

Charles G. Dawes

The Man Who Supplied the American Expeditionary Forces

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The American Expeditionary Forces helped turn the tide against Germany in 1918, but getting the AEF to France—along with vital supplies—took nearly a year and a herculean effort.

It was Napoleon who said, “An army marches on its stomach.” Or was it Frederick the Great? No matter, by the early Twentieth Century the demands of a modern army had far outstripped the simple need for food and fodder.

Weapons light and heavy, equipment, ammunition, medical stores, construction supplies, and the means to transport and distribute them—ships, ports, trucks, fuel, roads, horses, railroads, and warehouses—were required by the millions of tons, all the more so for an army of several million American men fighting thousands of miles from their home.

When in 1917 the U.S. Army began to ship men and supplies to France, it found that the French had no organization dedicated to feeding, housing, arming, and introducing into combat the new arrivals. The French provided no infrastructure to accommodate the shipment and placement of American troops and supplies; port facilities, rail cars, locomotives, horses, wagons, fodder, food, and fuel—all were lacking.

Ships anchored 28 deep in French ports waiting to be un-



Charles G. Dawes at his desk in France with his signature cigar. (U.S. Army Signal Corps)

loaded. To move one American division from the ports to the front required 60 railroad trains traveling 400 to 500 miles. To keep that division supplied required an additional 25 carloads per day. Yet the French railway system was at the point of collapse.

In addition, American shipping itself was in disarray. Vessels were loaded so that cargoes for more than one port were on the same ship, requiring much unloading and reloading. Some ships were packed to the gunwales; others arrived half-empty. Many unneeded articles were sent, but important items such as

axes and sawmills for supplying winter fuel were not. Seventy-foot pilings for a dock arrived with many of them cut in halves or thirds so they could be stowed below deck. Equipment was loaded without necessary parts, so it could not be used upon arrival in France.

The AEF Tonnage Board estimated in December 1917 that 300,000 troops and their supplies would have to be delivered per month, which would require 1.8 million tons of shipping not counting transport of animals and trucks. But only 800,000 tons were available. Shipping capacity would grow, but it would always be outstripped by demand as the AEF itself grew. The shortfall would have to be made up by purchases in Europe.

Into this chaos stepped an unlikely figure: Charles Gates Dawes of Chicago, a wealthy lawyer, bank president, and former Comptroller of the Currency in President William McKinley's administration. At the age of 52, Dawes was eager to participate in the war effort. Hearing that a former business partner was helping to raise an engineering regiment, he leaned on his youthful experience as a railway

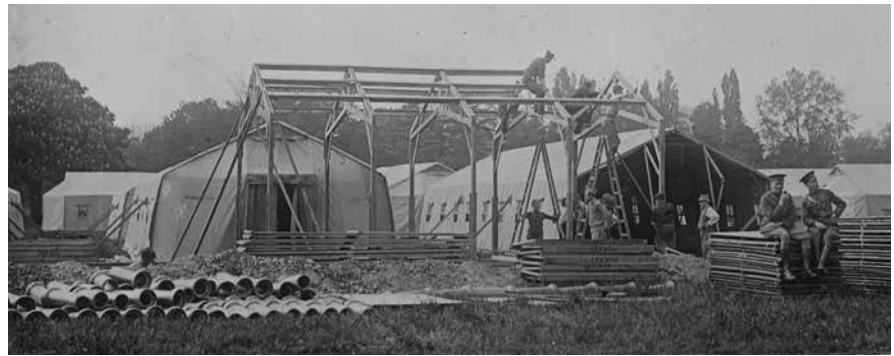
surveyor's assistant to lobby for a commission. He also had lunch with General John J. Pershing, a friend since the 1890s when Pershing was a lieutenant and military instructor at the University of Nebraska and Dawes was a young lawyer in Lincoln. Dawes was duly commissioned a major in the 17th Engineers, riding to their Georgia training camp in his private railway car. (He also paid for the band instruments of the 17th out of his own pocket.)

At the time, American purchasing and supply in France were anarchic. The various branches of the AEF competed against each other and with the French and British for the same commodities, leading to high prices and local surpluses or shortages. To fix this, Pershing established a General Purchasing Board to coordinate requirements, stockpiles, and procurement across all Army purchasing departments and the Red Cross and YMCA. To run it, he needed someone whose organizational

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abilities and personal loyalty he could count on. He called on his old friend Charles G. Dawes.

Dawes arrived in Paris, the transportation and communications hub of all France, on 28 August 1917. He quickly set up his headquarters at the Hôtel Ritz, with a direct phone line to Pershing at AEF headquarters in



U.S. troops assembling barracks using finished sections of wood in piles for walls and roof. A building could be completed within 24 hours. (LOC)

Chaumont. Needing underlings whom he trusted to get things done and who could negotiate with army commanders and with governments, he staffed his office with senior banking executives for whom he wrangled commissions as captains. (In those days, potential conflict of interest was no impediment to service.)

Dawes immediately made contact with his acquaintances in the House of Morgan—Morgan Grenfell in London, Morgan Harjes in Paris. Morgan was playing a major role in financing the British and French war efforts and in acting as a central purchasing office for the Allies. This gave them intimate knowledge of the stocks and flows of the Allies' supplies and of the countries' financial condition.

Although a business executive, Dawes was no doctrinaire functionary. He recognized that businesses scrutinize their purchases with an eye to profit, whereas, "The first purpose of the army business organization in time of war is the securing of necessary military supplies irrespective of any question of financial profit, yet as cheaply and expeditiously as possible without prejudice

to military effectiveness." As his commanding officer, Major General Johnson Hagood, described him, "He always maintained the attitude that the military knew what it wanted and how, when, and where; that his function was to help—not to direct."

Dawes turned out to be something of a procurement genius. Spain and Switzerland, nearby and neutral, were obvious sources of supply, but the French and Americans had embargoed trade with those countries as part of the blockade of Germany. Dawes dispatched his subordinate, Major H. Herman Harjes, senior London partner of Morgan Harjes and Company, to convince the French Minister of Blockade to lift the embargo.

The AEF needed 2.4 million railroad ties; Dawes found many of them in Portugal and Spain. Horses and hay were a continuing crisis—the French did not want to sell their horses and refused to allow the Americans to buy French hay. Dawes found 60,000 horses in Spain and cut a deal with his French counterpart, General Charles Payot: if the French would supply 16,000 tons of hay and allow the Americans to buy more locally, Dawes



Supply wagon of the U.S. 35th Division. Most supplies and artillery were horse-drawn. To replace horses that died or were worn out, the AEF procured 243,000 "remounts." Of these, Dawes bought 167,000 in Europe. (National World War I Museum and Memorial, Kansas City, Missouri, USA)

would send them three shiploads of trucks.

The British and French were furious with the Americans for not throwing their troops into the line right away. But a major obstacle was the lack of French railroad capacity. In December 1917 Dawes discovered that the Belgians had 600 locomotives sitting idle that they refused to let the French or the British use. Dawes negotiated a loan of the locomotives to the U.S. and immediately turned them over to the French. This helped cement relations with Payot; when the Americans requested railroad ballast, Payot provided 80 carloads the same day and 200 the next.

When the French coal supply threatened to give out, Dawes asked Admiral William Sims, the U.S. naval commander, to lend him colliers to bring coal from England, but Sims declined. So Dawes got Pershing to cable the War Department, which ordered

Sims to comply.

Having rationalized the American purchasing and supply system, Dawes tried to do the same across all three Allied armies. Writing to Pershing in April 1918, he pointed out as an example that the U.S. was squandering cargo space by shipping warehousing materials to France, while French warehouses were standing empty. He proposed a unified supply service under a French commander.

Pershing brought the proposal to French Prime Minister Clemenceau, who immediately agreed to establish a Military Board of Allied Supply and wondered why it hadn't been done earlier. The British, however, feared losing control of their elaborate supply lines. Dawes's initial meeting with General Sir John Cowans, the British Quartermaster-General, was a disaster, as we shall see below; but a month later he met with British Prime Minister Lloyd George, the Supreme War Council, and Cowans (who had by then calmed down) and got their assent to cooperate. But only in September 1917 did they agree to become full participants in the MBAS.

The negotiations with the British exemplified Dawes's style, for good and ill. He bargained like the Chicago lawyer he was, dispensing with military etiquette and getting right to the point of contention, swearing occasionally and puffing on a big cigar. When he expected the parties to be seriously divided he quickly provoked confrontation. By forcing the issues early, he believed, resistance could yield to agreement by meeting's end.

Occasionally this backfired.

When he met with General Cowans about streamlining Allied procurement, Cowans suggested postponing the discussion for a month. Dawes got up, pounded on the table, and said, "No, by God, you won't put this over for a month. You've been fighting this war for three years. Where have you got? Now we're here and we're going to tell you how to run this war. It's time for you British to learn that, if you're going to win, you've got to give up the methods of an effete monarchy." Cowans, furious, got up and walked out. (Lloyd Griscom, an American diplomat serving as a major in the Adjutant-General's office and a friend of Cowans, was able to smooth over the latter's hurt feelings; Dawes and Cowans ended up as good friends.)

But Dawes could also be the consummate diplomat, often ascribing his own good ideas to his superiors or to whomever he happened to be trying to convince. Although he worked a crushing schedule, he made a point of entertaining his superiors and whomever else he was trying to influence—particularly the French and British—at the

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theater, at lavish dinners, and at the Folies Bergère. On one typical evening he dined at the Ritz with Lady Sarah Wilson, daughter of the current Duke of Marlborough; the Countess

The main dysfunction in the Allied supply system was in purchasing, not in transport. The British and French supply lines did not overlap, but they did compete for the same commodities. This became an acute problem when the Americans arrived as noted in Pershing's memoirs:

Many sources of general supply had been developed by the French and we soon found ourselves not only in competition with them, but also with the British; then, too, our own different departments had begun to bid against each other. The principal article that caused rivalry was lumber, the Corps of Engineers and the Quartermaster Corps having entered into a lively contest for advantage, with a consequent elevation of prices. This condition, involving immense quantities of lumber required at once for barracks, hospitals, docks and wharves, was not only annoying to us but it gave the French much concern. They very soon, and naturally, imposed restrictions upon sales that made it difficult for us to meet even our most urgent requirements until the whole question was readjusted.

—J.J. Pershing, *My Experiences in the Great War*, 1935, v.1, p. 147

of Pembroke; and the Russian Grand Duke Alexander.

Dawes's methods, although unconventional, got results. By the Armistice his General Purchasing Board had procured 10.2 million tons of supplies in a Europe supposedly drained by four years of war, exceeding the 7.9 million tons shipped from the U.S. When Dawes was promoted to Brigadier General, Pershing himself pinned the stars on his collar.

After the war Dawes served on the commission that disposed of surplus Allied materiel, an assignment he loathed but agreed he was well suited for. In the course of that work he arranged



Charles G. Dawes (seated on the running board closest to the front left tire, holding a cigar) with his staff near Coudert, France, August 1918. (U.S. Army Signal Corps) Dawes was a wealthy Chicago lawyer and bank president with no military experience, but his unconventional methods successfully supplied the AEF, and then helped feed starving Belgians after the war.

for the Belgians, who were facing starvation, to buy \$3 million dollars' worth of surplus American food despite Washington's opposition to the AEF providing direct relief to the population. (They wanted it done by an inter-Allied board, which did not exist.)

Once again a civilian, Dawes held a succession of important Federal positions, including the Vice Presidency under Calvin Coolidge. He developed the "Dawes Plan" under which Germany could pay off its reparations while preserving its economy. The plan was successful and Dawes shared in the 1925 Nobel Peace Prize. He spent the last twenty years of his life as chairman of the Chicago bank he had founded. He died in 1951, large-

ly unrecognized for the role he played in the Allied victory.



Gene Fax's book, **With Their Bare Hands: General Pershing, the 79th Division, and the Battle for Montfaucon**, was published by Osprey in 2017. It was a finalist for a Distinguished Writing Award by the Army Historical Foundation. Gene is an Official Partner of the U.S. World War I Commemorative Commission. You can read more of his World War I writings at genefaxauthor.com.