



# Ship Shaping: How Congress and Industry Influenced U.S. Naval Acquisitions from 1933-1938

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Photo from the National Parks Service, [BOSTS-13817-785](https://www.nps.gov/subjects/ships/bosts-13817-785)

# Congress and Industry Played Underrated Role in US Interwar Naval Build-Up

- Interwar shipbuilding is often seen through the lens of the Executive Branch – FDR and the Navy Department
- Congress and industry played a key – and underappreciated – role in preparing the Navy for WWII
- History shows complex interactions between industry and Congress drove outcome, not “ideal” military solution

Shipbuilding funding is susceptible to self-reinforcing political cycles – what can scale up quickly can also rapidly fall apart

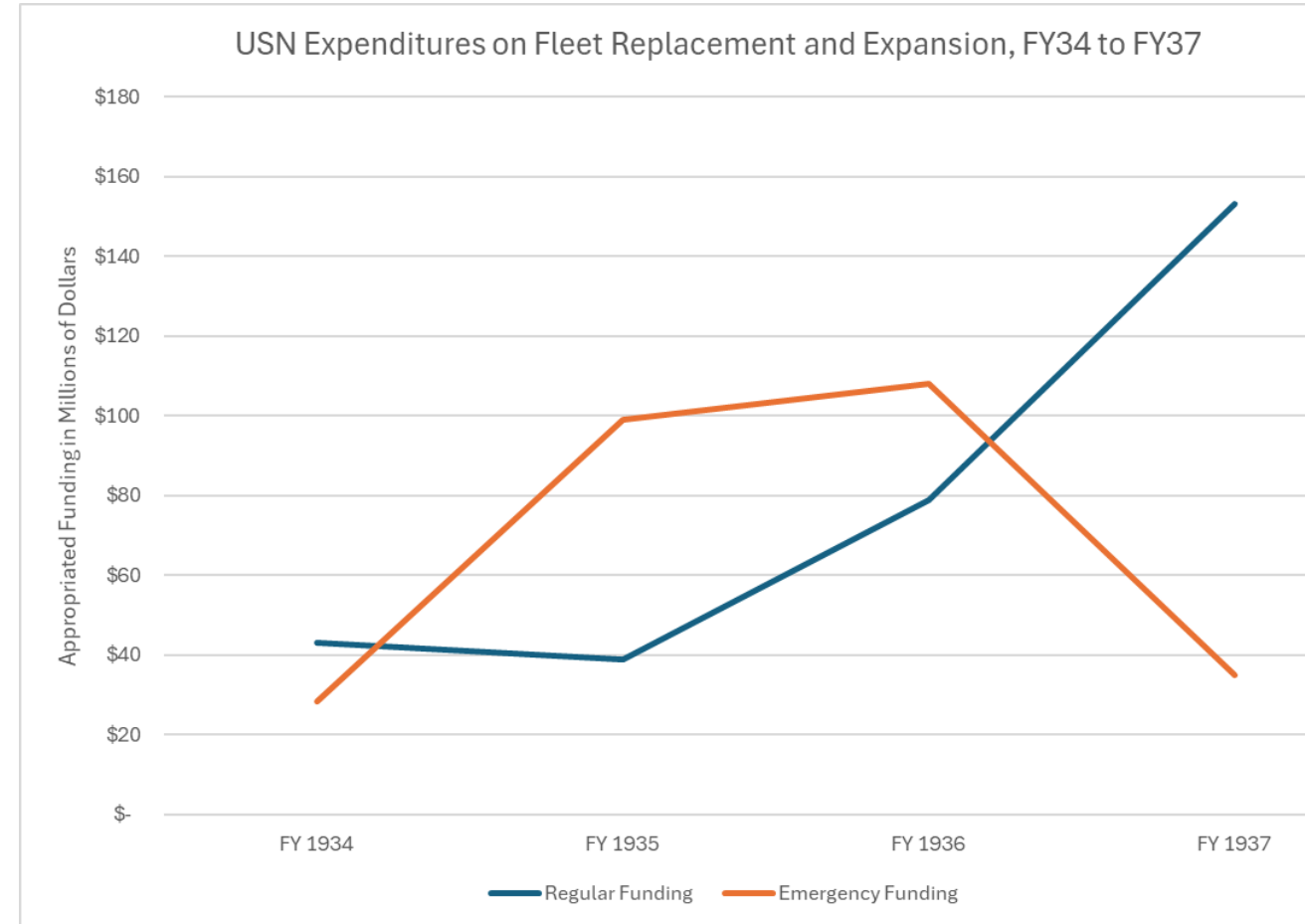
# 1930s US Naval Shipbuilding Industry Faced Major Oversupply and Workforce Retention Issues

- US had 54 private shipyards created to supply WWI needs
  - By 1933, only 6 remained active
  - Only ½ Pre-WWI shipyards survive
- Public shipyards also under pressure:  
*“no justification for the great number of Navy stations and yards now kept open”* – 1933 Navy memo to FDR
- Emerging two-ocean threat created pressure to build up, despite lack of political support from a largely isolationist Congress



# Funding from Regular Appropriations Takes Second Place to Funding from NIRA Through FY36

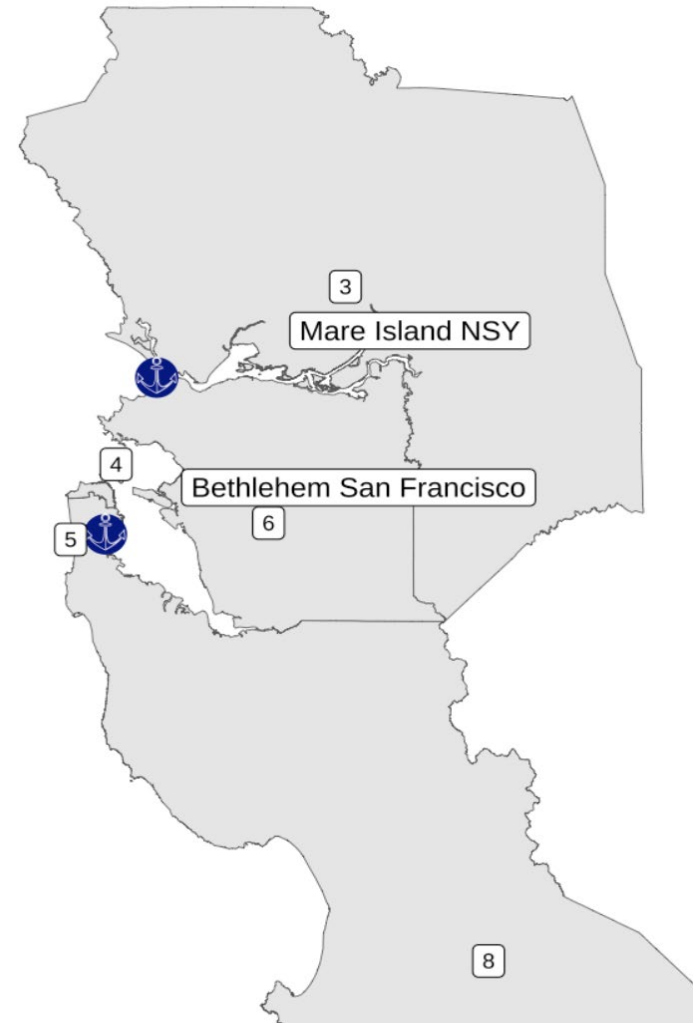
- In 1933, FDR submitted the National Industrial Recovery Act (NIRA) to Congress
  - Allowed public works funding to be used for shipbuilding
  - Idea originated from Navy and Congress
- NIRA funding combined Vinson-Trammell Act (1934) shipbuilding authorizations removed shipbuilding funding from Congressional control



# Congressmen Influenced the Distribution of NIRA Contracts Towards Their Districts

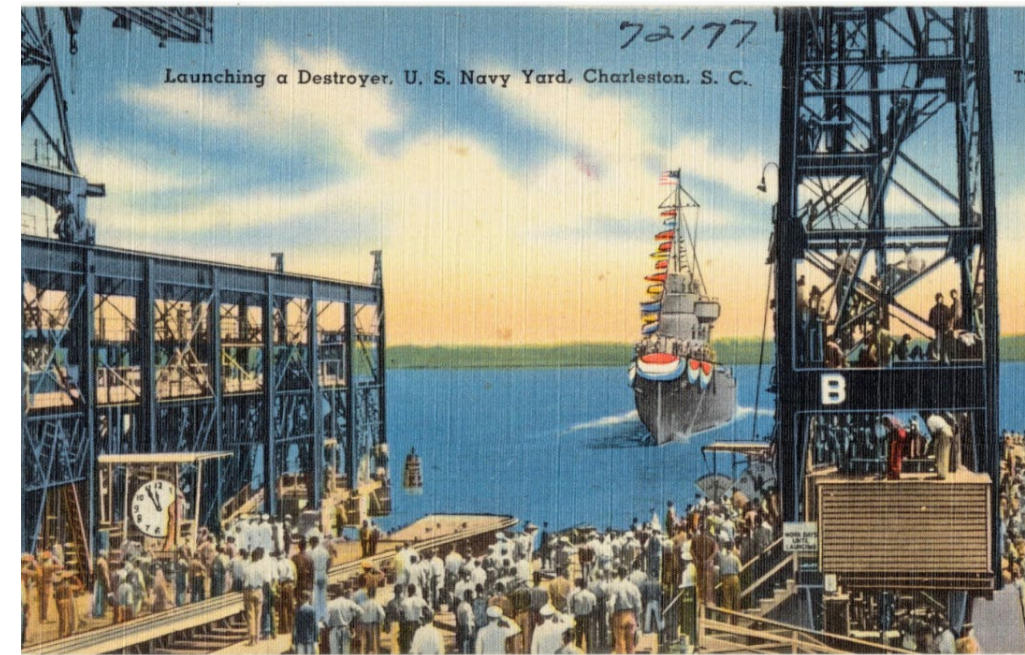
- Congressmen tied Navy or PWA actions on NIRA shipbuilding funding to votes on other legislative issues
- California members pressed for work for their local shipyards
- Bethlehem San Francisco received contracts for two destroyers in next appropriations cycle in 1936

Shipyards Building U.S. Naval Vessels in California. 1930-1939



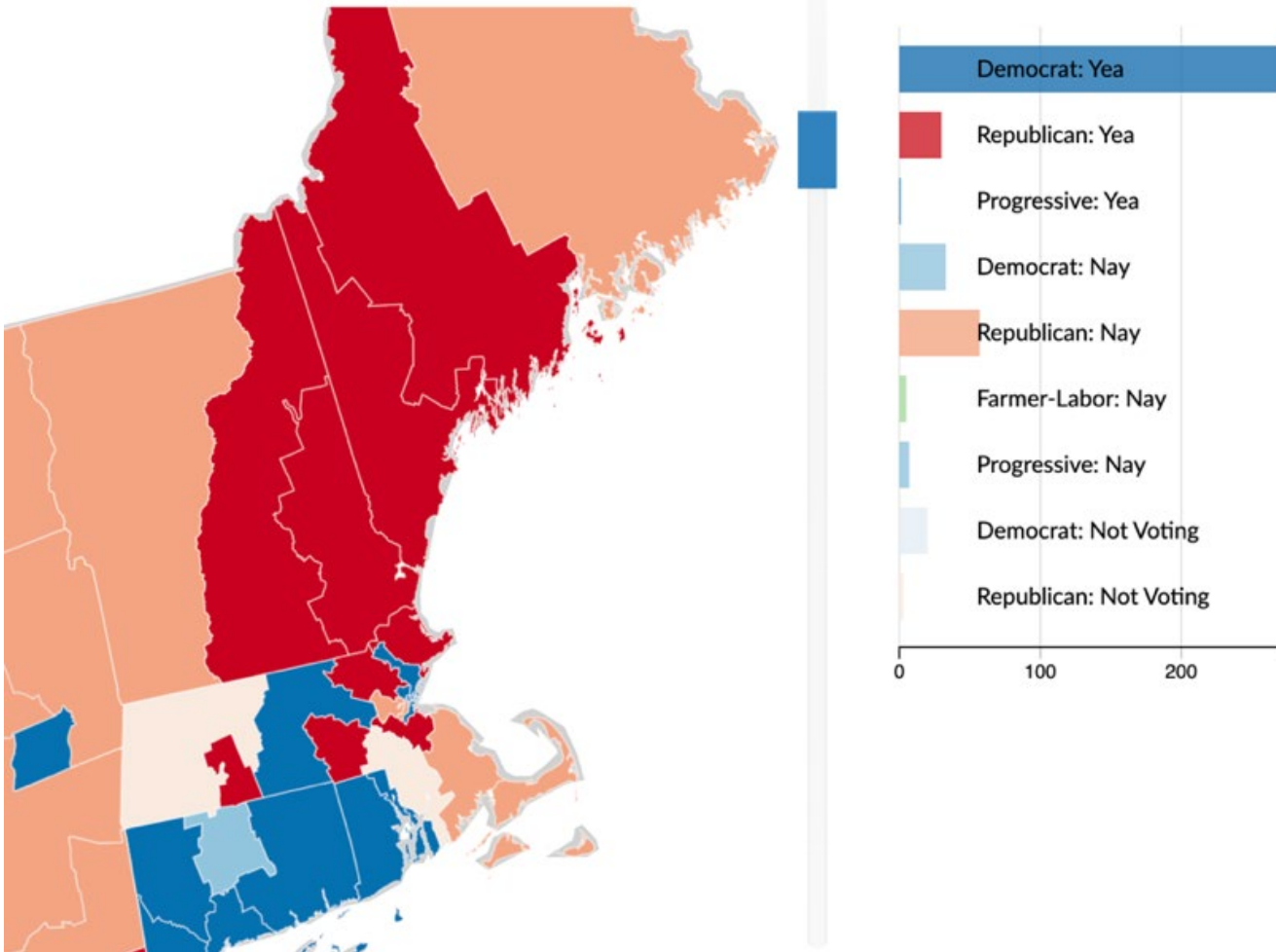
# Powerful Congressmen Could Influence the Types of Ships Constructed by Shaping Geographic Distribution

- Influential South Carolina senators drove work to underused – and perhaps noncompetitive – Charleston Navy Yard
  - Even with PWA investments, facilities capable of ships only up to destroyer size
  - To satisfy its political supporters, the Navy ordered the construction of a gunboat
    - Of limited use in Pacific war
  - From 1933-1937, the Navy allocated contracts for six destroyers and additional small craft

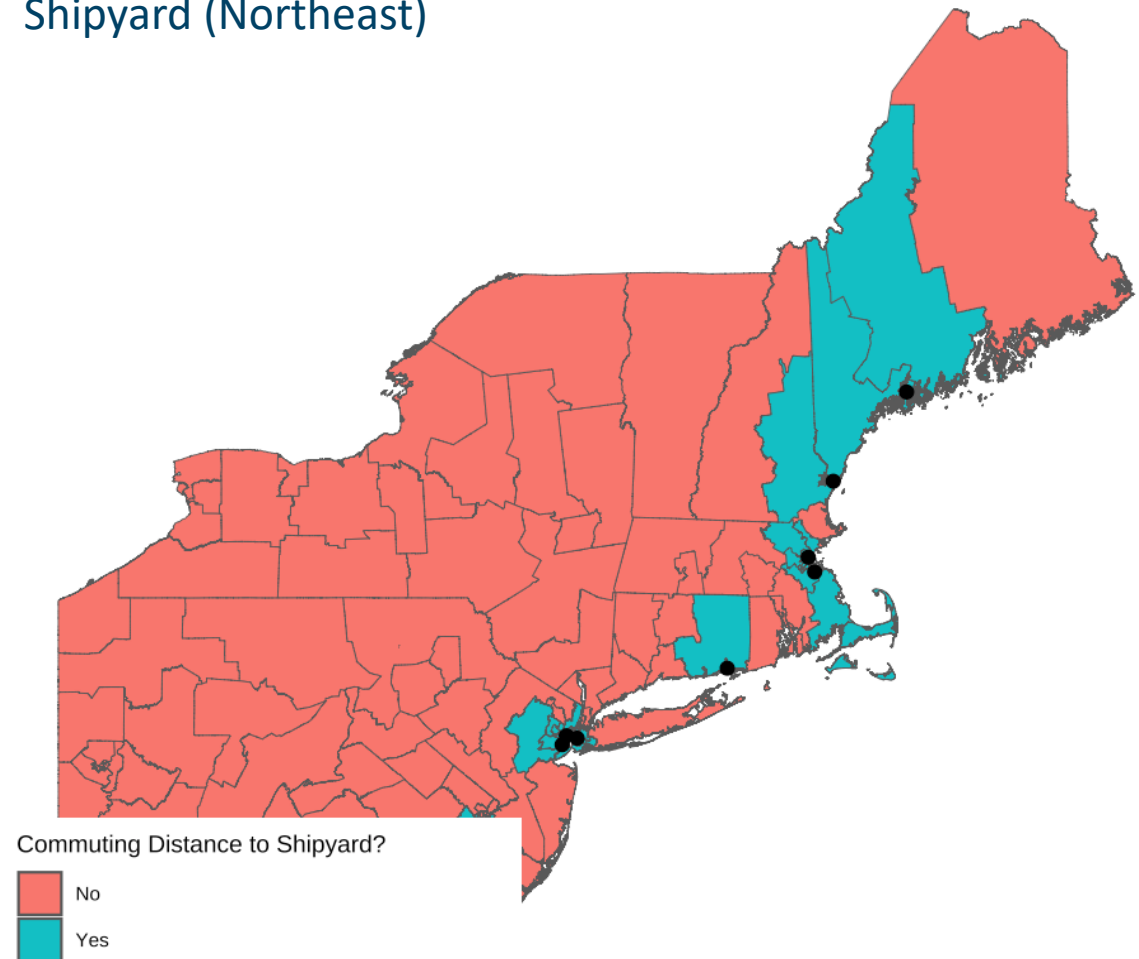


# Proximity of Congressional Districts to Shipyards Influences Voting Patterns on Naval Spending

Voting on the Second Vinson Bill (H.R. 9218) (Northeast)



Congressional Districts Within Commuting Distance to Shipyard (Northeast)



# The National Council of American Shipbuilders Used Information Asymmetry to Lobby More Effectively

- NCAS had state-by-state data on all shipbuilding industry supply chain purchases
- Navy provided NCAS figures – including estimates of profits – to congress without independent verification
- Later congressional investigation estimated true shipyard profits were triple what was reported

## STEADY AID URGED FOR SHIPBUILDERS

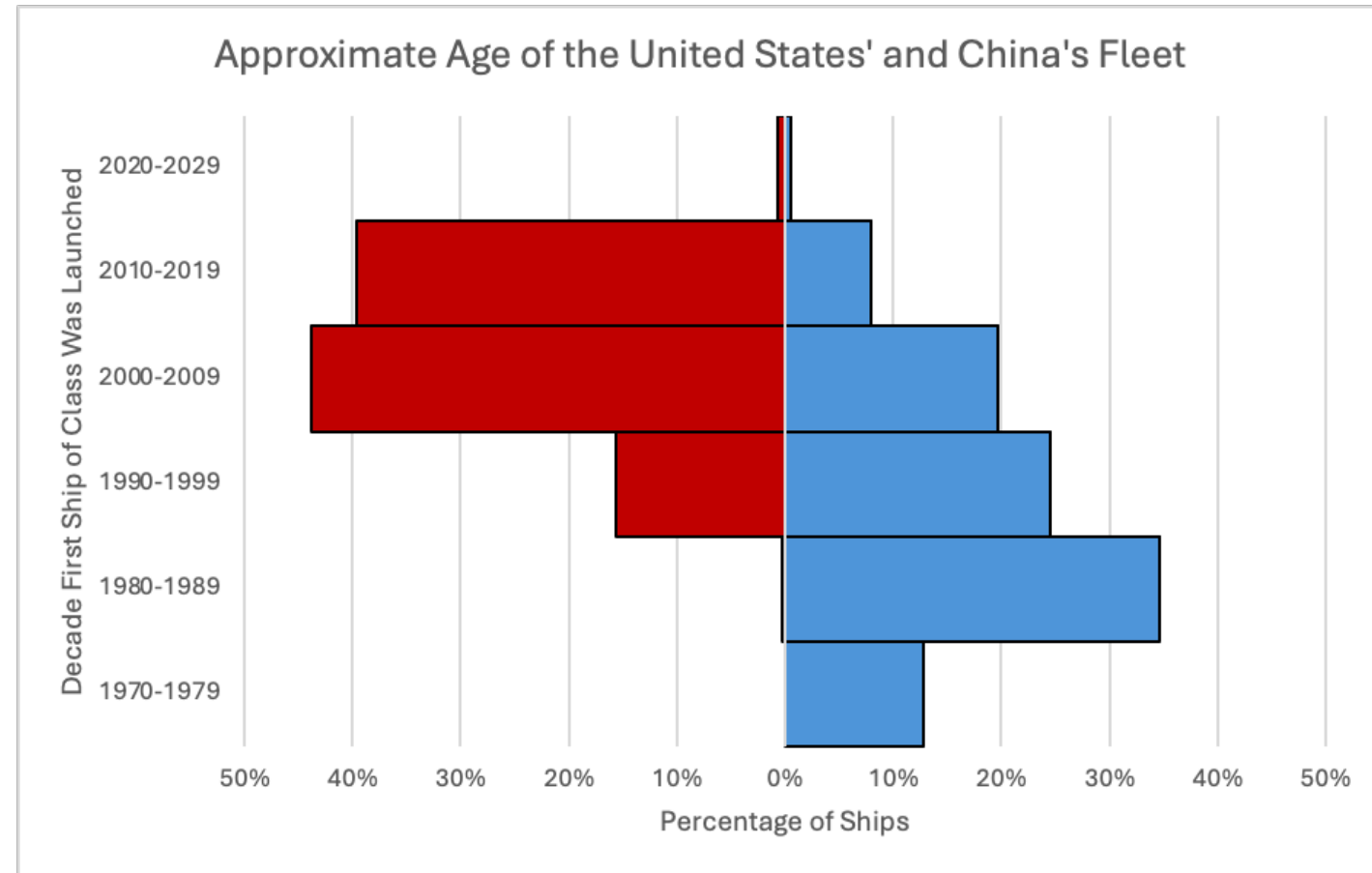
American National Council  
Would Spread Federal Help  
Over Long Period of Years.

## SCORES 'HIT-OR-MISS' PLAN

Says Balanced Construction Will  
Uphold Efficiency of Yards—It  
Favors Vinson Bill Program.

# The Nature of the Threat has Changed

- China is the world's largest shipbuilding nation with 230x capacity of the US
- US Navy estimates found that one single Chinese shipyard currently has more capacity than all U.S. shipyards combined



# Interwar Political Dynamics Remain Relevant Today

- Local congressional politics continues to drive naval construction spending
- Concern: offshoring of US naval construction could trigger self-fulfilling prophecy of loss of capability, skilled workforce, & political support
- Impact of growth of uncrewed naval systems not yet clear