

Office of the Secretary of Defense
Chief, RDD, ESD, WHS
Date: 09 MAY 2013 Authority: EO 13526
Declassify: X Deny in Full: " "
Declassify in Part: _____
Reason: _____
MDR: 13-M-1087

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Notes on Meeting with Wilfred J. McNeil
Former Assistant Secretary of Defense, Comptroller
1 May 1974

In the Office of the Historian, OSD

Page determined to be Unclassified
Reviewed Chief, RDD, WHS
IAW EO 13526, Section 3.5
Date: MAY 07 2013

Present: Alfred Goldberg
S.A. Tucker
Harry Yoshpe

This meeting was intended as a preliminary to a full scale interview with Mr. McNeil in New York on May 14. McNeil had suggested that it would be helpful to him if he could ascertain more definitely subjects that we would like to discuss with him and some of the questions that we would put to him.

The discussion began with some questions raised by Mr. Yoshpe about the budget functions. McNeil said that he favored the "red pencil" approach in budgeting and that in that area he did not approve of pleading executive privilege before Congressional committees. He felt that Forrestal did not get adequate support from President Truman in his dealing with the budget. McNeil said that he had written Title IV of the 1949 amendments to the National Security Act. He spoke also of the parliamentary maneuvering concerning Title IV and of the role played by Carl Vinson in rescuing the amendments. McNeil remarked that the codification of the National Security Act in Title 10 of the U.S. Code had separated the individual sections so widely that present DoD officials were not fully aware of Title IV provisions.

Still, with reference to the budget, McNeil pointed out that President Truman had put a ceiling on the budget, but he thought that Frank Pace, as Director of the Budget, had had a great deal to do with putting the 13.5 billion dollar ceiling on the budget and that this total included the funds for stockpiling. Forrestal gave Gruenther and McNeil three months

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in which to develop a program of forces that could be supported with a 17 billion dollar budget. President Truman didn't buy it. Forrestal had asked what was the maximum fighting force that could be deployed under the 13.5 billion dollar budget. This came out to about 84,000 men, a very small number for a country such as the United States. The study showed that this number could be doubled by the addition of 3½ billion dollars to the budget.

Forrestal seemed to be the only member of the President's cabinet during these years who thought that the country was in danger. He didn't get any support from outside of Defense. He thought that he had failed to alert America to its troubles, and that's why he jumped out of the window. The Forrestal diaries are not complete. The documents that were most critical have disappeared.

Once again, with reference to the budget, McNeil stated that he felt that it was desirable to force the Services into competition for resources. He said that it was his practice to sit down and go over the budget with the Chairman of the Joint Chiefs of Staff. Admiral Radford was very good about this, but General Bradley did not do his homework as well as Radford. One of the points stressed several times by McNeil was the extent of the ignorance of the military services about each other's forces, equipment, and operations during the late 1940's and early 1950's. They seemed to know very little about each other. Twenty years of cross-service study at the National War College has lessened this ignorance. McNeil also spoke of the role of General Eisenhower in 1949 working on the 1950 budget.

On the subject of Louis Johnson, McNeil mentioned the cancellation of the Navy aircraft carrier in 1949. He pointed out that the Navy itself

had begun to question the design of the flush-deck carrier -- that there was considerable reason to believe that the design was wrong, and that it was therefore, a good thing that the carrier was cancelled. Admiral Denfeld had signed off on the cancellation unbeknownst to Secretary Sullivan, who resigned in protest.

When Johnson came in, McNeil told him that he had his bag packed and that he was ready to leave. Johnson asked McNeil to stay on for 30 days, and after that for another 30 days, and then another 30 days. McNeil didn't leave for another 10 years. When McNeil asked Johnson what he hoped to do as Secretary of Defense, Johnson told him that he wanted to make a colonel a colonel again. It seemed to McNeil that this was a desirable objective.

Johnson's first budget came into the picture in July 1949. McNeil demurred at including strategic materials in the budget, and he stated his objections to Johnson and Truman. Johnson didn't pass the buck. The basis for decisions on the budget was economic, not strategic. One of McNeil's objections to Johnson was that Johnson worked with some of the columnists. McNeil considered this unethical.

Roles and missions occupied a great deal of the time and attention of Forrestal. Many meetings on the subject were held in the Pentagon and the Chiefs would seem to have agreed to some changes, - then they would go back to their offices during lunch time and the colonels would tell them that they shouldn't have agreed to some of the things that they had agreed to. As a result, nothing got done. Finally, Forrestal decided to take the Joint Chiefs of Staff out of town, and he decided on Key West. They were all set to go when Forrestal told McNeil that the deal was off. It was a question of expense. McNeil went up to Capitol Hill and saw

Congressmen John Taber and Clarence Cannon. When he told them about this latest development, Taber said that the trouble was that Defense worried too much about pennies, - that Key West wasn't far enough away and that Forrestal ought to take the Joint Chiefs to the Canary Islands. McNeil went back and told Forrestal about it. Forrestal changed his mind and said the meeting was on at Key West. At Key West, communications were blocked off and there were no outside and incoming streams of messages. The Joint Chiefs had to make up their minds on their own. The Key West agreement was not a good job, but it was a start. McNeil ran most of the meeting at Key West, and Key West was followed by Newport where McNeil did not have much of a role, but John Ohly did.

Another major problem in 1948 was manpower. The draft had ended and Gruenther told McNeil and Forrestal that the Army was going to hell. It couldn't get any manpower and the draft ought to be reinstated. Forrestal and McNeil talked with Truman about reinstating the draft. Marshall was present at the meeting and he was for universal military training rather than just the draft. Truman had a very high regard and respect for Marshall and didn't want to go against him. Most of the other advisors to the President were against the draft and advised the President not to reinstate it. Postmaster General Hannegan, who was also the Chairman of the Democratic National Committee, came in and told the President that it was an election year and he couldn't reinstate the draft. Truman looked Hannegan in the eye and said that he would not make that decision on political grounds and that he would reinstate the draft even if it was an election year.

Returning to a discussion of the budget, McNeil pointed out some of the factors that made the budget functions difficult. He said that one of

the things that worried him was the amount of time that elapsed between decisions on forces and weapons and approval of the budget. He felt that it was very important to shorten the time between the decisions and raising of the money. He concluded that decisions ought to be made as late in the year as possible. Frank Pace, who was Director of the Budget, agreed with him, and so the Bureau of the Budget agreed to a December submission of the budget. In effect, this meant that the Bureau of the Budget worked on the budget concurrently with Defense. They saw the President only on major decisions. McNeil also spoke of the development of costing factors - flying hours, steaming hours, etc., -- as an aid to the preparation of valid estimates.

On the subject of organization, McNeil pointed out the difference between what people will say and what they will put in writing. Many people would tone down in writing what they had said verbally. For instance, Vannevar Bush did not put in writing strong opinions that he would give verbally. McNeil said that he himself did not often write memoranda for the record.

One of McNeil's techniques as Comptroller was to send people from his office out into the field with military units and into industrial plants to observe operations first hand, particularly the use of equipment. He would send men out with the fleet or with bomber units in the Air Force, and they would spend a month or months on this service. He felt that this gave him the kind of knowledge and information that he could not acquire through regular channels. He believed that he could learn a whole lot more from listening to a lieutenant commander talking about an aircraft or a ship than he could from an admiral.

On the B-36 controversy, McNeil was the "number two" witness before the Congressional Committee. McNeil thought that the B-36 was a waste of money, that it was a valley in Air Force development. It seemed to him that the Air Force looked on it as a compromise pending the development of more advanced bombers such as the B-47 and the B-52. It was like carrying insurance, only the company might not be solvent.

McNeil said that he had had more trouble with the Air Force than with the Army and the Navy, but not during his last few years in the Pentagon, that is in the late 50's. The Air Force thought that McNeil had a Navy bias because he had come from the Navy with Forrestal. When he would cut the Navy budget, the Navy people didn't think that McNeil was trying to diddle them. He didn't have much trouble with the Army, but the Air Force was young and headstrong, and Air Force leaders were suspicious of Forrestal and McNeil.

Another example of the ignorance of the Services about each other's capabilities and operations occurred during the work on the first post-war strategic plan by the JCS. Forrestal had McNeil and John McCone sitting in with the Chiefs. There was an instance pertaining to Navy vessels for the Mediterranean. The Army raised strong objections to the Navy's concept and numbers, revealing an ignorance of the basic Navy concept of a reservoir of power. The Army and the Air Force just had different views from the Navy about deployment forces and this was reflected in the computation of forces. When the Navy redrafted its plan along Army concepts, the Army was prepared to accept a larger force than the Navy had originally proposed. McNeil always felt that the National War College

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and the Industrial College for the Armed Forces were very good devices for military education because they brought officers from all of the Services together for a year and forced them to study together and talk with each other.