

13
February 16, 1946

Hon. Arthur L. Price
2315 E. 5th Place
Tulsa, Oklahoma

Dear Sir:

This will acknowledge receipt of your letter of February 12, together with enclosures, addressed to Representative George E. Schwabe, who is in Oklahoma at the present time.

I shall be pleased to bring your letter to Mr. Schwabe's attention upon his return to Washington.

Sincerely yours,

Camille M. Geneau
Secretary

Sp. Subj.

HOUSE OF REPRESENTATIVES
STATE OF OKLAHOMA

NINETEENTH AND TWENTIETH
SESSION

ARTHUR L. PRICE, MEMBER
TULSA COUNTY
TULSA, OKLAHOMA

February 12, 1946

COMMITTEES:
APPROPRIATIONS

Hon. Geo. Schwabe M.C.
House Office Building
Washington, D. C.

Dear Mr. Schwabe:

I am deeply concerned, and have therefore made considerable study, on the matter of the post-war status of the U.S. Merchant Marine. It seems to me a matter of vital importance that we retain for operation a large percentage of the Merchant Marine which we have built up and which was so vital a part of the successful culmination of the war. It is unthinkable that we should, through curtailment or giving away of our ships, drift into the same status we reached following World War I, leaving our commerce to be carried in foreign ships while many of our citizens sought employment. We now have a splendid organization for training young officers for a sufficient Merchant Marine to handle our own commerce. We also now have the necessary shipping facilities.

X The Bureau of the Budget has just completed the recommendations to the President, calling for a considerable reduction in these facilities. I am enclosing herewith some factual data in this connection, together with suggested telegram to the President in opposition to so drastic a reduction. This material pertains particularly to the training school at Pass Christian, Mississippi. All the southern maritime states and some others are very anxious to retain this institution for the purposes above outlined in the interest of honest employment for our own citizens in this industry. I ask that you kindly give this your most serious consideration. It is my understanding that the President will, in all probability, act upon this matter within the next week.

Yours very truly,

Arthur L. Price

X
ALP:h
Enc.

In the recently completed hearings conducted by the Bureau of the Budget in Washington, D.C. (January 30th to February 1st) to establish recommendations to the President for Government appropriations for the fiscal year of 1947 for the Training Organization of War Shipping Administration, the advisability of maintaining the United States Merchant Marine Cadet Schools at San Mateo, California and Pass Christian, Mississippi, was questioned by the Bureau. It is understood that in their recommendations to the President, in an effort to economize, the abandoning of these two schools will be advised.

There are many reasons why, not only financially but politically and sociologically, this is not sound advice.

The outstanding characteristic of the administration responsible for the functioning of the United States Merchant Marine Cadet Corps has been the unique ability to build and to operate the very superior and unexcelled technical schools at KINGS POINT, PASS CHRISTIAN AND SAN MATEO.

Too much credit and gratitude cannot be given to these men for their vision, their courage, their construction and highly expert planning skill, their smart business judgement, and their far-seeing realization and understanding of the educational needs of the great segment of American youth, which has gone, and always will go to sea, but who, until the advent of the Cadet Corps and its schools, have been neglected and left to the indifferent mercy of a shipping industry that for one reason or another, according to one's sociological philosophy, was slow and reluctant to provide the required training and education.

The administration of the Cadet Corps has made a great and invaluable contribution to America's educational system; it has provided excellent technical schools for young men who love the sea, and sincerely wish to be merchant marine officers, and it has made possible for the shipping industry the securing of a more able, a more personally desirable, and far more technically competent and efficient type of officer personnel than has ever before been available to the merchant marine field.

Furthermore, the administration is also entitled to commendation for the wise plans now being made for placing the Cadet Corps' outstanding technical institute on a four-year technical college level.

Mr. Joseph Kochka, Educational Evaluation Expert of Washington, D.C., stated recently in a report after a four-month survey of the United States Merchant Marine Cadet Corps training organizations: "The writer wishes to express his personal appreciation as a schoolman to the Maritime Commission, The War Shipping Administration, and the immediate Cadet Corps Administration for their courage and wisdom in creating two divisions of the Academy: A junior division each at PASS CHRISTIAN and SAN MATEO, and a senior division at KINGS POINT. In the opinion of the writer this geographic separation is wise politically, educationally and administratively.

Educationally it is in keeping with the decided trend to have pro-professional or junior college training in a division separate and distinct from the senior college. The senior college is becoming more and more the center for professional-level instruction.

Politically and sociologically it is an effective and justified device for keeping more citizens of the United States familiar with, interested in and responsible for the peacetime maintenance of an American Merchant Marine.

Administratively, educational effectiveness is much more easily secured and maintained through the use of small school units than through large ones."

At present, the Cadet School at PASS CHRISTIAN, Mississippi is the only Merchant Marine training school in the South, as compared to six in the northern Atlantic coast states and three in California.

The argument in favor of the location of Cadet Schools on the Gulf and Pacific coasts, as well as the Atlantic Coast, is of particular weight in view of the concentration of American shipping in these three coastal areas. The location of Cadet Schools in these areas previous to the war has been and should continue to be an important factor in maintaining national interest in the Merchant Marine - so badly needed at this time.

In 1940 prior to the establishment of the Cadet School on the Gulf coast, it was the opinion of some authorities that one school on the Atlantic coast (KINGS POINT) and one on the Pacific coast (SAN MATEO) would suffice (as has been advocated for the Naval and Military Academies.) However, Mr. S.D. Schell, Executive Director of the Maritime Commission, felt that consideration should be given to the Gulf coast in view of the amount of shipping activity in that area. He also was of the opinion that the concentration of the program at KINGS POINT to the exclusion of the Gulf and Pacific coasts would seriously affect the national interest in the Merchant Marine.

The success of Merchant Marine officer training, and eventually the successful operation of our Merchant Marine, depends upon the personnel who chose it as a career. It is evident, therefore, that the national interest in our Merchant Marine by citizens of all 48 states MUST be maintained and it is believed that the location of schools in those areas where this interest is more likely to manifest itself is essential.

Under the present four-year peacetime course for Cadet-Midshipmen of the United States Merchant Marine Cadet Corps, the first year of their training is spent at the Cadet School nearest their home (SAN MATEO, California or PASS CHRISTIAN, Mississippi). This procedure results in a considerable saving of funds required to reimburse the Cadet-Midshipmen for the travel from his home to the Cadet School. If all Cadet-Midshipmen were required to report to KINGS POINT, as would be the case if the Cadet Schools were abolished, it would increase the cost of Cadet-Midshipmen travel considerably as it would mean that candidates on the West Coast would be required to travel across the country instead of being assigned to the Cadet School at SAN MATEO as at present, and, upon completion of Fourth Class (1st year) courses at KINGS POINT would return to the West coast at government expense for assignment to sea duty. At the end of the period at sea they would again be given transportation at government expense to return to KINGS POINT as upper classmen.

The cost of training, per Cadet-Midshipman per year would not be decreased by the elimination of SAN MATEO and PASS CHRISTIAN AND concentrating all at KINGS POINT because of added travel expenses. A comparison of present maintenance costs of the Cadet Schools and the relationship of present travel costs to travel costs if the Cadet Schools were abolished, is set forth below:

MAINTENANCE COSTS AT CADET SCHOOLS

:			:
:	SAN MATEO	\$40,000	:
:	PASS CHRISTIAN	20,000	:
:	Total	\$60,000	:

COST OF TRAVEL IF FOURTH CLASSMEN ARE ASSIGNED TO CADET SCHOOLS

750 original assignments @ \$75	\$56,000
200 assignments to East Coast @ \$40	8,000
Total	\$64,000

COST OF TRAVEL IF ALL FOURTH CLASSMEN WERE TO BE ASSIGNED TO KINGS POINT

750 original assignments @\$50	\$37,500
400 assignments to West Coast @ \$100	40,000
150 assignments to Gulf Coast @ \$40	6,000
400 assignments from West Coast back to KINGS POINT @ \$100	40,000
150 assignments from Gulf Coast back to KINGS POINT @ \$40	6,000
Total	<u>\$129,500</u>

It is obvious that the savings of \$65,500 in travel (\$129,500 - \$64,000) completely offsets the \$60,000 for maintenance at the two schools.

If these Basic units, which are the same size as State Maritime Academies, are abolished, it would follow that no federal funds should be appropriated for the five State Maritime Academies. All of their Cadets could also be concentrated at one school. The four largest State Maritime Academies, which cater to students mainly from their respective states, receive approximately 75% of their support from the Federal Government. Yet, the U.S. Merchant Marine Cadet Corps has, in almost every instance, graduated more men from these states than their own State Maritime Academies.

Following is a comparison of costs for the U.S. Merchant Marine Cadet Corps and State Maritime Academies per Cadet-Midshipman for the fiscal year 1944:

U.S. MERCHANT MARINE CADET CORPS

COSTS

W.S.A.	\$8,476,318
U.S. Navy	700,000
Total Cost	<u>\$9,176,318</u>

Average number of Cadet-Midshipmen	6,950
Per Capita Cost	<u>\$1,320</u>

STATE MARITIME ACADEMIES

COSTS

W.S.A.	\$1,768,989
U.S. Navy	304,000
States	525,000
Tuition	111,800
Total Cost	<u>\$2,709,789</u>

Average number of Cadet-Midshipman	1,118
Per Capita Cost	<u>\$2,423</u>

The per Capita cost of \$1,320 for the Cadet Corps compares quite favorably with the \$3,400 for Annapolis for the fiscal year 1942, \$3,492 for the Coast Guard Academy for the same year, and \$3,300 for West Point for the fiscal year 1943.

For the fiscal year 1945, the budget of the Training Organization included \$10,444,000 for the Cadet Corps including \$400,000 for construction and about \$150,000 for large items of capital equipment which should be excluded from any computation of per capita costs. Approximately \$1,300,000 was returned unobligated at the end of the fiscal year to the Chief Finance and Supply Officer and on this basis it would appear that the cost of operation the Cadet Corps for 1945 was approximately \$8,594,000.

The average number of Cadet-Midshipmen in training during fiscal 1945 was 4,863 and therefore the per capita cost was approximately \$1,750.

The proposal that the marine schools of five states graduate 350 officers each year and the Federal Academy for youths of 48 states graduate 250 to 300 does not seem logical, in view of the fact that the Federal Academy represents the entire nation (not just one state as does each of the five State Academies), has graduated more men from the states maintaining Maritime schools than the state schools themselves and AT A MUCH LESS PER CAPITA COST.

The second year of a Cadet-Midshipman's training under the peacetime four year course is spent at sea, serving aboard ships of the American Merchant Marine. This not only allows the Cadet-Midshipman to obtain practical training in his chosen field but also results in reduced costs to the government since during this tour of sea duty, the Cadet-Midshipman's wages and subsistence are borne by the shipping companies. Since the shipowner pays and subsists Cadet-Midshipmen while in ships, it is therefore a joint training program.

The relationship between per capita costs to the government of the U.S. Merchant Marine Cadet Corps and it's Academy at KINGS POINT, and the Naval and Military Academies are set forth below:

COMPARATIVE DATA ON WEST POINT, ANNAPOLIS AND U.S. MERCHANT MARINE CADET CORPS AND ACADEMY
(ALL HAVE FOUR-YEAR COURSES)

Complement of Cadets	: 3000	: 2400	: 2500	
Costs per year	: \$11,286,445	: \$9,512,000	: \$5,300,000	Net 47
Cost per Cadet per year	: \$3,762.00	: \$3,960.00	: \$2,120.00	*
Administrative - Officers - Instructors and ratio to Cadets	: 500 1:6	: 400 1:6	: 280 1:9	
Administrative - Other persons and ratio to Cadets	: 2659 1:1.1	: 1780 1:4	: 753 1:3.3	
All Administrative - Officers and others and ratio to Cadets	: 3159 1:0.95	: 2180 1:1.1	: 1033 1:2.4	

* If all four years were ashore and ship operators did not contribute, the cost would be \$3,000 per year per Cadet-Midshipman.

As a further economy measure to the government when the Cadet-Midshipman spend one year of their training at sea, the Cadet-Midshipmen find out by rubbing shoulders with personnel in ships whether they will like the Merchant Marine as a career. If they do not, they will resign and the Government will not waste money on them for two years at KINGS POINT.

The Cadet Corps has already reduced its complement from war-time high of 7860 to 2,500 for fiscal '47 whereas the states have not been reduced in either federal appropriation or complement. A further reduction in the Cadet Corps would result in less

than 1/3 of the officers coming from KINGS POINT and less than 1/2 coming from all academies.

The concentration of all Cadet-Midshipmen training at KINGS POINT would necessarily require a further reduction of the complement to about 1500 Cadet-Midshipmen (from total of 7860 during the war) and in this way the Cadet Corps would only graduate about 250 men per year which is believed to be far below the number required by the Merchant Marine and the share which the Cadet Corps should be expected to produce.

The expansion of facilities at KINGS POINT to handle additional personnel would require the expenditure of additional funds which could hardly be justified in view of the already existing facilities at Cadet Schools on Pacific and Gulf coasts. Also to be considered is the increase in operating costs at KINGS POINT if more Cadet-Midshipmen are assigned to that unit than originally planned. The closing of SAN MATEO and PASS CHRISTIAN with consequent increase at KINGS POINT would not result in much savings.

All Cadet-Midshipmen of the U.S. Merchant Marine Cadet Corps are Midshipmen, USNR, and are required to take the same Naval Science and Tactics courses as Naval ROTC Units at colleges. On graduation they become Ensigns, USNR. During the war about 1800 graduates served as officers in the Navy. Graduates of the Federal Cadet Corps (KINGS POINT) and the State Academies will form 90% or more of the postwar Merchant Marine Naval Reserve.

RECOMMENDATIONS:

IT IS STRONGLY RECOMMENDED THAT THE CADET SCHOOLS AT SAN MATEO, CALIFORNIA AND PASS CHRISTIAN, MISSISSIPPI, BE RETAINED AS ORIGINALLY PLANNED FOR PEACETIME OPERATION.

Suggestion with regard to night letter to President Truman, Washington,
cc: to Captain Granville Conway, Acting Administrator, War Shipping
Administration, Washington, D. C.

Understand Bureau Budget recent fiscal 47 hearing questioned
continued appropriations to U. S. Merchant Marine Cadet School,
Pass Christian, Miss. We strongly recommend Bureau be informed a
Cadet School was in operation on Gulf Coast before war under
authority Merchant Marine Act 1936 and will be more necessary
after war for not only furnishing Cadets and well trained and
efficient officers to American Merchant ships sailing from all
southern ports but also a source for sea experienced Naval Reserve
officers. Navy believed much interested in continuing this Cadet
School with its Naval Reserve Midshipmen in interest National Defense.
Valuable permanent masonry buildings were constructed at Pass
Christian during past year with belief would be as permanent after
war as was before war. Total cost of operating Pass Christian and
all other units U. S. Merchant Marine Corps is only \$2200 per Cadet
per year as compared to \$3700 or \$4000 at Annapolis and West Point.
Presently six Merchant Marine officer schools are operated in five
northern Atlantic coast states and three in California. Pass Christian
is the only Merchant Marine Cadet School in the south. Your cooper-
ation in continuing this school for young men of the south as
authorized by Shipping Act of 36 is urgently requested.