

THE NATIONAL PLAN
for
Civil Defense and Defense Mobilization

Annex 24

**NATIONAL BIOLOGICAL
AND CHEMICAL WARFARE
DEFENSE PLAN**



Executive Office of the President
OFFICE OF CIVIL AND DEFENSE MOBILIZATION

THE NATIONAL PLAN
for
Civil Defense and Defense Mobilization

June 21

NATIONAL DEFENSE
AND CIVIL DEFENSE
ADMINISTRATION



OFFICE OF CIVIL AND DEFENSE MOBILIZATION
Executive Office of the President

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Preface

This annex supports and amplifies the National Plan for Civil Defense and Defense Mobilization, particularly Part V, Section I, Subsection 3, **Biological and Chemical Agents**.

It covers the requirements, responsibilities, and broad measures necessary to neutralize or minimize the effects of biological and chemical warfare agents that may be used by an enemy against the civil population and crops, livestock, and other agricultural resources of the United States.

The preventive and curative health matters referred to throughout this annex are integral parts of the health program covered by Annex 18, National Health Plan.

Auxiliary documents will be issued as necessary and will be subordinate to and compatible with this annex and the National Plan.

The annex is published in looseleaf form in order that pages may be added or replaced easily whenever revisions are made.



Leo A. Loegh

Director

Office of Civil and Defense Mobilization

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ANNEX 24

NATIONAL BIOLOGICAL AND CHEMICAL WARFARE DEFENSE PLAN

I. Definition

Biological and chemical warfare (BW and CW) agents are living organisms or their toxic products, or toxic chemicals, capable of causing death or temporary incapacitation to humans, death to animals, and damage to crops. For the purpose of this annex, incendiary agents are excluded.

In the employment of these agents in war, the target is man. He may be affected either directly, by death or disability, or indirectly, by reduction and contamination of his food, drug, and water supply.

Defense against these agents includes measures for their detection, identification, decontamination, and control; warning measures; protection of humans, animals, and crops; and care and treatment of resulting casualties.¹

II. Assumptions²

A. The enemy can produce a variety of effective BW and CW agents and can deliver them against the civilian population and agricultural and water resources of the United States by a number of means, overt and covert.

B. BW and CW agents may be used against humans to produce death and illness, impede defensive actions, impair morale, reduce the will to resist, and minimize production capability either for the conduct of war or for recovery and rehabilitation.

¹ See Annex 23, National Radiological Defense Plan.

² See Annex 1, Planning Basis.



C. BW and CW agents may be employed against animals and crops, since long-term recuperative ability may be a decisive factor.

D. BW and CW attacks may precede a nuclear attack sufficiently in advance to impair retaliatory and defensive capability, may accompany an initial nuclear attack, or may follow in subsequent attacks.

E. The effects of BW agent attacks may not immediately be recognized or differentiated from naturally occurring epidemics or from illness produced by radioactive fallout.

F. Adequate preparation in terms of preventive and protective measures, education and training, and provision of treatment measures can greatly minimize the effects of such attacks.

III. General Responsibilities

A. Federal ³

1. The Director, Office of Civil and Defense Mobilization, will provide the leadership, policy direction, coordination, stimulation, and support necessary for the Nation to make effective preparation for defense against BW and CW agents.
2. The Department of Health, Education, and Welfare, under delegated authority, will develop and direct nationwide programs for the prevention, detection, and identification of human exposure to BW and CW agents, including that from food and drugs.

³ See Annex 5, Federal Delegations and Assignments.

3. The Department of Agriculture, under delegated authority, will develop a national program for:
 - a. Diagnosis and strengthening of defensive barriers and control or eradication of diseases, pests, or chemicals introduced against animals, crops, or products thereof.
 - b. Protection of the processing of meats and poultry, and food products thereof.
4. The Department of Defense will furnish OCDM and the delegate Federal agencies with technical information, the results of research and development pertinent to nonmilitary BW and CW defense—giving due consideration to safeguarding security information—and with weather data applicable to BW and CW defense.⁴
5. The Department of Commerce will furnish climatological information applicable to BW and CW defense similar to the fallout prediction data reports now in effect.⁵
6. All Federal agencies are responsible for providing BW and CW protection for personnel at their facilities and for carrying out those BW and CW defense functions assigned to them by statute, delegation, order, and agreement.



B. State and Local

State and local governments are responsible for BW and CW defense within their jurisdictions.

1. The State is responsible for evaluating the total situation within its boundaries and contiguous

⁴ See Annex 7, Role of the Military.

⁵ See Annex 23, National Radiological Defense Plan.

areas, taking necessary protective measures, reporting to the Federal Government, advising the local governments of developments likely to affect their areas, directing the movement of population away from danger areas, and committing State BW and CW defense resources, including those made available by invocation of interstate compacts, as indicated by the situation. States shall also use, where appropriate, resources of nongovernmental organizations. Capabilities excess to the needs of the States shall be reported to the OCDM Regional Director when requested.

2. Local governments are responsible for education and training, advising and warning their populations, reporting the situation to State and contiguous local governments, committing BW and CW defense resources under their control as required by the situation, evaluating their capabilities, and notifying the State as to deficiencies or excess capabilities.

C. Private Organizations and Individuals

1. Individuals are responsible for learning the techniques necessary to minimize the casualty-producing effects of BW and CW, as training programs and information are made available to them. In the event of a BW or CW attack, they shall assist the local BW and CW defense efforts, report diseases and chemical agents, and take recommended protective actions.⁶

⁶ See Annex 2, Individual Action.

2. Industries and organizations—professional, labor, service, religious, civic, and social—are responsible for making such contributions to preparations and performance of BW and CW defense as may be possible.
3. Farmers or livestock owners are responsible for reporting any unusual diseases, insect pests, or unusual losses in their livestock to their veterinarians, the State veterinarian, or the Federal veterinarian in charge, and for reporting plant diseases to the county agent, State entomologist, or the Plant Pest Control leader.

IV. Functions

A. Detection, Warning, and Identification

1. Objectives

- a. Early detection of BW or CW attack.
- b. Dissemination of warning to the public and notification of the attack to appropriate government agencies.
- c. Rapid identification of the agent involved, to permit institution of proper preventive and/or treatment measures.

2. Actions Required

- a. Provide necessary equipment and techniques for detection and warning.
- b. Incorporate a BW and CW agent detection capability into other detection, monitoring, and warning systems.⁷

⁷ See Annex 23, National Radiological Defense Plan.



- c. Maintain and expand an epidemiological intelligence capability and awareness at all levels of the civil defense organization.
- d. Maintain and expand a laboratory and diagnostic system and capability for rapid identification of agents at regional, State, and local levels.

B. Individual and Collective Protection

1. Objectives

- a. Physical protection of individuals against exposure to BW or CW agents.
- b. Biological protection against development of disease, by mass immunization and chemoprophylaxis where feasible.
- c. Protection of groups of people from exposure to BW and CW agents.

2. Actions Required

- a. Make individual protective equipment—such as protective masks, infant protectors, and clothing—available to the people through regulated commercial distribution and to civil defense organizational personnel through the Contributions Program and the Federal Loan and Grant Program as well as commercial outlets.⁸
- b. Establish procedures and provide supplies for mass immunization and chemoprophylaxis, as applicable to potential agents.

⁸ See Annex 38, Federal Assistance.

- c. Incorporate means for preventing entry of BW and CW agents through the ventilating systems and access routes of fallout shelters wherever feasible.⁹
- d. Provide methods, equipment, and supplies for the decontamination of homes, shelters, health facilities, and working areas.
- e. Provide physical or other barriers to sabotage of industry and vital community facilities.¹⁰
- f. Prevent public access to contaminated areas.¹¹

C. Protection of Water Supplies

1. Objective

To supply water sufficiently free of BW and CW agents for drinking, food preparation, and sanitation purposes.

2. Actions Required

- a. Institute protective measures to minimize contamination of water with BW or CW agents, either incidental to overt attack or by covert introduction.
- b. Provide capability for the detection and identification of contamination.
- c. Provide methods, equipment, and supplies for purification of contaminated water supplies.
- d. Develop and maintain protected sources of water for essential personal uses in an emergency.¹²

⁹ See Annex 10, National Shelter Plan.

¹⁰ See Annex 16, Maintenance of Law and Order, and Annex 11, Protection of Essential Facilities.

¹¹ See Annex 12, Directed Movement.

¹² See Annex 2, Individual Action, and Annex 32, National Water Plan.



D. Protection of Food and Drug Supplies

1. Objective

To assure that food and drug supplies are free of contamination by BW and CW agents.

2. Actions Required

- a. Institute measures in food and drug industries to prevent or detect introduction of agents.
- b. Decontaminate food and drug packages before opening.
- c. Use preparation methods which will destroy or neutralize contamination.
- d. Carry out emergency salvage operations which will minimize loss of food and drug reserves.¹³

E. Insect and Rodent Control

1. Objective

To minimize the transmission of BW agents by control of the disease-spreading insects and rodents.

2. Actions Required

Establish procedures and furnish supplies for the control of disease-bearing insects and rodents.

F. Casualty Care

1. Objective

Adequate treatment and care of people affected by BW or CW agents.

¹³ See Annex 31, National Food Plan.

2. Actions Required

- a. Accumulate and locate for ready distribution stocks of essential biologics, chemotherapeutic material, and equipment estimated to be in short supply for the treatment of BW and CW casualties.
- b. Orient medical personnel in diagnosis, treatment, and care of BW and CW casualties.
- c. Develop maximum capability for self, home, and group care on the part of the general population.

G. Prevention, Control, and Eradication of Animal Diseases, Plant Diseases, and Harmful Insects

1. Objectives

- a. To minimize clandestine introduction of insect pests or diseases of animals or crops which could cause epidemics of serious proportion even before sabotage is suspected.
- b. To minimize the effects and control the spread of insect pests or diseases of animals or crops which could cause epidemics.

2. Actions Required

- a. Maintain quarantines and import restrictions to prevent insofar as possible the entrance of foreign diseases and insect pests into the country and their spread from localized areas within the country.
- b. Maintain and expand services for prompt detection, diagnosis, and reporting of dangerous animal diseases.



- c. Conduct surveys to find plant diseases and insects before they become widely or perhaps permanently established.
- d. Develop control measures for the specific diseases and pests anticipated as biological warfare agents.
- e. Develop eradication procedures.

H. Information and Education ¹⁴

1. Objectives

- a. To develop an appreciation of the potential hazards of biological and chemical warfare on the part of the general population, industry, and all levels of government so as to demonstrate the need for adequate protection, detection, prevention, and decontamination measures.
- b. To insure support of governmental programs regarding such defense and to stimulate appropriate and effective public action.
- c. To inform the public about the effective use and limitations of available protective measures and to secure cooperation in the control of the spread of infections.
- d. To prevent hysteria and unwise mass action.

2. Actions Required

- a. Expand civil defense programs of information and education through all appropriate media, to disseminate information regarding the need for protection and preparation against the use of BW and CW agents.

¹⁴ See Annex 9, Public Information.

- b. Prepare and revise as necessary informational and instructional material on the following broad subjects:
 - (1) The importance of individual preparedness against BW and CW attack in the total national security program.
 - (2) Effects of BW and CW agents on people, food, drugs, plants, and animals.
 - (3) How to provide protection, including:
 - (a) Use of specialized protective equipment.
 - (b) Incorporation of protective measures in home and basement shelters, on farms and ranches, and in food and biological industries.
 - (c) Use of emergency expedients in protection.
 - (d) Measures for protection of food, drugs, and water.
 - (e) Immunization.
 - (f) Decontamination of homes and other environmental areas.
 - (g) Recognition of casualties and home or group care of casualties.
 - (4) Current programs of Federal, State, and local governments relating to BW and CW protection.



I. Training ¹⁵

1. Objectives

- a. To enable governments at all levels to attain operational readiness for effective BW and CW defense.

¹⁵ See Annex 37, Training and Education.

- b. To enable the general public to know the measures to be taken for their protection.

2. Actions Required

- a. Inform and train government leadership at all levels in the concepts, problems, and techniques of BW and CW defense.
- b. Train public health, agricultural, and food and drug personnel in the technical aspects of their functions in BW and CW defense.
- c. Train medical, veterinarian, and related personnel in preventive measures and in diagnosis, treatment, and care of BW and CW casualties.
- d. Train civil defense operational personnel in detection, monitoring, and decontamination of BW and CW agents.
- e. Train members of the food and drug industries in BW and CW detection, monitoring, and decontamination.
- f. Train the general public in BW and CW protective measures.

J. Research and Development¹⁶

1. Objective

To assure necessary technical information, specialized equipment, and methods to permit execution of the above functions.

2. Actions Required

- a. Establish mechanisms to insure coordination of military and nonmilitary research for effective interchange and utilization of information.

¹⁶ See Annex 36, Research and Development.

- b. Devise practical methods and devices for rapid monitoring, detection, warning, and identification of agents.
- c. Develop individual protective equipment.
- d. Develop the necessary materials, equipment, and designs for BW and CW protection in family and group shelters.
- e. Develop emergency expedients for use by people who, at the time of an attack, lack the recommended protective equipment and who are unable to reach a safe shelter area.
- f. Study effects of chemical and biological weapons on humans, foods and drugs, animals, and plants, through the biophysical, biochemical, and medical sciences, with emphasis on improving:
 - (1) Preventive, prophylactic, and therapeutic measures.
 - (2) Psychologic measures.
 - (3) Emergency casualty and medical care.
 - (4) Use of health resources.
 - (5) Emergency sanitation.
 - (6) Decontamination procedures.
- g. Develop methods of decontamination of homes, shelters, hospitals, and other environmental areas.
- h. Improve methods for removal or neutralization of agents in food, drugs, water, and other supplies essential for survival.
- i. Conduct operational research to evaluate concepts of BW and CW defense and to determine optimum organizational procedures and techniques for defense against the agents.



- j. Investigate and experiment with destructive foreign insects and on plant and animal diseases.
- k. Develop survey-type methods to find plant diseases and disease-carrying insects before they become widely or permanently established.

V. Execution

A. Office of Civil and Defense Mobilization

Actions taken under the National Biological and Chemical Warfare Defense Plan shall be coordinated and directed by the Director, Office of Civil and Defense Mobilization, as measures essential for the protection of life and property in accordance with Part IV, Section A; and Part V, Section I, Subsection 3, of the National Plan. OCDM shall:

1. Acquire and store limited quantities of BW and CW defense supplies and equipment as a general reserve.
2. Allocate chemical and biological defense and decontamination equipment to Federal agencies as required and to State and local governments under provisions of the loan and grant or transfer programs and match funds for procurement under the Federal Contributions Program.
3. Provide financial assistance to the States and their political subdivisions for the recruitment and training of BW and CW defense personnel.
4. Encourage the development and manufacture of individual chemical and biological defense equipment for sale to private citizens through commercial outlets.

B. Department of Defense

The Department of Defense shall provide OCDM and the delegate Federal agencies with technical information, the results of research and development pertinent to nonmilitary BW and CW defense—giving due consideration to safeguarding security information—particularly in those areas developed by the military medical services and by the Army Chemical Corps. It shall also, within its capabilities, make available data which is applicable and required for BW and CW defense monitoring.

C. Department of Commerce

The Department of Commerce shall provide forecasts of likely effects of the weather on the distribution of BW and CW agents, establish chemical and biological warfare monitoring and reporting capabilities at the Weather Bureau Observatories, and assist in the testing of detection equipment.

D. Department of Agriculture

The Department of Agriculture shall develop plans for a national program for the direction of Federal activities and furnish technical guidance to State and local authorities concerned with (a) diagnosis and strengthening of defensive barriers and control or eradication of diseases, pests, or chemicals introduced as agents of biological or chemical warfare against animals, crops, or products thereof, and (b) protection of



the processing of meats and poultry, and food products thereof, to assure their safety and wholesomeness and minimize losses from biological and chemical warfare effects. The Agricultural Research Service is the agency which will discharge the responsibility of carrying out the Federal program for the Department of Agriculture and will use emergency Federal powers contained in the civil defense statutes.

1. The Agricultural Research Service conducts fundamental and applied research and demonstrations relating to the production and utilization of agricultural products, and conducts those controls and regulatory programs of the Department of Agriculture which involve enforcement of plant and animal quarantines, the control and eradication of diseases and insect pests of animals and plants, meat inspection, and related work. It carries out as well the physical, chemical, and biological science research for the Department of Agriculture.
 - a. Farm research programs of this Service include the soil-water-plant relationship, conservation, and management; crop and animal research of the diseases that affect domestic animals and poultry; and the study of methods of controlling or eradicating insects that are injurious to farm products, including support of cooperative Federal-State insect control and quarantine activities.
 - b. The regulatory programs of this Service concern themselves with a meat inspection service to insure the wholesomeness of domestic

and imported meat and meat products; animal diseases and their eradication; inspection and quarantine of animals and animal products of foreign origin; plant pest control; and quarantining of imported plants and plant products. The Agricultural Research Service maintains and operates research and diagnostic laboratories in various parts of the United States. It cooperates with the States on disease control and eradication through its established State-Federal cooperative disease and insect control programs.

E. Department of Health, Education, and Welfare

The Department of Health, Education, and Welfare shall develop and direct nationwide programs for the prevention, detection, and identification of human exposure to BW and CW agents and shall conduct research, establish standards, and provide technical advice, consultation, and guidance to Federal, State, and local authorities concerned with (a) diagnosis, strengthening of protective measures, control, or eradication of diseases, pests, or chemicals introduced as agents of biological or chemical warfare against humans, whether such agents are introduced into the air, water, food, biological products, or drugs, and (b) protection of the processing and distribution of food, food products, drugs, and biological products to assure their safety and wholesomeness and to minimize losses from biological and chemical warfare effects. DHEW executes its responsibilities in this field through two of its operating

Agencies, the Public Health Service and the Food and Drug Administration; 10 regional offices; and 17 FDA district offices.

1. The Public Health Service is the Federal agency specifically charged by law with the responsibility for protecting and improving the health of the people of the Nation. It assists the States and their political subdivisions in establishing and maintaining effective programs for the prevention, treatment, and control of disease and for the maintenance of health. The Public Health Service is concerned with the safety of biological products, with pollutants of air and water, and with the eradication and control of diseases communicated from man to man, from animals to man, and from pests to man. The Service maintains domestic and foreign quarantine programs, an air sampling network, and a water pollution control program, and provides technical assistance to States in the development and maintenance of effective milk, shellfish, and restaurant sanitation programs.
2. The Food and Drug Administration is the principal Federal agency having responsibility for protection of the safety and wholesomeness of the interstate supply of foods and drugs, assuring that these are free of contamination by BW and CW agents. It works closely with each of the States and local food and drug enforcement officials, who are closely related through the Association of Food and Drug Officials of the United States, and with other Federal departments and agencies.

F. State and Local Governments

Execution of the chemical and biological defense responsibilities of State and local governments, private organizations, and individuals shall be in accordance with Part IV, Section B; and Part V, Section I, Subsection 3, of the National Plan.

1. The regular animal and crop protection services maintained by State and local agricultural agencies will integrate their operations with the Department of Agriculture as follows:
 - a. The State livestock sanitary official, conducting the animal diseases control program within his State by means of his own organization in collaboration with the Animal Disease Eradication Division, Agricultural Research Service, USDA, and with the veterinary practitioners of the State.
 - b. A State-Federal Emergency Animal Disease Eradication Organization established in each State, assigning specialists to handle specific responsibilities in the event that biological warfare is used on the livestock of the country.
 - c. State plant regulatory officials and the State plant pest-control supervisors, coordinating activities in these areas in each State.
 - d. County agents, screening farmers' reports of unusual disease outbreaks or insect infestations and informing the State officials designated above.



2. The regular health protection services maintained by State and local governments will integrate their operations with DHEW as follows:
 - a. State health departments conducting the disease control program within the States will collaborate with the Public Health Service and Food and Drug representatives in the appropriate DHEW regional office and with the professional organizations in the State.
 - b. State departments of agriculture which have responsibilities for controlling the quality and purity of fluid milk, food, and drugs will collaborate with the PHS and FDA representatives in the appropriate DHEW regional offices.
 - c. Other State agencies having health-related responsibilities will collaborate with the State health departments and with the PHS and FDA representatives in the appropriate DHEW regional offices.
 - d. Local and county health departments and other agencies with health-related activities will coordinate their programs with the State agencies, and through the State agencies with the Public Health Service and the Food and Drug Administration.

THE NATIONAL PLAN
for
Civil Defense and Defense Mobilization

Annex 25

MAINTENANCE OF
ESSENTIAL RESOURCES



Executive Office of the President
OFFICE OF CIVIL AND DEFENSE MOBILIZATION

THE UNIVERSITY OF CHICAGO

PHYSICS DEPARTMENT

PHYSICS 311

PROBLEM SET 1

DATE: _____



PHYSICS 311, SPRING 2011

Preface

This annex supports and amplifies the National Plan for Civil Defense and Defense Mobilization, particularly Part VI, Section A, **Development and Maintenance of Essential Resources**. It covers the responsibilities, objectives, and actions involved in assuring resource availability. The emphasis is on preemergency measures designed to achieve and maintain preparedness of resources to meet demands which would be placed on them in a national emergency. Some of these measures are applicable to many different types of resources, while others relate to only a specialized category of resources. These latter types are covered in other annexes.

Auxiliary documents to this annex will be issued as necessary and will be subordinate to and compatible with this annex and the National Plan.

The annex is published in looseleaf form in order that pages may be added or replaced easily whenever revisions are made.



Director

Office of Civil and Defense Mobilization

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ANNEX 25

MAINTENANCE OF ESSENTIAL RESOURCES

I. Definition

Maintenance of Essential Resources includes actions which must be taken in the preemergency period to insure the adequacy and continuing availability of resources essential to emergency production and distribution for military, atomic energy, and essential civilian needs of the United States and essential assistance to its allies and for the orderly achievement of recovery and rehabilitation. Such resources include manpower, raw or basic materials, finished goods and products,¹ services, the facilities and materials for emergency organization and operations, and essential records.

II. Assumptions²

A. In a limited war the impact of defense and defense-related needs may result in national deficiencies which would adversely affect mobilization activities and the preparations being made for general war, survival, and rehabilitation.

B. In a general war there would be widespread devastation and disruption, resulting in shortages of virtually all products, items, services, and manpower.

¹See National Plan Appendix NP-35-1, List of Essential Survival Items.

²See Annex 1, Planning Basis.



C. For an indeterminate time after an attack, nationwide direction by Federal authority may be lacking, and regional, State, and local authorities would have to operate independently in accordance with existing plans.

D. Unless action is taken prior to general war to insure the maintenance of essential resources, the survival of the Nation might be in jeopardy. Such action would include the alleviation of prospective postattack resource deficiencies, the prepositioning of adequate and appropriate supplies and inventories, and protection of human resources and the national industrial plant.

III. General Responsibilities

A. Federal Government

1. During a period of international tension the Federal Government is responsible for policy guidance and actions to assure the existence and availability of resources necessary for expanding, maintaining, or restoring production, distribution, and services essential to military preparedness, civil defense and defense mobilization, and foreign assistance.
2. During a limited war the Federal Government is responsible for national policies, programs, and actions to provide administrative control of and support to production and distribution of the Nation's resources to fulfill essential military, atomic energy, civilian, and industrial requirements, and essential foreign assistance—both for the limited war and in anticipation of general war.

3. During a general war the Federal Government is responsible for national policies, programs, actions, and controls relating to production, distribution, and the use of the Nation's resources to achieve survival, recovery, and victory.

B. State and Local Governments

Basic responsibility for the development and maintenance of those national resources essential for mobilization purposes lies within the purview of the Federal Government. If Federal operations are disrupted in particular areas as a result of attack, and until effective Federal authority is restored, State and local authorities are required to assume responsibility for such resources, as well as resources normally under their jurisdiction, including their protection, use, and distribution, in accordance with national policies and guidelines provided by the Federal Government.

C. Industry

Under emergency conditions, private organizations and individuals concerned with production and services are responsible, in cooperation with the Federal or State government agency concerned, for assistance in providing needed goods and services, and for complying with priority and allocation systems required by the emergency.

IV. Functions

A. Objectives

1. To identify prospective resource deficiencies under various mobilization concepts and emergency situations.
2. To alleviate or eliminate these shortages and to maintain the Nation in a constant state of readiness.



B. Actions Required

1. Maintain a flexible and effective priorities and allocation system to direct the production and distribution of essential resources.³
2. Maintain, expand, and train an effective National Defense Executive Reserve⁴ which would be available to augment the existing government structure during an emergency period.
3. Maintain inventories of labor supply, by industry, by area, and by occupation.⁵
4. Provide for the availability and best possible use of skilled labor, including preemergency designation of those critical occupations and essential activities which must proceed uninterrupted under any contingencies.⁵
5. Establish and maintain Federal field organizations adequately staffed, and maintain essential records necessary to operate effectively such emergency organizations.⁶
6. Continually identify those facilities determined to be of essential importance to civil defense and defense mobilization and those actions designed to assure the preservation of such facilities under extremely adverse conditions.⁷

³See Annex 28, Management of Emergency Production.

⁴The National Defense Executive Reserve was established under authority of the Defense Production Act Amendments of 1955 and Executive Order 10660, and is composed of persons selected *from various segments of the civilian economy and from government* who are trained for employment in executive positions in the Federal Government during periods of emergency.

⁵See Annex 30, National Manpower Plan.

⁶See Annex 3, Organization for Civil Defense and Defense Mobilization.

⁷See Annex 11, Protection of Essential Facilities, and Annex 35, Emergency Administration of Essential Facilities.

7. Establish a program for the continuity of industry designed to protect the national industrial plant—including management, resources, and the labor force—and to insure continuity of essential production and services following attack.⁸
8. Some items or components are designated by the Department of Defense, the Atomic Energy Commission, the National Aeronautics and Space Administration, and the Maritime Administration, under criteria established by OCDM, as so urgent to the defense of the Nation that utmost effort must be exerted to produce them, even in event of general war which might inflict severe damage upon facilities needed to produce them. For these items and components, and for those items essential to survival and retaliation, maintenance of health, or combat-efficiency required to support limited or general war, the following actions will be taken by those agencies in cooperation with private companies involved:
 - a. Establishment of emergency production schedules.
 - b. Development of a production capability which would function under widespread disruption and damage imposed by the enemy, including, where necessary:
 - (1) Maintenance of an increased inventory of finished components and related production supplies at assembly or producing plants, or arrangements for alternative supply lines where increased inventories are not feasible.



⁸See Annex 11, Protection of Essential Facilities.

- (2) Development of capability to carry on urgent production with on-hand or easily accessible replacements for highly vulnerable or unreliable parts of production equipment and without dependence on additional personnel, on long-distance communications, or, where applicable, on external sources of power, fuel, and water.
 - (3) Protection of production facilities from enemy sabotage through adequate physical security measures.
 - (4) Protection of personnel from weapons effects, including radiological fallout, through provision of shelter, radiological monitoring, and decontamination services.
 - (5) Provision for the decontamination of essential facilities and materials required for the protection of operations personnel.
9. Maintain the machine tools and production equipment necessary to meet the wartime requirements of the Department of Defense, the Atomic Energy Commission, the National Aeronautics and Space Administration, and the Maritime Administration so as to facilitate immediate use or conversion of such equipment in an emergency and in addition to insure a supply of tools for rehabilitation and restoration of the economy postattack.
 10. Regularly assess supply-requirements relationship as to:
 - a. Essentiality and adequacy, in quantity and quality, of strategic and critical stockpile

- material reserves and stockpiles of other resources to meet mobilization demands.
- b. Storage location most suitable to safety and ultimate use, based on most recent criteria and assumptions, including those in the security field.
11. Assess the need for stockpiling construction and production equipment, industrial items, and fabricated materials for postattack purposes, including the availability for this purpose of equipment and materials in private inventories.
 12. Establish procedures for the postattack release and management of materials contained in the national stockpile and other Federal Government inventories of strategic and critical materials.
 13. Conduct research leading to the development of new or substitute resources where normal domestic sources may become unavailable in the postattack period.⁹
 14. Establish and maintain necessary stockpiles of selected essential survival items and provide for the release and distribution of such items as needed during an emergency.
 15. Establish procedures for the emergency control of exports to and imports from foreign areas and exercise such controls as necessary.¹⁰
 16. Provide, where necessary, for the expansion of industrial and essential service facilities, including construction of new facilities, by financial means available to the Federal Government, including loans and direct Federal expenditures.¹¹

⁹See Annex 33, National Energy and Minerals Plan, and Annex 36, Research and Development.

¹⁰See Annex 5, Federal Delegations and Assignments.

¹¹See Annex 38, Federal Assistance.



17. Inform the State governments of the provisions of the foregoing planning activities so that in a postattack period of national-regional-state-wide disruption of communications the State and local civil defense authorities can administer the programs until the Federal Government can resume effective control.

V. Execution

A. Programs of the Federal Government pertaining to the maintenance of essential resources¹² shall be directed and coordinated by the Director, Office of Civil and Defense Mobilization, as a measure for mobilization and management of resources and production in accordance with Part IV, Section A, and Part VI, Section A, of the National Plan. Among these programs the functions below shall be carried out as follows:

1. OCDM institutes and administers the National Defense Executive Reserve program, coordinates the activities of other agencies in establishing units of the Reserve, provides appropriate standards of recruitment and training, and issues necessary rules and regulations in connection with this program.
2. OCDM, with the advice of the Interdepartmental Materials Advisory Committee, determines essentiality, quantity, and quality of strategic and critical stockpile materials.
3. General Services Administration, at OCDM's direction, acquires, maintains, and provides for postattack management and delivery of these strategic and critical stockpile materials.

¹²See Annex 7, Role of the Military.

4. OCDM, assisted by other Federal agencies pursuant to their assigned responsibilities,¹³ plans and directs the nonmilitary procurement, storage, maintenance, inspection, survey, distribution, and utilization of essential supplies, equipment, and services for survival.

B. Federal responsibilities not reserved by the Director with respect to maintenance of essential resources have been assigned to other Federal agencies having a continuing relationship with industry, in accordance with Part IV, Section A, and Part VI, Section A, of the National Plan and Annex 5, Federal Delegations and Assignments.

C. State and local governments will carry out their responsibilities for maintenance of essential resources in accordance with Part IV, Section B, and Part VI, Section A, of the National Plan; Part III, Section B, of this annex; other resource annexes; and documents subordinate to them.

D. Industry, through private organizations and individuals concerned with production and services, will carry out applicable provisions of maintenance of essential resources in accordance with the responsibilities outlined in Part III, Section C, of this annex and will discharge their emergency operational responsibilities under the direction and control of the Federal Government or appropriate State and local governments.

¹³See Annex 5, Federal Delegations and Assignments.



Appendix 1

(Annex 25 — Maintenance of
Essential Resources)

GUIDANCE ON PRIORITY EMERGENCY USE OF RESOURCES

NP-25-1

National Plan Appendix Series



Executive Office of the President

OFFICE OF CIVIL AND DEFENSE MOBILIZATION

December 1960



GUIDANCE ON PRIORITY EMERGENCY USE OF RESOURCES

I. INTRODUCTION

As stated in the National Plan for Civil Defense and Defense Mobilization, emergency resources management is a Federal responsibility; therefore, State and local government officials will not assume Federal responsibility for resources management in any case where Federal agencies are able to function. However, under conditions of devastating attack,¹ State and local governments could be isolated and would have to assume responsibility for the use of remaining resources until effective Federal authority could be restored.

This appendix states the policy of the Government on the use of resources in the period immediately following attack and before Federal authority can be restored, and provides general guidance for State and local officials on the assignment of resources to top priority activities.

In areas where Federal resources agencies are available to manage resources they will also be guided by the criteria contained in this appendix.

This guidance is designed to achieve a degree of national equity in the use of resources through the use of economic stabilization or other control measures, and to assign and conserve resources effectively in the immediate postattack period. Until more specific instructions are available these are the general guidelines within which *managerial judgment* and *common sense* must be used to achieve national objectives under widely differing emergency conditions.

¹See National Plan Annex 1, Planning Basis.

II. GENERAL POLICY

In the immediate postattack period all decisions regarding the use of resources shall be guided by the following general policy:

The objective in the period immediately following attack upon the United States is national survival. In order to achieve this objective, post-attack resources shall be assigned to activities concerned with the maintenance and saving of lives, including immediate military defense and retaliatory operations to prevent or limit enemy attack.

III. RESPONSIBILITIES²

As soon as possible after attack and until specific Federal direction and guidance on the use of resources is provided, State and local officials must determine what resources would be available, to what needs they could be applied, how they should be used, and the extent to which resources are in excess of survival needs. As conditions permit, they shall coordinate these activities with neighboring governments. They shall base their determinations as to the relative urgency of existing requirements primarily upon the importance, to national survival, of the available resources and of the purposes for which they would be used.

IV. PRIORITY ACTIVITIES IN IMMEDIATE POSTATTACK PERIOD³

The following activities are to be accorded priority over all other claims for resources. There is no significance in the order of the listing—all are im-

²See Parts III and VI of the National Plan.

³See also National Plan Annex 30, National Manpower Plan, and Annex 35, Emergency Administration of Essential Facilities.

portant. The order in which they are initiated locally may vary with local conditions and circumstances. If local conditions necessitate the establishment of an order of priority among these activities, that order shall be based on determinations of relative urgency among the activities listed, in keeping with the local circumstances, the availability of resources for achieving the actions required, and the feasibility and timeliness of the activities in making the most rapid and effective contribution to national survival.

- A. *The immediate defense and retaliatory combat operation of the United States Armed Forces.*
- B. *Maintenance or reestablishment of Government authority and control* to restore and preserve order and to assure direction of essential emergency operations and services to the people.
 - Police protection and movement direction.
 - Fire defense, rescue, and debris clearance.
 - Warning of dangers and dissemination of news and instructions.
 - Detection, decontamination, and eradication of bacteriological and chemical agents and instruments.
 - Radiological detection, monitoring, and decontamination.
 - Provisions for the equitable distribution of survival items.
- C. *Provision of survival items and services essential to continued survival and rapid recovery.* These include:⁴
 - Feeding, clothing, lodging, and other welfare services.
 - Sanitation, casualty care, and other medical and health services.
 - Water, fuel, and power supply.
- D. *Services needed to carry out these priority activities*, such as transportation and communications.

⁴These essential services and items are listed in National Plan Annex 35, Emergency Administration of Essential Facilities, and Appendix NP-35-1, Essential Survival Items.

V. ASSIGNMENT OF RESOURCES

All available resources, including manpower, should be assigned as rapidly as possible to meet the emergency requirements of the priority claims indicated above. The principal objectives should be:

- A. To use all available resources to serve these requirements promptly and effectively.
- B. To prevent waste or dissipation of resources prior to their assignment to emergency requirements.
- C. To encourage maximum production of:
 1. Military items needed for retaliation and defense where this can be accomplished promptly.
 2. Essential survival items.
 3. Supplies and equipment needed to accomplish (1) and (2) above.
 4. Supplies and equipment needed to provide essential services.
- D. To encourage maximum volume of the following types of construction:
 1. Emergency repair and restoration of facilities needed for survival, such as essential production, essential services, and housing.
 2. Conversion of facilities to survival use, where this can be accomplished quickly.

Less essential production should be allowed to continue, from inventories on hand, only when there is no emergency requirement for any of the resources being used for such production, and no possibility of converting facilities to the production of more essential items.

Less essential construction should be stopped unless it can be used immediately for essential purposes upon completion.



VI. ASSESSMENT AND CONSERVATION MEASURES

The recommended schedule for assignment of resources outlined in Part V above assumes that local administrators have established their authority⁵ and responsibility and taken fundamental assessment and conservation measures in a manner generally characterized by the following:

- A. Immediate and repeated announcements to the population, by whatever means available, informing them who is responsible for emergency direction of the community.
- B. Immediate and repeated announcements to the population, advising them of the situation, and pointing out areas of critical deficiencies in which it will be necessary to conserve available resources.
- C. Assessment of resources immediately on a local area basis, gradually expanding geographically the area of resources availability.

⁵See also National Plan Annex 4, Authorities for Civil Defense and Defense Mobilization, especially Section VI. F.

- D. Comparable assessment of requirements for resources.
- E. Immediate and continuing efforts to reach higher Government authorities to receive further guidance and to report on the situation.
- F. Immediate freeze on all essential survival items.
- G. Release of stocks of essential survival items coming under freeze orders, on an interim emergency rationing basis in accordance with Part IV above.

Responsible officials must consider both present and anticipated requirements, must evaluate conflicting demands in terms of the relative good to be gained, and must regulate use to assure maximum efficiency.

This task cannot be planned entirely in advance nor can it be properly performed by spontaneous reaction to any and all demands. It will require adequate situation information, thorough knowledge of resource availability, prompt decision-making, and above all, sound judgment.

The National Plan Appendix series amplifies annexes to *The National Plan for Civil Defense and Defense Mobilization*. Each appendix is associated specifically with one or more of the National Plan annexes. This appendix supplements Annex 25, *Maintenance of Essential Resources*.

**Annex 26, Protection and Continuity
of the National Industrial Plant**

**NOTICE
to users of the National Plan
for Civil Defense and Defense Mobilization**

Annex 26, Protection and Continuity of the National Industrial Plant, has been incorporated into Annex 11, Protection of Essential Facilities.



Please retain this sheet with your
annexes in the place of Annex 26.

THE NATIONAL PLAN
for
Civil Defense and Defense Mobilization

Annex 27

EMERGENCY ECONOMIC
STABILIZATION

**This annex also includes the originally planned Annex 29,
Emergency Distribution and Consumption Controls**



Executive Office of the President
OFFICE OF CIVIL AND DEFENSE MOBILIZATION

THE NATIONAL LAW

1917

OF THE DISTRICT OF COLUMBIA

CHAPTER 1

ARTICLE I

SECTION 1

SECTION 2



OFFICE OF THE DISTRICT ATTORNEY

Preface

This annex supports and amplifies the National Plan for Civil Defense and Defense Mobilization, particularly Part VI, **Functions for Mobilization and Management of Resources and Production.**

In connection with a limited war mobilization, the annex is concerned chiefly with the emergency monetary, credit, and tax measures and the "direct" controls on prices, wages, salaries, and rents, required to combat inflationary pressures and to stabilize the economy.

In a general war (that is, with attack on the United States), the annex is directed to the emergency monetary and credit policies and actions required to *maintain and stabilize* the monetary and economic systems on a "going concern" basis, especially in undamaged areas. In such a situation, it is also concerned equally with "direct" controls on prices, wages, salaries, and rents, and with emergency rationing, all intended and triggered to function in undamaged areas immediately after attack.

Periods of international tension would be unlikely to require the actual use of most of the emergency measures outlined in this annex but would require accelerated preparedness for their possible imminent use.

In the event of massive attack, the headquarters of the Federal Government could not administer most of the immediately required regulatory measures. This annex emphasizes, therefore, that the only workable alternative is for local, State, and Federal regional



authorities to have immediate postattack responsibility for the interim administration and coordination of many of the emergency measures involved. This responsibility would continue in varying degrees and for varying times, depending upon how rapidly the headquarters of the Federal Government could gradually consolidate interim local, State, and Federal regional actions into a cohesive national stabilization operation.

Accordingly, in addition to outlining national economic plans and policies for emergency use, the annex will contain operating appendixes setting forth emergency techniques and objectives for the guidance of local, State, and Federal regional authorities in carrying out their interim postattack operating responsibilities.

For the purposes of clarity, limited war and general war are treated as self-contained entities in this annex, inasmuch as the policies, objectives, and techniques involved must necessarily differ.

The annex is published in looseleaf form in order that pages may be added or replaced easily whenever revisions are made.



Director

Office of Civil and Defense Mobilization

Issued November 1960

(NOTE: This annex also includes the originally planned Annex 29, Emergency Distribution and Consumption Controls.)

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ANNEX 27

EMERGENCY ECONOMIC STABILIZATION

I. Definition

For the purpose of this annex, emergency economic stabilization includes the "indirect" controls (monetary, credit, and tax measures) required to support mobilization for limited war and to stabilize the economy during such a mobilization. It also includes the "indirect" or financial policies and controls necessary to maintain and stabilize the continued functioning of a "going concern" economy following massive attack on the United States. Finally, it includes the equally important "direct" controls necessary to stabilize prices, wages, salaries, and rents, and to ration essential consumer items.

II. Limited War

A. Assumptions¹

1. In a limited-war situation, a fundamental emergency economic problem would involve restraining or controlling the inflation which accelerated mobilization would be likely to set in motion. Even though immediate shortages of goods and services might not result, the psychological reaction to limited war would almost certainly produce inflationary consequences requiring forceful national action.

¹See Annex 1, Planning Basis.



2. Comprehensive indirect and direct controls, of the types and to the extent required by the situation, would be initiated promptly and administered by the Federal Government. These measures would involve little or no direct participation by local or State authorities and organizations, except in the case of rationing. Substantial local and State administrative support would be required if rationing should become necessary during a limited-war mobilization.

B. General Responsibilities

1. The Federal Government will be responsible for the initiation and administration of indirect controls (emergency monetary, credit, and tax measures); of direct controls on prices, wages, salaries, and rents; and for rationing operations or accelerated preparation for such operations.
2. Local, State, and OCDM regional authorities will familiarize themselves with Federal economic stabilization operations from the outset of any limited-war mobilization and will review and strengthen their preparedness to carry out emergency economic stabilization responsibilities in the event of attack, especially in undamaged areas.
3. Private citizens and organizations will be responsible for cooperating with all emergency economic measures required, and for supporting by every means the national policy of forestalling inflationary pressures set in motion by the mobilization.

C. Functions

1. Objectives
 - a. To initiate emergency monetary, credit, and tax measures (indirect controls) designed to

finance limited-war mobilization *and* to restrain inflation.

- b. To impose comprehensive direct controls, as necessary, on prices, wages, salaries, and rents, in order to combat the effects of inflation during the mobilization period.
- c. To institute or accelerate preparedness for rationing, as it may be necessary to complement indirect and direct controls and to ensure equitable distribution of available essential consumer items.

2. Actions Required

- a. The major Federal financial and economic agencies will immediately recommend to the President previously prepared emergency monetary and tax measures and, to the extent that it has not been enacted, will recommend necessary enabling legislation.² On the basis of such enabling authority, the appropriate Federal financial agencies will take the actions necessary, in keeping with existing plans, to impose and administer the indirect controls authorized.
- b. Simultaneously, if it has not been enacted, the Director, OCDM, will recommend to the President previously prepared enabling legislation to support the imposition of comprehensive direct controls on prices, wages, salaries, and rents.

By Executive order, the President will immediately create an emergency stabilization agency and its component direct-controls

²See Annex 4, Authorities for Civil Defense and Defense Mobilization.



agencies, and the administrator of the emergency stabilization agency will initiate direct-controls operations through a general freeze of prices, wages, salaries, and rents. The Director, OCDM, will participate in the continuing development of basic direct-controls policy and in the coordination of that policy among the emergency stabilization agencies and between indirect- and direct-control operations.

Under the general supervision of the emergency stabilization agency, in keeping with existing plans, the appropriate operating directors of the direct-controls agencies will staff their agencies, create necessary field organizations, and administer the freeze order and consequent regulatory operations within their respective jurisdictions.

- c. The Director, OCDM, and the administrator of the emergency stabilization agency, under existing delegation from the President, will also take whatever action the economic situation may require in connection with rationing. This may be confined to accelerated preparedness for rationing, or it may involve the actual staffing of an emergency agency and field organization to provide a ready basis for selective or general rationing.

D. Execution

The most important aspects of emergency economic stabilization action during a limited-war mobilization will be executed as follows:

1. Federal

a. *Office of Civil and Defense Mobilization:*

- (1) Participates in the continuing development and coordination of emergency stabilization policies and actions to fit the existing situation.
- (2) In connection with direct controls on prices, wages, salaries, and rents, recommends to the President necessary enabling legislation if it has not been enacted.
- (3) Coordinates direct-controls policy with indirect-controls policy and with production and materials control policy. In the latter connection, also establishes arrangements under which Federal agencies having responsibilities for production and distribution of resources will provide to the direct-controls and rationing agencies information and advice needed with respect to the formulation and effects of direct controls and rationing regulations involving such resources.

b. *Department of the Treasury:*

- (1) Participates in the continuing development and coordination of emergency stabilization policy and action, and develops emergency monetary and tax policies and measures to fit the existing situation.
- (2) On the basis of the existing conditions, recommends to the President necessary enabling legislation in connection with



emergency tax operations and such monetary operations as fall within its jurisdiction.

- (3) Imposes and administers emergency tax measures and such monetary controls as are its responsibility.

c. *Federal Reserve Board and other Federal financial agencies:*

- (1) To the extent required, participate in the continuing development and coordination of emergency stabilization policy and action, and develop emergency monetary and credit policy to fit the existing situation.
- (2) To the extent required, recommend to the President necessary enabling legislation in connection with emergency monetary and credit operations.
- (3) Administer those aspects of emergency stabilization operations which fall within their jurisdictions (for example, the Federal Reserve Board and the Federal Home Loan Bank Board as to consumer credit control and the Housing and Home Finance Agency as to real estate credit measures).

d. *Emergency stabilization agencies:*

- (1) The parent stabilization agency will organize the component agencies and initiate direct-controls operations, including accelerated preparedness for rationing or the imposition of rationing as necessary. It will also participate in the continuing development of stabilization

policy, and will coordinate the policies and operations of its component direct-controls agencies.

- (2) The component agencies will staff and organize their respective operations in keeping with existing plans, and will administer direct controls on prices, wages, salaries, and rents.

e. *Department of Labor and Housing and Home Finance Agency:*

Respectively, in keeping with existing plans, will assist the Director, OCDM, in creating and organizing emergency wage-salary and rent control agencies within the parent stabilization agency.

f. *Departments of Agriculture, the Interior, and Commerce (Business and Defense Services Administration):*

- (1) As to food, petroleum and solid fuels, and other essential consumer items respectively, participate in the general development of accelerated rationing preparedness; and, in the event of rationing, advise the emergency rationing agency of available supplies, requirements, and allocations for rationing purposes.
- (2) With respect to their production and distribution responsibilities, provide the stabilization agencies with information and advice in connection with the formulation and effect of direct control and rationing regulations.



g. *General Services Administration:*

In keeping with existing plans, provides physical facilities and supplies necessary for the creation and organization of the emergency stabilization agency and its component direct-controls agencies.

h. *Civil Service Commission:*

(1) In keeping with existing plans, assists the Director, OCDM, and the emergency stabilization agency and its component direct-controls agencies in securing qualified personnel, particularly from Federal Government sources; and assists in the development of appropriate personnel standards and regulations for use in the administration of emergency stabilization operations.

(2) Participates in the formulation of wage and salary stabilization policies as they affect Federal Government personnel, and establishes civilian wage and salary stabilization policies and standards for the Executive Branch of the Federal Government.

i. *Bureau of the Budget:*

In keeping with existing plans, arranges with the Director, OCDM, and the emergency stabilization agency for the availability and budgeting of appropriations required for stabilization operations.

j. *Department of State:*

The departments and agencies mentioned above will avail themselves of foreign policy guidance from the Department of

State in connection with those stabilization policies and measures which would directly affect relations with other countries.

2. State and Local

State governors and civil defense directors, and through them, community authorities, will familiarize themselves with emergency Federal stabilization policy and actions in order to improve or accelerate their preparedness to carry out interim stabilization responsibilities in the event of general war.

III. General War

A. Assumptions

1. Because of the interdependence and interrelationships of the Nation's monetary and credit system, massive attack would gravely jeopardize the continued operation of banks and other financial institutions, including those in undamaged areas. This would be true at a time when the maximum capacity and functioning of our surviving monetary and economic systems would be most needed, and when it would be least desirable to shut down or introduce substitute systems.³

³For the purposes of this annex, "undamaged areas" are those communities, cities, counties, parts of States, or States where physical destruction and fallout would be nonexistent or where fallout would be tolerable or short-lived. In effect, therefore, they are all those *economic entities* where, with preparedness, regulated but familiar economic activity could be triggered to continue with minimum interruption. This rejects the alternative of shutting down our surviving economy or substituting new and unfamiliar systems, such as barter, the introduction of scrip, or "police" rule of a nonmoney economy. (This preparedness concept in no way interferes with the development of "civil defense-public welfare-nonmoney economy" preparedness applicable in damaged areas, nor does it inhibit adapting both kinds of preparedness to such "gray" or moderately damaged areas as may exist.)



In keeping with the preparedness and operating concepts which this assumption produces, the *immediate* and urgent postattack national objectives are to support the continued functioning of the surviving portions of our monetary system *and* to stabilize the surviving economic system.

Emergency financial and indirect controls, outlined later in this section, would be required to instill confidence in and assure the continued but regulated operation of our monetary and credit systems in undamaged areas, while avoiding the introduction of new or substitute systems. Simultaneously, emergency direct controls, particularly including rationing, would be required to stabilize the surviving economy in order to assure its maximum contribution to the national security.

This annex assumes that, whether from the present seat of the Federal Government or from relocation sites, it would be virtually impossible for the national headquarters of Federal agencies to administer initial and interim postattack stabilization operations.

2. The great bulk of the operating responsibility for these emergency actions in undamaged areas, during the critical first period following attack, would fall upon local and State authorities, OCDM Regional Offices, and the field staffs of Federal agencies which normally administer financial and credit programs or to which special responsibilities have been delegated (for example, the Department of the Treasury, the Federal Reserve Board, the Federal Home Loan

Bank Board, the Federal Deposit Insurance Corporation, the Housing and Home Finance Agency, the Department of Labor, and the Department of Agriculture).

Most of the coordinating responsibility in this initial period will rest with State authorities and with OCDM Regional Offices.

After the interim postattack period, as Federal agencies gradually become able to administer and coordinate nationally, the Federal Government (through OCDM, permanent agencies, and emergency stabilization agencies) will draw together local, State, and regional interim operations in the direction of a cohesive and stabilized national economy.

3. This annex does not envisage the possibility of organized economic activity, nor of a functioning money economy, during the initial post-attack period in the heavily damaged areas. The policies and measures outlined in the annex are intended primarily for immediate postattack use in undamaged areas, as the only alternative to shutting down our surviving monetary and economic systems when they are most needed. Nevertheless, the economic objectives included in this annex, primarily for immediate and interim postattack use in undamaged areas, should also guide authorities in other areas as the gradual restoration of restricted economic functioning becomes possible.



B. General Responsibilities

1. The Federal Government will be responsible for establishing the national policies and taking the

Federal actions required to support the mobilization of all economic forces and the maximum utilization of surviving human, material, and economic resources. It will be responsible for establishing the national policies and directing the actions required to maintain the functioning of the monetary, credit, and financial system; the continuance of banking operations; and the operations of the surviving economy as a "going concern," including provision for the sharing of war losses to the extent necessary to carry out these responsibilities.⁴

The Federal Government will be responsible for *authorizing* the general control of prices, wages, salaries, and rents and the imposition of rationing; and it will be responsible for creating emergency stabilization agencies to advise and assist, as rapidly as possible, in immediate local-State postattack operations in these fields and gradually to absorb these interim operations.

By prearrangement, the Federal Government will also be responsible for requesting State governors to exercise their emergency authority in connection with the initial and interim postattack administration of price and rent control and rationing. (In keeping with existing plans, the Wage and Hour offices of the Department of Labor will initiate interim postattack

⁴This aspect of loss-sharing should not be confused with the policy expressed in par. IV.A.1.e of Annex 35, Emergency Administration of Essential Facilities, in which it is proposed to "insure" the producers of designated goods and services against "financial loss" with respect to the production of such goods and services.

wage and salary control and will provide machinery for dealing with such labor disputes as may arise.)

2. At the request of the Director, OCDM, State governments will be responsible for supporting the prearranged actions of the Federal agencies (including their field staffs), having responsibility for monetary, credit, and financial controls, to assure the continued functioning of the monetary, credit, and banking system in undamaged areas.

Also at the request of the Director, OCDM, State governments will be responsible for the interim postattack administration of price and rent control and rationing and for assisting or supporting Department of Labor Wage and Hour offices in the interim administration of wage and salary controls.

Local governments, acting under State authority and coordination, will have the same interim direct controls responsibilities.

3. Private citizens and organizations, particularly including financial institutions, will be responsible for cooperating with and assisting local, State, and Federal regional authorities in carrying out the immediate postattack objectives of national economic policy.

C. Functions

1. Objectives

- a. To assure the continued functioning of a money and credit economy in undamaged areas, so as to assure its maximum contribution to economic activity, reconstruction, and the national security.



- b. To stabilize the surviving economy by preventing inflation and a flight from the national monetary and credit system, by supporting the continuity of the system, and by avoiding drastic substitutes for it, such as barter or scrip.
- c. To undertake *immediate* rationing of essential items in undamaged areas, in keeping with prearranged plans, in order to *conserve* and share available supplies and to support and complement other financial, indirect, and direct controls.
- d. To rely upon prearranged State and local interim administration of direct controls on prices and rents, and of rationing, in undamaged areas, in keeping with national economic policies, objectives, and standards prescribed by the Federal Government pre-attack; and to rely upon the Wage and Hour offices of the Department of Labor to impose and administer wage and salary controls in undamaged areas.
- e. To pursue the preceding objectives in damaged areas, and those adjoining, as soon as conditions permit.
- f. To consolidate interim local, State, and regional actions and responses in undamaged areas into a coordinated national stabilization program as soon as conditions permit. This will be undertaken gradually by OCDM, permanent Federal agencies, and emergency stabilization agencies.

2. Actions Required

- a. A pre-positioned Executive proclamation will be directed to the country by all available communications media, stating or reiterating the national economic objectives and policies to be pursued and stressing the need for national support of the emergency actions to be taken.
- b. By pre-positioned Executive order, the Secretary of the Treasury will assume full responsibility for policy matters pertaining to financial institutions and the monetary, credit, and financial system. The Secretary will be vested with full power and authority to permit or require such actions, in keeping with existing plans, as may be necessary to assure the continued functioning of the system in undamaged areas. By pre-positioned order, the Secretary will also redelegate to other financial agencies such power and authority as they will require in order to carry out their prearranged postattack responsibilities.

At the outset of the postattack period, these actions will be administered, on the basis of pre-positioned orders and regulations, by the field staffs of the financial agencies, with such support or assistance by local, State, and OCDM regional authorities as the financial agencies may request.

- c. Necessary orders, regulations, and administrative machinery will be pre-positioned to support the following postattack monetary and credit policies and actions:



- (1) The continuance of banking operations, including provision for liquidity⁵ and credit, will be maintained in undamaged and other areas insofar as possible. The Federal Government will offer assurance that those dealing with financial institutions may do so without risk of the insolvency of such institutions by reason of war losses.
- (2) The Federal Government will assure the equitable sharing of war losses throughout the economy to the extent possible, not to guarantee individuals against losses, but to ensure the maintenance of a "going concern" economy.
- (3) Bank deposits and currency will be made available in proportion to the needs of postattack economic activity (to avoid inflation), with due regard to local conditions in severely damaged, moderately or lightly damaged, and undamaged areas, and subject to controls prescribed by national authority.
- (4) New bank credit will be made available for essential purposes such as the support of military, emergency relief, and salvage operations and of national reconstruction.⁶

⁵As used here, liquidity means making provision for converting enough assets into available cash or credit to meet operating needs, even though some or many of those assets may be destroyed or inaccessible.

⁶This would include the essential facilities and the essential production and distribution contemplated in Annex 35, Emergency Administration of Essential Facilities.

- (5) The Federal Government will guarantee private financing for essential purposes to the extent that it is not otherwise available on reasonable terms.
- (6) On the basis of existing plans, provision will be made for the clearance of checks, including those drawn on destroyed banks, subject to such limitations and controls as may be necessary to assure the maintenance of the monetary and credit system.
- (7) Supplies of currency will be pre-positioned and decentralized to the extent possible in order to provide for local needs and, in keeping with existing plans, will be made available in accordance with the needs of postattack economic activity.
- (8) There will be no general moratorium on the payment of preattack debts, but limited moratoria may be authorized for hardship cases.
- (9) The issuance and use of scrip as a substitute for currency will be avoided except as it may be necessary due to the unavailability of currency.
- (10) Actions will be taken in connection with foreign financial transactions as are deemed necessary to protect the value of the dollar in international markets, preserve foreign exchange resources, and prevent transactions adverse to the conduct of the war and the financial interests of the United States.



- d. To support and complement these financial, monetary, and credit controls, the Federal Government (through the Director, OCDM) will immediately issue a pre-positioned general "freeze" of prices, wages, salaries, and rents, to be applicable particularly in undamaged areas during the immediate and interim postattack period.
- e. The Director, OCDM, will also issue a pre-positioned order requiring the immediate conservation and rationing of essential consumer items. It will be national policy to control immediately, under State and local government direction, all retail and pre-retail inventories through pre-positioned orders and, *for a period of at least 5 days, to prohibit all sales* of food, petroleum, and other essential consumer items, except for the most essential purposes and except for perishables in danger of spoilage.
- f. By prearrangement, the Director, OCDM, will request governors, and through them, community authorities, to initiate and administer these interim direct controls as to prices, rents, and rationing.⁷ The Secretary of Labor, through the Wage and Hour offices of the Department of Labor, will initiate and administer interim wage and salary controls and necessary labor disputes machinery.

⁷For the guidance of local, State, and OCDM regional authorities, the direct-controls objectives, standards, and techniques to be pursued are contained in appendixes to this annex.

- g. Simultaneously, by Executive order, there will be created an emergency Federal stabilization agency and component direct-controls agencies, including a rationing agency. To the extent possible, the nucleus staffs of these agencies will advise and assist Federal regional authorities and State authorities as the latter initiate, administer, and coordinate interim direct-controls operations. These emergency Federal stabilization agencies will be expanded as rapidly as conditions permit in order to gradually absorb the local-State administration of interim direct controls.
- h. In connection with emergency rationing, local-State authorities will assess their respective supply and replenishment situations and take the prearranged administrative steps required to impose and administer a prescribed system of rationing *at the expiration of the period of prohibition of sales*. Initial rationing techniques will be based upon the policy that *tight conservation* receives first priority, to be followed by *austere* rationing until the supply situation is clarified, notwithstanding the fact that some areas may appear to have supplies surplus to their own needs.

The emergency rationing techniques to be followed will also be based upon pre-positioned ration "evidence" (cards, coupons, certificates, etc.), supplied by the Federal Government. Registration of consumers and preparation and distribution of ration



evidence will be undertaken by local-State authorities during the period of prohibition of sales.

Also during this period and thereafter, field representatives of the Department of Agriculture (food), the Department of the Interior (petroleum and solid fuels), and the Department of Commerce (other essential consumer items) will supervise and coordinate the allocation and replenishment of inventories required for effective emergency rationing.⁸

Representatives of these agencies will collaborate to the extent possible in the local-State assessment of the supply and replenishment situation, and will provide local-State authorities with necessary information and guidance as emergency rationing is initiated.

- i. The Director, OCDM, will take such other actions as may be necessary to confirm, establish, or revise national emergency economic policies in terms which will support interim local-State administration of direct controls until the Federal Government can effectively coordinate and administer these interim actions nationally.

To the extent possible, necessary interim actions will be taken and coordinated by

⁸With respect to food and other consumer items, the Departments of Agriculture and Commerce will control *pre-retail inventories* with retail inventories under the control of local-State authorities. As to petroleum and solid fuels, representatives of the Department of the Interior will control "primary" inventories and local-State authorities will control "secondary" inventories. The terms "primary" and "secondary" are defined in Annex 33, National Energy and Minerals Plan.

State authorities and by OCDM regions with the objective of supporting a cohesive *national* response to the emergency as quickly as possible, even though the national economy may be fragmented and the only workable responses are temporarily local and State in nature.

D. Execution

1. Federal

a. *Office of Civil and Defense Mobilization:*

- (1) Participates in the continuing development and coordination of postattack economic stabilization policy.
- (2) Acting for the President, initiates prepositioned direct controls on prices, wages, salaries, and rents, and rationing. By prearrangement, requests State governors to exercise their emergency authority in administering these controls temporarily.
- (3) On the basis of existing plans, organizes an emergency stabilization agency and component direct-controls agencies, to be expanded as rapidly as possible. Thereafter, supervises and coordinates the development of Federal capability to gradually absorb interim local-State operations.
- (4) Coordinates direct-controls policy with postattack financial, monetary, and credit policy and provides for coordination with production and resources control policy.



b. *Department of the Treasury:*

- (1) On the basis of existing arrangement, the Secretary of the Treasury prescribes postattack monetary, credit, and banking policies and initiates pre-positioned emergency actions.
- (2) By prearrangement, delegates appropriate authority to other financial agencies (the Federal Reserve Board and the Federal Home Loan Bank Board, for example) to permit them to carry out their postattack banking and monetary responsibilities.
- (3) Participates in the continuing development and coordination of postattack monetary, credit, and economic policy and actions.

c. *Federal Reserve Board and Federal Home Loan Bank Board:*

- (1) Participate in the continuing development of postattack monetary, credit, and economic policy and actions.
- (2) In keeping with existing plans, administer all aspects of postattack banking, monetary, and credit operations falling within their jurisdictions (the Federal Reserve System, the Federal Home Loan Bank System, and the Savings and Loan System).

d. *Council of Economic Advisers:*

Participates in the continuing development of postattack financial, monetary, credit,

and economic policy and advises the President in connection with national economic rehabilitation.

e. *Other agencies or organizations having financial or economic responsibilities:*

(The following are representative but not inclusive: Housing and Home Finance Agency, Social Security Administration, Veterans Administration, Federal Deposit Insurance Corporation, Small Business Administration, Civil Service Commission, Bureau of Federal Credit Unions.)

By prearrangement, administer those aspects of postattack monetary, credit, or economic operations falling within their jurisdictions and adapt their operations and functions to postattack economic policy and operating conditions.

f. *Emergency stabilization agencies:*

(1) As rapidly as possible, in keeping with existing plans, expand the Federal stabilization agency and component direct controls agencies and regulatory operations; gradually absorb interim local-State direct-controls operations.

(2) To the extent possible, provide advice, guidance, direction, and policy to State authorities and, through the Director, OCDM, to OCDM regions during the interim period prior to coordinated Federal direct-controls administration.

g. *Department of Labor:*

(1) By existing delegation from the Director, OCDM, initiates and administers,



through its Wage and Hour offices, prepositioned interim wage and salary control in undamaged areas. Provides interim administration of such labor disputes operations as may be necessary.

- (2) Coordinates its interim administration of wage and salary controls with interim local-State administration of other direct controls.
- (3) In keeping with existing plans, advises and assists in organization of an emergency stabilization agency to control wages and salaries, and assists that agency as it gradually absorbs interim wage and salary control operations.

h. *Departments of Agriculture, the Interior, and Commerce (Business and Defense Services Administration):*

Will control preretail inventories ("primary" inventories as to petroleum products) of food, petroleum products and solid fuels, and other essential items, and will provide local-State rationing authorities with necessary information as to available supplies, requirements, allocations to varying uses, and replenishment.

i. *General Services Administration:*

As quickly as possible, will provide prearranged physical facilities and supplies necessary for the creation and organization of the emergency stabilization agency and its component direct-controls agencies.

j. *Civil Service Commission:*

By prearrangement, will assist OCDM and the emergency stabilization agencies in securing and relocating qualified personnel from other Federal sources, and will develop necessary administrative and personnel standards for use in such transfers and in the continuing administration of the stabilization agencies.

k. *Bureau of the Budget:*

By prearrangement, will provide for the availability to OCDM and the emergency stabilization agencies of the emergency funds required to organize the Federal stabilization functions, and will provide an emergency financial plan to account for the necessary expenditures.

l. *OCDM Regional Offices:*

- (1) Will provide guidance and assistance to local-State authorities and to representatives of Federal departments and agencies in the respective regions in the initiation of postattack stabilization operations.
- (2) Will provide necessary coordination of postattack stabilization operations within and among the OCDM regions.
- (3) To the extent possible, will inform, advise, and consult with OCDM headquarters and the emergency stabilization agency headquarters during the initial postattack period.
- (4) Where local-State emergency functioning is temporarily impossible, will initiate



and direct interim stabilization operations through a regional emergency stabilization organization.

- (5) In connection with financial, monetary, and credit operations, will assist in arranging the necessary support and assistance of local-State authorities *to the extent requested or required by Federal financial agencies and their field staffs.*

2. State and Local

- a. Through the State governors, at the pre-arranged request of the Director, OCDM, will initiate and administer for an interim period price and rent control and emergency rationing operations, and, by prearrangement, will activate necessary interim organizations for these purposes.
- b. To the extent required, will assist Department of Labor Wage and Hour offices in the initiation and interim administration of post-attack wage and salary controls.
- c. *At the request of OCDM Regional Offices or Federal financial agencies,* will provide local-State support and assistance in connection with postattack financial, monetary, and credit operations.
- d. State governments will coordinate interim postattack stabilization operations within their own jurisdictions and will assist OCDM Regional Offices in coordinating interim State operations within the respective OCDM regions.

IV. International Tension

A. Assumption

Periods of increased international tension would not be likely to require the actual use of many of the emergency measures outlined in this annex, but would require accelerated preparedness for their use in the event of mobilization.

B. General Responsibilities

1. In periods of increasing international tension, the Federal Government and State and local governments will be responsible for accelerating preparedness to take the emergency stabilization actions which the nature and threat of more imminent mobilization might require. The Federal Government will be responsible for taking emergency stabilization action which might be required during periods of increasing international tension.
2. Local and State governments will be particularly responsible for reviewing and strengthening, or accelerating, their preparedness to carry out emergency stabilization responsibilities in the event of a general war mobilization.

C. Functions

1. Objectives
 - a. To review, strengthen, and accelerate preparedness to take the emergency stabilization actions required in the event of mobilization, whether for limited war or general war.
 - b. To take such emergency stabilization actions as a continuing period of increasing international tension might require.



2. Actions Required

- a. The Director, OCDM, on behalf of the Federal Government, and State governors, on behalf of State and local authorities, will initiate or take such accelerated stabilization *preparedness* actions as are indicated by the nature of the increasing tension.
- b. The Director, OCDM, on behalf of the Federal Government, will initiate and coordinate such emergency stabilization actions as increasing international tension might require.

D. Execution

1. The Director, OCDM, will initiate and coordinate accelerated stabilization preparedness or such emergency stabilization action as periods of increasing international tension might require.
2. Federal financial and economic agencies will initiate or participate in the development of appropriate monetary, credit, and economic policies, or in accelerated preparedness for the use of the policies and objectives outlined in this annex.
3. State and local governments will review, strengthen, or accelerate their preparedness to carry out emergency stabilization responsibilities in the event of general war.