TALK GIVEN BY ARTHUR W. PAGE AT SUFERVISORY GROUP MEETING NEW ENGLAND TELEPHONE & TELEGRAPH COMPANY Boston, Massachusetts, March 24, 1942

The fundamental policies of the Bell System have been to

- 1. give the best possible service at the least cost consistent with the financial integrity of the business.
- 2. to carry on research and development for the development of the telephone art.
- 3. to protect the investment of the owners of the business for them and for the future use of the public.
- to pay adequate salaries and wages, and the most opportunity possible.

At present there is a fifth part of the policy that overrides them all -

5: to run the Bell System so that it does its maximum service in winning the war.

And we are particularly fortunate in the fact that our ousiness is vital in this national emergency. That does not make so much difference to those who are young enough or smart enough to go into the war directly, but for the rest of us it's a vast comfort to be in an enterprise essential to the nation in these times.

You read every few minutes that the United States is the arsenal of democracy, that our production is the basis of victory. We take it for grantel. Let's analyse it a little. There is as much raw material and more people in Russia than there are here. They have been working on their army and its equipment for many years. Yet everyone expects us to send them machines a couple of years after we start making blue prints. Why? Well, it's know how and organization. That isn't just a number of people, nor just a number of smart or trained individuals. It's well trained teams. The chief assets of the United States for this emergency are a number of well trained teams, not the least of which is the Bell System. It's a team of 400,000. The 400,000 can play their positions and they all know the plays and the signals, and what this team does is absolutely vital, for over its wires go the signals of all the other teams that are getting things done.

We can be thankful that we are on the main line. We also have got to be careful that we act like people on the main line. Well, why not? What is to prevent us? I'll tell you. This country has been through a lot of wars and other

troubles and it comes out in the long run and for one reason, and it isn't that everybody does his part. Everybody doesn't. It's because the real people who know how and have the character and guts get the things done anyhow. There will be people who can't do anything and people with mean and petty motives, blind spots, dishonesty, selfishness, all kinds of human impediments. You'll get rulings you just couldn't believe would happen in war time. You won't have everything you need to do your job. You'll have a lot of other difficulties. You'll have forty troubles about which you could complain all day if you are a mind to. But you aren't going to do it for the reason that this is your war. I don't mean that it's your war in equal parts as it is the whole population's. I mean it's your war in the measure of your competence, and by that I mean it's a whole lot your war. We're going to be the least complaining and the most effective outfit in the United States. That's the overall policy. We've got a good place in the line and the job is to win as fast as the Lord will let us. If there are some people you think you just have to do something about - and I have that feeling quite strong at times - they will just have to wait their turn behind Hitler, the Jap and Mussolini.

At present and increasingly so in the immediate future we are going to be short of materials. We are not going to be able to give everyone everything he wants. We have had no practise in holding off customers for nearly twenty years. But I do not expect any real public reaction if we are frank and honest in telling people why they can't have what they want. I would like, however, to make one suggestion. I would rather we didn't say that we couldn't give service because of government orders or priorities. The real reason is that the materials are needed for munitions. If so, why not say so, rather than seem to blame some one else, or if we have to blame some one let's blame Hitler and the Jap. It is with the pious hope that they get these materials where they will do them the most harm that we are giving them up. I'd prefer to take credit for that than seem to imply that there was blame and that I was trying to dodge it.

And, after all, the material we are going to do without is so very little. To you who have always lived in the Bell System the idea of losing most or all of the construction program may seem cataclysmic but it isn't for we are in a business of selling service and not materials. When a tire company gets no materials, it has no business at all. When we get no materials we still have as much business as we ever had before and the capacity to serve the vital needs of

the country. What's happened to us is we just can't grow as usual - and as a matter of fact, we wouldn't be growing this way if it weren't for the war anyhow.

What will happen to us after the war? I am sure I don't know, but I am equally certain that it is nothing to worry about now. If the Bell System is a rigid system and hasn't flexibility and imagination at the top it may not be able to meet the inevitable changes and take advantage of them. But there is no reason why we shouldn't be flexible and alert. There is sure to be change. Some people take advantage of change, others don't, but I don't know why we shouldn't make the most of it as well as the next man. People are going to keep talking and one way or another we ought to be able to make it possible and pleasant for them to do so and profitable to us.