

#50
Sent to Glass in Florida for correction 21 Nov 8

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21 November 1983

Office of the Secretary of Defense
Chief, RDD, ESD, WHS
Date: 07 MAY 2013 Authority: EO 13526
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Reason: _____
MDR: 13 -M- 1107

MEMORANDUM FOR RECORD

BY: DM Condit

SUBJECT: Interview with Henry Glass, 18 November 1983

In late 1953, Mr. Glass joined the OSD Comptroller's office, where he remained until approximately _____. In the Comptroller's office Glass worked, first, under Mautz and later became "McNeil's man on NSC affairs" (Bonesteel was the Defense representative on the NSC staff) and prepared cost analyses of NSC proposals before they became policy. Glass later became the Secretary's speech writer and author of the "posture statements."

On Wilfred McNeil

Despite a lack of formal education, which had ended with two years of high school, McNeil was a "very shrewd guy and a bad fellow to cross." He was "devoted to the country and to the national defense" and treated the government's dollar just as carefully as his own. He viewed the Office of the Secretary of Defense as the "watchdog" over the total U.S. defense effort, and he saw the OSD Comptroller's job as encompassing all Defense financial matters. As a result, he never wanted or got a charter; rather, he worked through the Secretary of Defense or the Deputy Secretary. One of his major accomplishments was to devise a financial management system to unify service budgets and accounting. McNeil operated in a free-wheeling manner, as at home with the congressional Appropriations Committees as with the OSD brass. One of his little idiosyncracies was to keep an up-to-date Defense financial plan in his coat pocket, which he could consult or make changes on. This enabled him to keep an eye on a great many different affairs at one time.

With reference to his OSD staff, McNeil brought in people who were, as a first requisite, loyal to him, but he appreciated intelligence and was able to use and carry out the ideas of others. Some of the brightest of the Comptroller's people were those immediately below the nominal division heads. McNeil's theory was that one could "either get the credit or get the job done." He himself was more interested in the latter, and he expected his people to exhibit the same proclivity. McNeil developed a system of obtaining first-hand reports on how things were "really" working by sending staff members to observe actual operations--thus freeing himself from the official report. Irving Roth, for example, kept track of contractor

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performance; a man named McClinchie (sp?) did the same thing in connection with the Navy; ^{and} ~~at~~ Jo Corie, ~~who~~ checked on operations and maintenance items. McNeil was thus forewarned of impending problems so that he could take remedial action and be prepared.

"One of McNeil's great accomplishments" was to ensure that the Federal Republic of Germany paid the costs of U.S. troops kept in Germany after the occupation was ended by the contractual agreements signed in May 1952. The German government was certainly not eager and the State Department seemed disinclined to press the matter, but McNeil was determined that the Germans should pay and convinced Lovett. McNeil eventually arranged for a German payment of approximately \$2.5 million per year on a declining basis.

On Brig. Gen. Robert S. Moore

1951-53: Special Assistant to the Comptroller. Moore had been an Army colonel working with the Army budget when McNeil originally hired him to serve as his personal liaison with the Appropriations Committees in both houses of the Congress. He was a "peculiar, not particularly articulate" person and an "exceptional guy" who experienced "extraordinary success" with the congressional committees and staffs. Moore cultivated the staffs, spending a thousand dollars a year of his own money to take them to lunch. He was loved and trusted by both the staffs and members of Congress. Moore was historically unique, in that he became the only military officer to be promoted twice, from colonel to major general (after May 1953), in an appropriations bill.

On W. Carl Blaisdell

1951-52: Director, Fiscal Management Staff; 1953: Director, Fiscal Management Branch. Blaisdell had been a budget examiner for the Army at one time. For McNeil, he was essentially a "fixer" who got "out of the ordinary" things done, as, for example, favors for important people. He was a very useful "operator" for McNeil, very efficient *in this sense*.

On Lyle S. Garlock

1951: Assistant Comptroller for Budget; 1952-53: Deputy Comptroller for Budget. Garlock was the OSD Comptroller's deputy and ran the day-to-day affairs of the office, thus allowing McNeil to be an "outside" man. Not brilliant but certainly very intelligent, competent, and very effective, Garlock was especially good at pulling together a budget. For example, at a period before Dien Bien Phu when the United States was considering sending troops to help the French, Garlock was able to assemble quickly a budget for this possibility.

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On Glenn V. Gibson

1951-53: Assistant Director for Navy, under Garlock. Gibson was a key man under Garlock.

On Irving Roth

1951-53: Chief, Aviation Branch, under Garlock. Roth had a "knack" for finding out exactly how contractor plants were performing, thus giving McNeil a forewarning of possible problem areas.

On --- McClinchie

[Spelling, first name? Not in Official Register] The "Roth" for Navy affairs.

On Joseph Corie

1951-53: Chief Procurement and Maintenance Branch, under Garlock. An expert on O&M matters, Corie was skillful in detecting problems in the depots.

On Clifford S. Livermore

1951-53: Chief Research and Development (in 1952, adding, and Industrial Mobilization) Branch, under Garlock. An expert on R&D budgets. Worked with Shapley [spelling? Not in Official Register] in the Bureau of the Budget.

On Howard W. Bordner

1951: Assistant Comptroller for Accounting Policy; 1952-53: Deputy Comptroller (Accounting Policy). A stolid civil servant, on same level as Mautz, Bordner never succeeded in solving the Defense accounting problem to the satisfaction of Defense or the Congress. [However, this was a very tough problem indeed.]

On Foster Adams

1951-53: Director, Progress Reports and Statistics Division. A pedestrian person, a statistics compiler rather than a user or evaluator.

On William H. Mautz

1951: Director, Economics Branch, Progress Reports and Statistics Division, under Adams; 1952-53: Director, Economic and International Security Estimates Division. A "run-of-the-mill guy, not a sparkplug, not an innovator." Pressed by Lehrer, Glass, Baldwin.

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Notes on
INTERVIEW
on
18 November 1983

with

HENRY E. GLASS
Office of the Assistant
Secretary of Defense (Comptroller)
1953-1965

by

D. M. Condit

OSD Historical Office
The Pentagon
Washington, D. C.

January 1984

Notes on

INTERVIEW WITH HENRY E. GLASS
18 November 1983

by
D.M. Condit

In late 1953, Mr. Glass joined the OSD Comptroller's office, where he remained until approximately 1965. ("I stayed in the Comptroller's office until Charles Hitch left. That was the deal we worked out with McNamara.") In the Comptroller's office Glass worked, first, under Mautz; later, when Bonesteel was the Defense representative on the NSC staff, Glass became "McNeil's man on NSC affairs," preparing cost analyses of NSC proposals before they became policy. Still later, he became the Secretary's speech writer and author of the "posture statements."

On Wilfred J. McNeil

1947-1949: Special Assistant to the Secretary of Defense; 1949-1959: Assistant Secretary of Defense (Comptroller). Despite a lack of formal education, which had ended before high school graduation, McNeil was a "very shrewd guy and a bad fellow to cross." He was "devoted to the country and to the national defense" and treated the government's dollar just as carefully as his own. He viewed the Office of the Secretary of Defense as the "watchdog" over the total U.S. defense effort, and he saw the OSD Comptroller's job as encompassing all aspects of the Defense programs. As a result, he never wanted a charter for his office since it would define his functions and limit him to budget and financial matters. Rather, he preferred to offer suggestions informally on all sorts of matters, e.g. intelligence, to the Secretary of Defense or the Deputy Secretary. ("That is why you will find in the Comptroller's files so many unsigned memos; copies of these would be passed on to the Sec/Def or other officials.")

With reference to his OSD staff, McNeil brought in people who were, as one requisite, loyal to him, but he appreciated intelligence and was able to use and carry out the ideas of others. Some of the brightest of the Comptroller's people were those immediately below the nominal division heads. McNeil's theory was that one could "either get the credit or get the job done." He himself was more interested in the latter possibility, and he expected his people to exhibit the same proclivity. McNeil himself operated in a free-wheeling manner, as at home with the congressional Appropriations Committees as with the OSD brass.

Keeping track of developments was the key to much of his success. One of his little idiosyncracies was to keep an up-to-date Defense financial plan in his coat pocket, which he could consult or annotate. This helped him to keep an eye on the execution of the current budget, i.e., the rate of apportionments and obligations in each appropriation account. He also developed a system of obtaining first-hand reports on how things were "really" working by sending staff members to observe actual operations--thus freeing himself from dependence on official reports. Irving Roth, for example, kept track of contractor performance in the aircraft industry; a man named MacClinchie did the same thing in connection with the Navy; and Joe Corie checked on supply operations and maintenance. McNeil was thus warned earlier than he otherwise would have been of impending problems so that he could take remedial action or forewarn the Secretary of Defense. In contrast to McNamara, McNeil preferred to get around an obstacle rather than take it head on. As a result, he got a lot of information from the services "under the table" or unofficially, which also helped him greatly to keep on top of things. McNeil's "low profile," combined with his far-ranging knowledge of how things were operating, gave rise to his reputation as the "Shadow" or "Grey Eminence" (i.e., the Cardinal Richelieu) of the Pentagon. There was an article in the now folded Collier's about McNeil under such a title.

One of McNeil's major accomplishments was to devise a financial management system to unify service budgets and accounting. Another of his "great accomplishments" was to ensure that the Federal Republic of Germany paid the costs of U.S. troops kept in Germany after the occupation ended by the contractual agreements signed in May 1952. The German government was certainly not eager and the State Department seemed disinclined to press the matter, but McNeil was determined that the Germans should pay and convinced Lovett. McNeil eventually arranged for a total German payment to the western Allied governments of approximately \$2.5 billion per year on a declining basis over a period of years.

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[OSD roster, 1 Dec 50] The "Roth" for Navy affairs.

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On Max Lehrer

1952-1953: Chief, Economics Branch, under Mautz. Not an "original thinker," but bright, a driver, and intensely competitive. After leaving OASD(C), Lehrer worked for Senator Lyndon Johnson and later became a vice president of RCA.

On John D. Maycock

1952: Acting Chief, Fiscal Analysis Branch, under Mautz. Prepared the financial reports for Mautz, also prepared a manual. [Not in Official Register for 1953.]

On Congressional Appropriation of Funds: 1951-1953

All appropriations had to be authorized by the Congress, but they were authorized in different fashion. Military construction funds were authorized annually on a line item basis (pork barrel reasons). Military assistance was authorized annually by the Armed Services committees [single exception: first supplemental of FY 1951]. Pay changes, either military or civil, had to be previously authorized by enactment of a new law changing the pay scale. Defense military

functions* had a standing authorization from the laws setting the service force levels. In 1951-1953, most Defense requests for funds went directly to the Appropriations Committees. The House committee did the basic work; the Senate committee acted as a "court of appeals," addressing mainly those items for which the House had cut funds and Defense was seeking restoration.

*Glass's note: Civil functions of the Defense Department, e.g., the civil engineer program and the Panama Canal, were very involved problems which may best be ignored here, since your history is about military functions. Although civil functions are shown in the Defense Department chapter of the U.S. Government budget, they do not involve the Secretary of Defense. Every time a new Secretary of Defense took over, we had to explain to him that he had no responsibility for the civil functions budget and that he should just sign the letter of transmittal to the BoB. McNamara was the first Sec/Def to bridle at this procedure. He said that, if he had no responsibility for it, he did not want it to pass through his office and certainly did not want to put his name on a budget request he had not reviewed or recommended! The solution was to shift this task to the Secretary of the Army since the Corps of Engineers and Panama Canal Co. were under his jurisdiction. Actually, the civil works program and budget were worked out among the Corps of Engineers, the involved congressional committees (Public Works) and the White House (BoB).

Mar. 6, 1989

Dear Al,

Finally finished this job.
I think ~~category~~ "3" would be
the most appropriate. That
was the purpose of the interviews
from my point of view.

I will call you when we
get back home, by mid-April
we hope.

Yours,
Henry

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