

REPUBLIC AVIATION CORPORATION

FARMINGDALE, LONG ISLAND, NEW YORK

Telephone Farmingdale 1100

June 21, 1943

The Honorable Harley Kilgore Senate Office Bldg. Washington, D. C.

Dear Senator Kilgore:

I am taking the liberty of forwarding you herewith a text copy of the speech Mr. R. S. Damon, president of this corporation, is giving Tuesday in Chicago.

Inasmuch as he comments on the Senate's Special Committee to Investigate Defense Contracts, I thought you would be interested. These comments appear on page 8.

Cordially,

TWM:oc Enc. Director of Public Relations

NEWS RELEASE

REPUBLIC AVIATION CORPORATION

From: T. W. Macdonald
Director of Public Relations
Republic Aviation Corporation
Farmingdale, New York

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FOR RELEASE TUESDAY NOON, JUNE 22

Chicago, Illinois, June 22, 1943 Praise was given to the Truman Senatorial investigating committee today for its services to the American people, by Ralph S. Damon, president of Republic Aviation Corporation, Farmingdale, New York, in a speech before the Chicago Rotary Club.

Damon, whose company manufactures the Republic P-47 Thunder-bolt, fighter airplane now in combat service with the United States 8th Air Force in Britain, said, "As an outstanding example of helpfulness, not only to the manufacturers but of doing a great public service, is the senatorial committee known as the Truman Committee. The Truman Committee has been diligent in pursuing the course of its investigations to see that the taxpayers get value received from the various defense industries. A bi-partisen committee composed of senators capable of divorcing themselves from politics to really serve the public, the committee has in general been judicious and constructive in whatever criticism it has levelled at industry. Their findings have not been kept secret, but made available to the press for dissemination to a public which is certainly entitled to know how well its dollars are providing arms for its sons and husbands".

Damon predicted that Chicago will become even a greater center of air transportation and there is a possibility that foreign airplanes will land and take off from Chicago airport. "Today practically fifty percent of all the commercial airlines in the United States serve Chicago so it is easy to imagine that following the war and when the Civil Aeronautics Board has had an opportunity to examine all the applications now pending before it for new routes Chicago will become even a greater air center.

We must remember that if our commercial airliners take off from Chicago and terminate their flights say at Chungking or Moscow, we must be prepared to grant Chinese and Russian airlines similar rights to our airports".

Because of the concentrated bombings of Germany carried on by the United Nations Air Forces, Damon prophesied that Germany would be knocked out of the war before 1944 "Unpreparchess may have cost us many early rounds but now it appears possible that Germany will have been removed from the lists by the end of 1943. I believe this to be true because no nation, not even Hitler's Germany can suffer the rate of attrition which is now being inflicted on the Nazis and survive for long. The aerial combat box scores are now so definitely in our favor and our constantly increasing production of fine aircraft and well-trained airmen precludes any possibility of those scores being reduced unless by a miracle, and the days of Hitler's miracles have ceased to be. Our Air Forces are now systematically and literally pulverizing the industrial centers of Germany and without her industries Germany cannot fight or even exist."

In concluding Damon said that if paternalism could be kept at a minimum Chicago would benefit from an expanded commercial aviation program "provided we can keep paternalism, which is defined by the Century Dictionary as ' the excessive governmental regulation of the private affairs and business methods of the people,' at a minimum I believe then more than ever that Chicago and every other American city will benefit from an expanded commercial aviation program. I hope that I may have a small hand in helping this to come true."

Text of address delivered by R. S. Damon, President of Republic Aviation Corporation, before the Rotary Club of Chicago, Sherman Hotel, Chicago, Illinois, Tuesday, June 22, 1943.

AVIATION DEVELOPMENTS

Gentlemen:

As each day goes by and more and more men talk about the conditions affecting our national economy and our various American industries and post-war era, we are developing a lot of minor league Jules Vernes and today I am joining such a league in hopes that one or two additional thoughts can help to shed light on the problems and on the opportunities confronting us with respect to the help we may be able to obtain from aviation and to suggest possible solutions to those problems. In apology may I say that I shall speak as an engineer and not as a salesman and therefore I ask you to remember the difference. An engineer is one who knows something about a very little and goes on knowing more and more about less and less until finally he knows practically everything about nothing. While a salesman on the other hand knows a little about a great deal and goes on knowing less and less about more and more until finally he knows practically nothing about everything.

In making such an engineering forecast let us attempt to make our views as definite as probable and as concrete as possible, avoiding any outright crystal gazing. I have always been aware of what Kipling was getting at when he wrote, "Prophets have honor all over the earth except in the village where they were born." This is Chicago and I was born in New Hampshire.

Post-war conversation at this time is based on certain contingencies, including the length of the war, the type of peace which emerges, the social, economic, military and technical problems which may arise as a result.

Hitler and his aggressive generals decided at its outset that this was to be an aerial war and even though the United Nations were then totally unprepared to fight that kind of war, we are now on the eve of knocking Germany out and we shall do it

largely with aerial tools. Unpreparedness may have cost us many early rounds but now it appears possible that Germany will have been removed from the lists by the end of 1943. I believe this to be true because no nation, not even fittler's Germany, can suffer the rate of attrition which is now being inflicted on the Nazis and survive for long. The aerial combat box scores are now so definitely in our favor and our constantly increasing production of fine aircraft and well-trained airmen precludes any possibility of those scores being reduced unless by a miracle, and the days of fittler's miracles have ceased to be. Our Air Forces are now systematically and literally pulverizing the industrial centers of Germany and without her industries Germany cannot fight or even exist.

A short time ago figures were made available showing the comparative bombings of Germany and the United Nations. In 1940, the year that France fell and the Nazis staged the Battle of Britain, they dropped 42,000 tons of bombs on England. The following year it was 24,000 tons and in 1942 they were able to deliver only 3,000 tons. In those same years the R.A.F. figures show that in 1940 they sent 13,000 tons down on Germany and Germanheld Europe. They more than doubled this in 1941 with 31,000 tons and nearly redoubled it again in 1942 with 50,000 tons. It is my guess that the R.A.F. and our own Eighth Air Force will drop over 200,000 tons of bombs on Germany and occupied territory in the course of the current year.

Progressing with the increased bombings is our increased production of military aircraft. Currently the United States is producing planes at the rate of 7,000 per month and it is estimated that the British are producing planes at a rate better than 2,000 a month. Added to this is the Russian plane production. The exact figure is probably known only to the Russians themselves, but from past production performances and the activity of the Soviet air force I hazard a conservative guess that Russia is now producing 3,000 planes a month. As the United Nations air-

craft production continues to increase, the most expansive estimate today can give Germany, on the other hand, credit for only 2,000 planes a month and Italy and Japan less than a thousand each. In other words, the United States alone is producing each month nearly twice as many planes as all the Axis together, and all United Nations production is three times that of the Axis. As our production strength continues to expand and that of our enemies continues to shrink by attrition from bombing and by shortages of material and general weariness from war, the present ratio of 3 to 1 in our favor should change to better than 5 to 1 in our favor before the end of this year and of course much better than that so soon as Italy and Germany are knocked out and only Japan remains.

With such production records in prospect and with the stepped-up tempo of the bombings of the Germans it is hard to visualize anything but the elimination of the Nazis, at least during and probably before 1944. What we are now doing is cutting . the German communication lines, should it be necessary to actually invade German-held Europe. However, due to the success of the United Nations air forces, the invasion may never come about because no army, regardless of its potency, can fight away from its home base without well organized communication lines and these are fast disappearing for the Germans now under bombings which are routine and severe. Germany, being a militaristic nation and not a suicidal race such as our other enemy, the Japs, will soon come to the realization that her armies defending the coast lines of France, Holland, and Denmark are fighting in front of a nation whose industry has been demolished and whose morale has been dissipated.

To some this may sound overly optimistic but I have tried to be both rational and practical in my thinking. In the event my assumptions are correct, our troubles are not by any means at an end. It is far more difficult to make any approximation as to when we will throw Japan into defeat. There are so many fac-

tors which are utterly different in the Asiatic theater. we are fighting fanatics, not people. We are forced to extend our supply lines twice the distance they are to Europe. In addition we must not only supply our ally, China, but we must supplement whatever military production Australia has been able to establish. Those factors in combination do not make for an easy war but whether Japan is able to struggle on through two more years or for even longer, I will make another prediction and that is that in the Japanese defeat our airplanes will be largely responsible. Generals Kenney, Doolittle, and Royce have demonstrated to the Japs at Bismark Sea, over Tokyo, and over manila that some great things are in store for them. With an increasing concentration of United Nations long range fighters and bombers in the Far East, the Japanese can expect their cities to undergo an identical manner of pulverizing such as the Germans are now receiving.

When industrial Japan has been laid to waste, we can resume our peacetime business, but not at the same old stand. Economic conditions for the world will have drastically changed and those changes will show permanent results in the mode of our living and doing business, not just in Washington but in Chicago, New York, Los Angeles, and every other American community as well. The changes will make for a better world. They will be brought about by those men whose belief in the continued right of free enterprise and individual endeavor had already demonstrated that their businesses were based on ingenuity and "know how" not found in bureaucratic agencies where the word ingenuity could not raise an echo.

Playing a leading part in the changed world of the post-war era will be aviation. This is logical since it will be the force of aviation which will have won us the war and which must secure us the peace. It is aviation which in 1939 ranked 44th in dollar volume of products among American industries and today ranks first. It is aviation on which Congress is now appropriating one-third of all monies being spent in the progress of the war. And it is

aviation which will make your already great city of Chicago even greater.

Aviation can and will do this provided that those who in the past have constantly attempted to wave the magic wand of government over private enterprise hoping that each successive wave would make it disappear will reread our history and discover that private enterprise and competition are two of the important factors which have made our country great.

Doubtless since Chicago is the world's greatest rail center, there may be railroad men here today who are eagerly waiting for me to proclaim that aviation is going to do for the railroads the same thing the automobile did for the horse. They will be disappointed because I do not think this is so. I have always shuddered whenever some unthinking person, in pointing out that aviation is here to stay, says it is going to replace all other forms of transportation. The railroads have been largely responsible for the greatness of Chicago and in all probability they will continue to make it great. I seriously doubt whether aviation will touch nine-tenths of the total of the existing traffic now carried by rail, highway, and water.

Do not misunderstand me. I am not implying that the airliner constitutes a secondary form of transportation. I am simply stating that each form of transportation—rail, highway, water and air—has its particular use to the public. As air transportation has developed, its utility has become more defined. Ultimately each mode of traffic—air, rail, road, water—will have a specific job for which its particular specialty best fits it. Air transport chiefly has speed to sell. Each other mode will have its own applicable specialty. As an example, the public at large can be best served by the speed of air transportation when all first class mail which can so be expedited goes by air. The airlines carry much of your mail today but you pay a premium for the service. At the conclusion of the war, the airlines will expand greatly to a point where many additional

localities may be served by the airlines, either direct or by feeder or pickup service. The people of the United States are entitled to the best possible mail service and that means that all first class mail which can be so expedited shall go by air. There is no reason to expect a public to be content five years hence knowing that their mail, either business or social, is being carried from Chicago to New York, Washington, Philadelphia, or to cities west of here on transportation taking 15 or 18 hours when it could be delivered to the same destination in one-fourth the time by air.

I have referred to the comparable speeds of air and rail transportation. In the post-war era the existing disparity between them will be further widened. Just as the railroads have the airlines at a disadvantage on the matter of bulk cargo, the airlines have the railroads at a disadvantage on the matter of speeds. Unless newer and expensive roadbeds are laid, steep grades over mountains are eliminated, and more powerful locomotives are produced, it seems safe to assume that the railroads have approximately reached their ultimate operating speeds. The commercial airliner which will take you north, east, south or west from Chicago today has a cruising speed of 180 miles per hour. That was about the best speed any fighter did in World War I. Today we have fighting planes with speeds of better than 400 miles per hour and large cargo transports making 250 miles per hour. If the manufacturing genius which has provided our air forces with such fast planes is allowed to enjoy the natural pursuit of private industry, it is quite likely within a decade that the public will be able to travel by air at 400 miles an hour. Such service for the public is on the verge of becoming a reality.

When the advanced planes are flying in the post-war era the various air transport companies, as well as the travelling public, will owe a great deal to the aircraft, engine and accessory makers for the designs of planes and power plants. In the natural progression of the aviation industry, the speeds 1 men-

tioned earlier would have ultimately been attained but under the stimulus provided by the war the motor and plane manufacturers will be able to advance that attainment by at least a generation. The aircraft manufacturers in order to do this had to overcome a multitude of handicaps. At the outset of the war the aircraft industry did not present a healthy picture. Orders for new planes were negligible. The largest single orders placed for airlines equipment were in units of ten, twenty, thirty or similar numbers of planes. Naturally, with a dearth of orders, the manufacturers were operating in small plants with a minimum of personnel and the most optimistic type of stockholder possible. Almost out of the blue the plane makers found themselves snowed under with orders. As the orders increased, so did their problems which were brought on by having the size of their plants and personnel doubled and then doubled again and again. The world suddenly realized that while we had been sitting on our back pockets, Germany had been building the greatest air force the world was to know up to that time. There was one bright aspect to the picture. The men who up to that time had been producing our airplanes in driblets were men of infinite imagination and sagacity. They had been aware that something might throw them into the big league overnight, so like firemen they had gone to bed with their boots right alongside the bed. alarm sounded and they were off to the fire, but unfortunately the great scarcity of orders they had enjoyed up to that time had prevented any extensive experimentation in advanced types of fighting planes, so the design of modern aircraft capable of knocking the Germans from the sky was added to their problems. How well the job was done is attested by the fact that we were willing to accept the challenge of the enemy to make this an air war and now we are on the way to defeating him in his own backyard.

While all the natural problems which of necessity accompany expanded production were being licked, the aircraft manufacturers were beset by another flood of prob-

lems created by the untold number of alphabetic and bureaucratic agencies of Washington. With little exaggeration I would say there was not one department or agency in Washington which did not inflict its questionnaires and surveys on our industry, with the result that many of our plane makers are becoming first class sea lawyers. However, not all of the committees or departments can be considered as millstones around the neck of aircraft production. As an outstanding example of helpfulness, not only to the manufacturers but of doing a great public service, is the senatorial committee known as the Truman Committee. The Truman Committee has been diligent in pursuing the course of its investigations to see that the taxpayers get value received from the various defense industries. A bi-partisan committee composed of senators capable of divorcing themselves from politics to really serve the public, the committee has in general been judicious and constructive in whatever criticism it has levelled at industry. Their findings have not been kept secret, but made available to the press for dissemination to a public which is certainly entitled to know how well its dollars are providing arms for its sons and husbands. The Trumon Committee has gone about its work in an intelligent manner and with a minimum of fanfare and ballyhoo. It will be a strong preventive to the repetition of the grand three ring industrial witch hunt complete with midgets staged by the Senate after World War I.

Working with the same diligence to make the American people conversant with the progress of the war and the production necessary to win the war has been the American press.

They have been able to keep their readers well informed in spite of any number of obstacles. They have given the public a running story on our aircraft production so that today the average newspaper reader knows almost as much about our production as we right in the middle of the picture do. Not only are the newspapers making available to the public current war information, but they are giving cautious and considered editorial thought as to the part their communities will play in the post-

war picture. That has been done by papers in New York, Los Angeles, and here in Chicago.

Recently one of the most encouraging signs to us in aviation who must give careful consideration now to our post-war program was that the members of the United States Committee on International Air Policy are cognizant that the advice of American citizens of experience could be helpful in the formulation of this country's air policy. This was indicated by the invitation extended two weeks ago to various persons to present whatever suggestions and opinions they might desire to a sub-committee. The invitation naturally was eagerly accepted, since it had been the opinion of many aviation leaders that there was little justification for the establishment of any international air policy without consultation with those who would be expected to carry the ball under that policy.

I have for the most part always admired the sincerity of purpose and integrity of thought of those gentlemen who conducted the recent sub-committee hearings and I hope that its report will be carefully scrutinized and digested. If the principal committee does this and bears in mind that today our commercial airlines are the best in the world simply because they had been encouraged to grow great and strong through private initiative and ingenuity, with labor and capital, then they will evolve the most constructive policy for American aviation.

I would urge the committee to foster an air policy which will in no way disrupt the continuity of our American principles of business based upon the right of free enterprise and competition. They are the stimuli by which this country has grown and on which it still must depend. Should the committee do this and refute those who are urging the adoption of a paternalistic attitude towards aviation, then you may rest assured that aviation will closely approach the expansion we now anticipate.

It has been rumored in the press that the sub-committee have already adopted a recommendation based upon no monopoly either public or private of world routes and a program of no

government ownership. If these facts are correct, then the subcommittee is to be congratulated and the adoption of the recommendations by the principal committee should become an accomplished
fact because with such sound fundamentals as a basis the chips
will well fall where they may.

Chicago should take a leading part in the post war aviation picture and capitalize on the general aviation expansion which will undoubtedly follow this war not only domestically but also on an international basis. Thanks to the fine job done by the Air Transport Command, which in my opinion is one of the outstanding achievements of this war. Some day when their story can be written, it will be an epic. The domestic airline personnel of the United States, many of them from Chicago, have pioneered routes all over the world to Melbourne on the extreme left of the map overhead to Accra in the middle right and from Chungking near the top center to various points in South America in the bottom center. This map has been appropriately drawn to view the world from an imaginary point suspended in space directly over Chicago. It represents the Chicago markets of the future.

No point upon this map is more than sixty hours by air travel from Chicago - less than three days, less than the same time it took only a few years ago to reach San Francisco and Los Angeles. Lesser distances will, of course, be proportionately nearer.

Today practically fifty percent of all the commercial airlines in the United States serve Chicago so it is easy to imagine that following the war and when the Civil Aeronautics Board has had an opportunity to examine all the applications now pending before it for new routes Chicago will become even a greater air center. In the post war years each of those dots will no longer be a part of a fabulous map. They will be stations on the airlines time tables you will keep in your desk drawer. They will be the cities in which many of you will have definite business interests and to and from which you will have need for speedy transportation. The commercial airlines will provide you with such service and it will be routine.

Supplementing the remarkable job accomplished by the Air Transport Command, manned chiefly by experts from our airlines, is the job the airlines themselves are doing on similar routes operated on a commercial basis under contract to the government. They also are spanning continents and oceans and with the orderly operation which goes with commercial business, they are shuttling men and material, couriers and supplies by day and night to far off places. Thus the airlines of the country are serving a double purpose in helping to win this war, as a part of the Air Transport Command and by their own expanded war contract operations.

We must remember that if our commercial airliners take off from Chicago and terminate their flights say at Chungking or Moscow we must be prepared to grant Chinese and Russian airlines similar rights to our airports.

This in effect was recently proposed by Mr. L. Welsh Pogue, chairman of the Civil Aeronautics Board and a member of the United States Committee on International Air Policy, in one of the most intelligent and rational speeches yet made on aviation's role in the post war era. Mr. Pogue's proposal warrants the support of all those who want the full benefits of air transportation. His proposal is that for international traffic the airplanes of any nation shall have non-exclusive rights to pick up and discharge, to fly, to fuel and to service in international traffic in any other nation. His proposal does not in any manner conflict with or infringe on the intra-national rights of a nation to its own internal transportation called cabotage which naturally should be retained or granted to others by each particular nation involved as it may desire.

Mutual trust will determine the extent of freedom of the air. It may be likely that international freedom of the air will be reserved for the non-aggressor nations. Possibly it might be required non-exclusively of all nations as part of the peace and then later extended to all countries under some protective international arrangements.

So if you let your imagination race ahead ten years to 1953 with the world at peace I think you may find an international police force to safeguard that peace and the international freedom of the air we must have. I think you will find in these United

States a hundred thousand miles of modern airway, a thousand cities or more with regularly scheduled air transport service and routes. And at the Chicago airport you will see commercial airliners taking off every thirty minutes for a two hour flight to New York, every hour for a seven hour trip to Mexico City and planes making over-night trips to London and on their way to the great cities of South America, Africa and Asia. The traveling salesman in bidding his wife goodby prior to a week's swing around his territory will no longer say "I'll be in Milwaukee Monday night, St. Paul Tuesday night, Fargo Wednesday, Denver Thursday, Omaha Friday and I will be home on Saturday". Instead he will say "Honey, I am leaving for London, Moscow, Calcutta, Chungking, Honolulu and I will be back in Chicago on Saturday in time for the Smiths' party".

Many of you will say that prediction clinches my membership in the Jules Verne league. Perhaps so and perhaps it does sound fantastic but I am sincere in my belief that it will come about provided we can keep paternalism, which is defined by the Century Dictionary as "the excessive governmental regulation of the private affairs and business methods of the people," at a minimum. If this can be done and that element in human relations we call politics does not percolate over with hamstringing regulations I believe then more than ever that Chicago and every other American city will benefit from an expanded commercial aviation program.

I hope that I may have a small hand in helping this to come true.