matter of teaching its leaders, and then where it had learned how to support and follow those leaders. That is the