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The Legacy of the Boer War: British Army Procurement and Logistics before 1914

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ABSTRACT

Strategy, battles and tactics may win wars but the inability to prosecute them ends in defeat. The First World War illustrates how the capacity to produce arms and materiel efficiently dictates the ultimate outcome. The British experience in the decade prior to 1914 is an interesting one. This article examines problems arising from the British Army's experiences in the Boer War; subsequent enquiries and some of the lessons learnt – and forgotten – over the pre-war decades. It was this environment which explains the often forgotten logistics weaknesses that threatened the British Army's fighting capacity in 1914.

Introduction

'Lessons learned and forgotten' has long been a catch cry in modern military circles, featuring as it does in popular debates, doctrine writing, logistics planning, military procurement; and indeed studies of what has been called 'The Great War'.¹ It has been noted elsewhere that while 'the wars at the turn of the late nineteenth and early twentieth centuries offered endless lessons on the effect of modern weapons on tactics and modes of battle', the same can be said for the British Army's procurement and supply organisations.² This article contains a synthesis of the relevant primary material in this area (as opposed to operational and tactical matters) while adding something to the published literature on the subject – which is rather scant. While

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¹See for example, Aimée Fox-Godden, 'Beyond the Western Front', *War in History*, Vol. 23, No. 2 (April 2016), pp. 190-209 and Ian Brown, *British Logistics on the Western Front, 1914–1919*, (Westport: Greenwood Publishing Group, 1998); although its focus is on operations in the field.

²Stéphanie Audoin-Rouzeau, 'Combat and Tactics' in Jay Winter (ed.) *The Cambridge History of the First World War, Vol. II, The State*, (Cambridge: Cambridge University Press, 2014), p. 153.

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many readers will be aware of the so-called 'Shell Scandal' of 1915, there have been few studies to date which look at the combination of factors which contributed to how the British Army was supplied in the decade *before* the outbreak of the war. It is easy to assume that the late Edwardian era was one of relative inaction, if not inertia, when it came to official reactions and soul-searching in the wake of the Boer War. But this is not so. What follows includes an overview of the problems encountered at home and in the field during the Boer War together with a series of enquiries which sought to find solutions and streamline the way in which the British army would be supplied in the next war.

Due to the scandals that bedevilled the Crimean War the responsibility for feeding and clothing the British army was removed from commanding officers who had often profited from a system that was loosely controlled, if not corrupt. After the war the responsibility for provisioning the army was taken out of the hands of these officers and centralised in a single supply department: the Army Contracts Department (see below) of the War Office. For most of the nineteenth century it purchased all stores for the army and the method of making contracts was by public competition. However, the system continued to be plagued by inefficiency and a lack of flexibility. These organisational failures were made manifest in the army's next major war: in South Africa.

After the South African War had shown that the problem of an efficient and reliable purchasing system had not yet been entirely solved, 'much attention was given to the reorganisation of the Purchasing Departments of the War Office.'³ Thus in the first few years of the twentieth century the British Government, sometimes but not always in step with the War Office, devoted much time and effort in reorganising the purchasing departments of that august body. As we shall see the attempt to attain efficiency and transparency in military procurement was very much a roller coaster development which continued well into 1915. By then the private sector was becoming more efficient, and following the trend in Germany, 'private firms became more concentrated in ownership and vertically integrated...'⁴ But the government sector lagged behind until at least after the fallout of the 'munitions scandal' of 1915.⁵

As an aside It may be appropriate to mention the other conflicts which engaged military thinkers of all nations before 1914, namely the Russo-Japanese War of 1904

³E.M.H. Lloyd, *Experiments in State Control at the War Office and the Ministry of Food*, (Oxford: Clarendon Press, Oxford, 1924), pp. 13-14.

⁴David Stevenson, *Armaments and the Coming of War: Europe 1904-1914*, (Oxford: Clarendon Press, 2002), p. 27.

⁵For more on this see Walter Reid, *Architect of Victory: Douglas Haig*, (Edinburgh: Berllinn, 2006).

and the shorter Balkan conflicts of October 1912 and May 1913. The first is better known, and like other European powers Britain attached observers (including Lieutenant General Ian Hamilton) to both combatant nations. In fact, it sent the largest contingent for it 'recognised that, as the ranking power, she had the most to lose in not keeping abreast with the development and potentials of modern warfare.'⁶ But while some observations were sent back to London, these were mainly specific (to the deployment of artillery and the use of hand grenades) rather than any analyses of functions such as procurement or supply. Even then valuable lessons seem to have been ignored.⁷ In 1905 when the Army Council was considering ammunition for newly introduced quick firing guns, 'information about their use in Manchuria was discounted as being unreliable'.⁸ In the Balkans, while several newspaper correspondents who had also been present in South Africa and Manchuria reported on that theatre their focus was more political than military.⁹

This section looks at the repercussions of the Boer War on military procurement in Great Britain. It is necessary not to underestimate just how 'stove piped' British defence planning was in the 1890s – and indeed into the 1900s. 'Traditionally neither the War Office nor the Admiralty had done much strategic planning and they had not consulted one another about it.'¹⁰ This isolationism was even more pronounced when it came to procurement and supply, where arguably greater expertise lay with the Admiralty. But it was to the detriment of the army, something brought into greater relief with the many shortcomings seen in the Boer War: the focus of this article.

The Boer War

Having fought a long series of minor colonial wars and skirmishes against poorly armed opponents the war in South Africa came as a shock. British arms came up against a well-armed foe. As the war dragged on the consumption of arms, ammunition and war materiel rose beyond initial planning estimates. The supply of those items of war

⁶Richard Connaughton, *Rising Sun and Tumbling Bear: Russia's War with Japan*, (London: Cassell, 2013), p. 69.

⁷Britain was not unique in this regard, Russia too had failings, see John W. Steinberg, *All the Tsar's Men: Russia's General Staff and the Fate of the Empire 1898-1914*, (Washington: Woodrow Wilson Press, 2010), p. 238.

⁸David French, *British Economic and Strategic Planning 1905-1915* (Abingdon: Routledge, 2006), p. 40.

⁹See for example Ross Cameron, 'Reconsidering Perceptions of the Balkan Wars (1912-3) in British War Correspondence', *The International History Review*, 12 September 2023,

<https://www.tandfonline.com/doi/full/10.1080/07075332.2023.2254307>. Accessed 11 February 2024.

¹⁰Stevenson, *Armaments and the Coming of War*, p.61.

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materiel that had been least used in Britain during the pre-war period were the first to run out. The problem for the army was compounded by Government policy of holding only minimal stocks in arsenals and defence warehouses. Schemes for local purchasing were prone to profiteering and poor quality.

In 1899, the first year of the war, the War Office stock of small arms ammunition was found to be grossly inadequate. While army doctrine authorised 1,224 machine guns for the army it had only 898 and reserves of other materiel were either totally inadequate or non-existent. The press, typified by a contemporary article in *The Spectator*, all asked the obvious question: 'What would have been the extra cost had we been involved in war with a first-class European power instead of a nation of farmers?'¹¹

There were no remaining artillery reserves by December that year. In 1900

...the replacement equipment for the entire Royal Artillery amounted to a total of six field guns...at the beginning of the war the guns in South Africa had only eight weeks' supply of shells apiece...¹²

There was also an acute shortage of all classes of ammunition. In 1900 the Army Contracts Department found that it was purchasing in a single month quantities of defence goods which would have sufficed for the consumption needs of the previous 20 years.¹³ Mistakes were there for all to see. Indeed, *The Times* war correspondent Leopold Amery demanded 'nothing less than a revolution' in the organisation and administration of the British army.¹⁴ The world was changing, but the leading industrial nation of the time found itself ill-prepared for the new century. The army, ever the poor cousin of the Royal Navy when it came to funding, suffered as a consequence.

Shortfalls in supply were historically understandable, but the supply issue was compounded by the army clearly under-estimating its requirements as the war progressed. By the time the Government and the War Office realised they had a real

¹¹*The Spectator*, 29 August 1903, p. 5.

¹²Clive Trebilcock, 'War and the failure of economic mobilisation: 1899 and 1914', in J. M. Winter (ed.) *War and Economic Development*, (Cambridge: Cambridge University Press, 1975), p.143.

¹³This organisation was a civilian branch of the army which centralised all army buying from the War Office.

¹⁴Peter Grant, 'Learning to Manage the Army: Edward Ward, Harold McKinder and the Army Administration Course at the London School of Economics', in Michael LoCicero, Ross Mahoney and Stuart Mitchell (eds.), *A Military Transformed? Adaption and Innovation in the British Military, 1792-1945*, (Solihull: Helion, 2016), p. 101.

fight on their hands there was a scramble to place orders. This overwhelmed the small arms and defence materiel industry which at the time consisted of a few companies (like Vickers and Armstrong) with whom the Contracts Department had worked for generations and developed a cosy relationship along the way. This had bred indifference and laxity in staff of the Contracts Department who often failed to provide the necessary firmness and rigour in dealing with their favoured clients. It would not be until 1915 that the government took a tighter grip and actively sought the enterprise and acumen of other potential arms manufacturers from the country's large industrial base. And that development would change the subsequent procurement environment during the First World War.¹⁵

It has been suggested that the Boer War can be 'paired' with the First World War as an economic war and is an 'effective demonstration that this war acted as an entirely unrecognised precedent for the nearly calamitous breakdown in industrial mobilisation in 1914-15.'¹⁶ This argument can be better understood by a short analysis of the attempts made to remedy glaring problems in procurement, supply and transparency. Despite the efforts directed through official enquiries and some organisational restructuring to solve the inefficiencies seen in South Africa it is surprising how quickly the lessons learned from that war were forgotten or ignored.¹⁷ Certainly the Boer War proved to be the costliest war for Britain between 1815 and 1914. The British Treasury estimated that the war would cost it no more than £10 million, but it actually cost the British taxpayer £250 million, almost 15% of Britain's net national income in 1902.¹⁸ This figure would have been much less had stricter financial systems and controls been in place in 1899. There were serious consequences in ignoring these lessons for conducting the war effort from 1914.

¹⁵According to one commentator '...although the war introduced unprecedented measures of stated intervention, it also resulted in an increase in the authority and, frequently, the power of business interests'. Barry Semple, 'War economies', Part II, Armed forces. In Jay Winter (ed.), *The Cambridge History of the First World War*, (Cambridge: Cambridge University Press, 2014), p. 314.

¹⁶Trebilcock, 'War and the failure of economic mobilisation: 1899 and 1914', p. 139.

¹⁷For example, in his study, French, commenting on artillery and shells, noted that: 'Many of the lessons of the Boer War about the need to stockpile gauges, blueprints and machine tools had been forgotten.' French, *British Economic and Strategic Planning 1905-1915*, p. 155.

¹⁸Trebilcock, 'War and the failure of economic mobilisation: 1899 and 1914', p.141.

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There is no doubt that 'there was in the first months of the war ... a serious mismanagement of ordnance business and a waste of public money.'¹⁹ As early as 1900 the Army's supply officers in South Africa were being consulted about the use of a central account.²⁰ On 1 June 1900 former colonial administrator and senior public servant, Sir Guy Fleetwood Wilson, submitted a report to Lord Kitchener, the Commander-in-Chief in South Africa, on supply accounting. Among his suggestions were the issuing of definite regulations concerning army accounting procedures, changes in procedures; the introduction of unannounced spot checks on stocks; the abolition of locally conducted audits; and, when the war was over, a complete review of a central accounting system.²¹ As an engineer officer Kitchener was quick to grasp the situation and at his request Wilson, accompanied by two accountants, travelled to South Africa to act as his financial advisor. While this relieved Kitchener of the burden of having to act as his own finance manager, further down the military hierarchy field commanders, with little access to such expertise, continued to be burdened by having to manage the financial minutiae of their units. This problem was not acknowledged by the War Office until 1906 (see below).

At a later enquiry Fleetwood Wilson proposed that the same process should be applied to managing ordnance stores as was applied to the Army Service Corps, namely that a group of officers should be trained during peacetime, so that they could be deployed as financial/contract/procurement officers. Importantly he recommended that such men, including Non-Commissioned Officers, be rotated regularly through the War Office and back to army districts, to ensure some depth to their training.²² He also believed that all contracts should be reviewed by a Director of Contracts after they were made.²³ At that time members of the Army Pay Corps were not up to the

¹⁹Report of His Majesty's Commissioner, appointed to Inquire into the Military Preparations and Other Matters connected with the War in South Africa, Vol I. (London: HMSO, 1903), p.121.

²⁰In 1902 centralised financial control was introduced into the army.

²¹UK National Archives (hereinafter TNA) WO 103/386, Documents prepared by the War Office for the Royal Commission on War Stores in South Africa, (London: HMSO, 1906).

²²Report of His Majesty's Commissioner, appointed to Inquire into the Military Preparations and Other Matters connected with the War in South Africa, Vol I., (London: HMSO, 1903), p. 121.

²³The Director of Contracts acted as the overall buyer for the Quartermaster General's and Ordnance Departments. It was established shortly after the Crimean War and was also successfully adopted by the Admiralty in 1869. Whereas there had been no change to the army's system (see Dawkins' Report, page 3) between 1869 and 1902, the Navy developed both the Director's appointment and the relevant procedures much more effectively than did the War Office.

task of negotiating complex procurement contracts. This had resulted in profiteering and sub-standard supplies (particularly fodder) in South Africa.

Not a few of the problems the War Office had experienced with its contractors both at home and in South Africa during the war were of its own making. Tender specifications were too detailed, the army preferred not to purchase many goods off-the-shelf where these were available; while contractors tended to favour other clients as they paid less slowly than did the War Office. In his evidence before the Dawkins Committee (see below) Sir Redvers Buller, one of the army's more able commanders, stated that 'the War Office is not as good as it ought to be, as it is not particular enough about the contractors who are out on the list...'²⁴

Among the field inspections carried out in South Africa at the Commission's request was that of Colonel F.T. Clayton. He summarised the supply system then in place:

The system of supply contracts that has been in force in South Africa since 1 January 1903 is established in my opinion, on an entirely wrong basis...The system adopted is as follows: The [supply] contracts are made throwing all responsibility of issuing and storage of supplies on the contractor, who has to maintain the authorised reserve (one month's supply). If a contractor wishes to defraud the public by making short issues to units and bribing the quartermasters and quartermaster-sergeants to conceal these transactions, there is no system of supply by which he could accomplish his object in an easier way than by the one in force now.²⁵

His solution was a simple one:

Supplies should be demanded from the contractor and delivered straight into Army stores, the contractor should be paid for the actual quantity received from him, his responsibility ending with the delivery of the supplies. All issues to troops should be made by the Army Service Corps.²⁶

The contractor could then be paid for the actual quantity received from him, his responsibility ending with the delivery of the supplies. But in 1900 the traditional base

²⁴Dawkins, *Report of the Committee appointed to Enquire into War Office Organisation*, p. xxii.

²⁵TNA WO 108/384, Royal Commission on War Stores – Inspection Report, 31 October – 19 December 1905 (Colonel F.T. Clayton, Assistant Director of Transport, War Office., p. 44.

²⁶Royal Commission on War Stores – Inspection Report, 31 October – 19 December 1905, p. 45.

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of army contractors had been deluged with huge orders for uniforms, boots, shells, artillery, rifles, food, forage, barbed wire, and medical supplies. They simply could not cope by dint of numbers and lack of business expertise.

The war 'was large enough to severely embarrass both the public and the private sectors of an industry that was, in technology, a leading sector in the economy of its day.'²⁷ This was no way to run a war or a business and was clearly unsustainable. The resulting confusion and escalation of costs were a serious embarrassment to what was the leading industrial nation at that time. Under press scrutiny and political pressure answers were demanded as the army's shortcomings during the Boer War. The result was a series of post-mortems by way of official enquiries and investigative committees.

Official Enquiries

While some questioned the outcomes of the Boer War its greatest and most important impact was in what John Gooch²⁸ has characterised as the 'managerial revolution', emanating from the official enquiries by Royal Commissions and parliamentary committees instituted because of the war. Two of these sat while the war was still in progress. The findings of several Royal Commissions, enquiries, committees, and Auditor-General's investigations during the first decade of the twentieth century revealed weaknesses in a creaking bureaucracy, an uninterested and financially naive officer class, and a government apparatus insufficiently jolted by various scandals in South Africa.²⁹

In public all the right questions were asked but the results were either a whitewash or investigations which handed down recommendations that were politically difficult to implement or would only further undermine public confidence. There were three significant enquiries, with the Elgin report being the most important:

1. *Committee appointed to inquire into War Office Organisation* (Sir Clinton Dawkins Committee) 1901.
2. *Butler (Lieutenant General Sir William) Committee* appointed to inquire into the question of sales and refunds to contractors in South Africa 1905.
3. *Elgin Commission to Inquire into the Military Preparations and Other Matters connected with the War in South Africa (1903)* which inquired into the military

²⁷Trebilcock, 'War and the failure of economic mobilisation: 1899 and 1914', p. 148.

²⁸John Gooch, *The Plans of War: The General Staff and British Military Strategy, c 1900-1916* (London: Routledge & Kegan Paul, 1974), p. 34.

²⁹The various frauds described in Section XVI of the Royal Commission on the War in South Africa, (London: HMSO, 1903), pp. 60-62.

preparations for the war and 'into the supply of men, ammunition, equipment, and transport by sea and land in connection with the campaign, and into the military operations up to the occupation of Pretoria.'³⁰

To better understand the defence environment in the lead up to the outbreak of war in 1914 it is important to briefly note the outcomes of all three enquiries.

The Dawkins Committee

The Secretary of State appointed a committee to investigate the organisation of the War Office Organisation on 17 December 1900 under Sir Clinton Dawkins. It was set up to discuss how best to put the War Office on a business footing and it was 'to consider and report on certain matters relating to War Office organisation.' This included among other issues whether:

- The administrative and financial business methods used in the War Office was satisfactory.
- A detailed financial audit of the War Office 'was required in the public interest'.
- The office of the Director of Contracts should deal with all relevant business transactions or whether the making of contracts could in whole or part be devolved to the military districts, or to the military departments of the War Office.

Dawkins, a London financier, and his colleagues were highly critical in their overall assessment of the structure of the War Office while acknowledging that it had grown piece-meal over decades and was being suffocated by red-tape ('a vast system of minute regulations'). The 18 departments of the War Office were spread across ten London locations. The Finance Department was housed in four of these. Among the commercial principles absent from the War Office was an effective inspection or auditing system and 'adequate machinery for co-coordinating work of all kinds, civil and military...'³¹ Dawkins wanted the War Office to be run on the same lines as a large business concern.

³⁰List of commissions and officials: 1900-1909 (nos. 103-145)', Office-Holders in Modern Britain: Volume 10: Officials of Royal Commissions of Inquiry 1870-1939, 1995, pp. 42-57. <http://www.british-history.ac.uk/report.aspx?compid=16607>. Accessed: 22 May 2023.

³¹Clinton Dawkins et al. 1901. *Report of the Committee appointed to Enquire into War Office Organisation* (London: HMSO, 1901), pp. 2-3.

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The evidence submitted to the Committee brought to light the absence of any formal liaison between the Financial Branch of the War Office and those of its departments tasked with spending money. It recommended the introduction of local audits as the system then in use was too centralised to be effective. The Dawkins' report reserved its most damning observation for the War Office's Contracts Branch and its relations (or lack thereof) with supply departments (Quartermaster-General, Ordnance etc.), which it described as 'exceedingly unsatisfactory and calls for immediate re-adjustment.'³²

With respect to the office of the Director of Contracts, the Dawkins Committee believed that there was poor communication and consultation between the army's technical officers and contractors (which led to misunderstandings etc.) and a lack of any responsibility of *any* [emphasis added] element in the War Office to monitor 'the progress of a contract between the acceptance of tender and the due date of delivery.'³³ This last failing had been eloquently displayed during the Boer War.

In other cases, especially those concerning late delivery, contractors were not always held to account. Some senior officers simply could not bring themselves to make their own enquiries in the case of a defaulting or shoddy contractor. When Colonel Sir George Clarke, the Superintendent of the Royal Carriage Department, was repeatedly examined as to why he could not do anything about it, Clarke said he preferred not to go against years of tradition and that he was unsure of his own powers to dismiss such contractors. Among the Committee's other recommendations was a greater devolution of responsibility to the senior commanders of military districts. In 1900 they could only authorise local contracts (other than building works) up to £50, decentralising much of the administrative work of the War Office and deploying sufficient financial staff to support General Officers – both at home and on military campaigns.

But while Dawkins' team wanted to cut red tape, decentralise departmental powers and implement delegation to the lower ranks, not everyone was happy with their recommendations. Pacifist journalist William Stead was highly critical of the Government and its conduct of the war. He was not surprised by the revelations of the Royal Commission and in a booklet published in 1903 he focused on a key observation in the Commission's report:

³²Dawkins, *Report of the Committee appointed to Enquire into War office Organisation*, p. 3. The Ordnance Committee at that time was chaired by General Sir Henry Brackenbury, a former Director-General of Ordnance who often overruled other members.

³³Dawkins, *Report of the Committee appointed to Enquire into War office Organisation*, p. 13.

The flaw has been the absence of any financial authority at headquarters with time, knowledge, and power to treat financial questions as a whole ... If a financial advisor had been appointed at the beginning, instead of towards the end of the war, he could have prevented excessive charges arising, instead of merely curtailing them when large and unnecessary expense had occurred He could, above all, have relieved the Commander-in-Chief of a volume of work which should not fall on him.³⁴

Technical experts and reform-minded individuals both in the army and in wider society expressed disappointment and frustration at the lack of any real improvement. Speaking about the Army accounting system one paymaster told a gathering:

That something is wrong here is abundant evidence to show, but our reformers are by no means agreed either as to the nature of the defect, its cause, or its cure. At the present moment, undoubtedly, a considerable amount of fog surrounds the whole subject.³⁵

He went on to state that even experienced officers were often unable to distinguish between accounts and auditing. He criticised the Dawkins' Committee for misunderstandings between the War Office and regimental officers who were responsible for checking the pay and allowances of their soldiers. This officer echoed many other observers by noting the vast amount of red tape officers had to deal with in supply transactions.

Although the principle of centralising purchases was confirmed by Sir Clinton Dawkins' Committee it was discarded in 1904 on the recommendation of Lord Esher's War Office (Reconstitution) Committee,

In that year the Contracts Department was abolished, and the military supply departments were authorised to do their own buying direct. It resulted in competition in the same markets between the different supply departments, and the absence of a single purchasing authority led to other difficulties. Even so the

³⁴W.T. Stead, *How Britain Goes to War: a Digest and an Analysis of Evidence taken by the Royal Commission on the War in South Africa*, (London: Review of Reviews Office, 1903), p. 193.

³⁵Captain G. Redway, 'Complexity in Army Accounts', *The Journal of the Royal United Services Institution*, Vol. XLVI, October, 1902, p. 1259.

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main lines of the organisation continued with slight alteration until the outbreak of war [in 1914].³⁶

This brings us to the second enquiry.

The Butler (Lieutenant General Sir William) Committee

The second enquiry was appointed by the Army Council to investigate the question of sales and refunds to contractors in South Africa *after* peace was declared in 1902. The appointment of the Butler Committee came as no surprise. The Government of the day had to respond to public disquiet in Britain, Parliamentary Questions and several well publicised cases of profiteering and ill-gotten gains which featured regularly in the press. One example may suffice, outlined in a statement dated 7 January 1905, from the Army's Principal Accountant in South Africa. Army authorities there had issued forage to a contractor named Stepney to enable him to distribute fodder to deployed army units. Initially they over-charged him for the feed. He complained and the price was already low, but now it was below the price which the army had initially paid. The result was, as the accountant said; '... a present of £1,200 of public money was made to the contractor... as the result of carelessness on the part of the office of the Director of Supplies.'³⁷

The Committee's recommendations to prevent future episodes included appointing an officer to inspect all goods arriving at the supply depot before they were unloaded, placing a guard over stocks to prevent condemned forage being replaced among other forage for issue; and that the General Officer Commanding (GOC) at that time Lieutenant General Sir Henry Hildyard, be told of this episode. Why, at this late stage of the war (then in its fourth year) similar measures had not been instituted earlier is hard to understand. It was not until January 1905 that a circular was issued instructing that supplies were to be obtained from the cheapest source'³⁸

³⁶Lloyd, *Experiments in State Control*, p.14. The Director of Contracts acted as the overall buyer for the Quartermaster General's and Ordnance Departments. It was established shortly after the Crimean War and was also successfully adopted by the Admiralty in 1869. Whereas there had been no change to the army's system (see Dawkins' report, p.3) between 1869 and 1902, the Navy developed both the Director's appointment and the relevant procedures much more effectively over time than did the War Office. At that time members of the Army Pay Corps were not up to the task of negotiating complex procurement contracts.

³⁷TNA WO 108/316, Précis and Memoranda Prepared for the Butler Committee on Sales and Refunds, 20 June 1905.

³⁸TNA WO 108/311, Report of the South African War Stores Commission.

Some tenders for supplies in the South African war were called with little notice or advertising, thus excluding potential and very competitive suppliers around the empire. For example, in response to an urgent request from the War Office, the premier of New South Wales in Australia could only cable: 'Time too short to allow of action to be taken' (4 November 1903).³⁹ Even local companies in South Africa complained to the Army that they had either not seen the advertisements or received the necessary forms by post. This was the basis of post-war criticism of Colonel H.G. Morgan (Director of Army Supplies until September 1902 and then forced into early retirement in 1903).

On 15 October 1906 the War Office belatedly noted in its appreciation of the Royal Commission on War Stores:

Since 1902 it has been conclusively shown that the system which then prevailed of heaping the double responsibility of command and administrative detail on an Officer Commanding-in-Chief puts upon him a duty which it is impracticable for him to perform adequately.⁴⁰

In 1905 a new system was introduced which at least was a start to reform but there had been casualties along the way. The reputation of the Army Service Corps for one, was severely dented.

The Elgin Commission

In 1902 the Elgin Commission was directed, among many other issues, to investigate allegations made by Sir William Butler's Committee and report on all the circumstances connected with contracts, sales and refunds during and at the end of the Boer War.⁴¹ In a masterly understatement its final report concluded that: 'On the financial side there does not seem to have been any adequate preparation for a state of war.'⁴² Among the comments picked up by the press were those of one witness, the financier Guy Fleetwood Wilson, who as we have seen had investigated the Ordnance Department's Cape Town operation at Kitchener's request. He stated that: 'In the present war I believe that an expenditure of a few thousand pounds on a

³⁹Supply Transactions, Royal Commission on War Stores in South Africa. TNA WO 108/314.

⁴⁰Affidavit of Documents, Royal Commission on War Stores in South Africa. TNA WO 132/9259.

⁴¹Anon., *The South African War Commission: its report and evidence summarised and analysed*, (London: The Liberal Publication Company, 1903), p.1.

⁴²*Report of His Majesty's Commissioner, appointed to Inquire into the Military Preparations and Other Matters connected with the War in South Africa*, Vol I., (London: HMSO, 1903), p. 120.

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specially selected financial staff would have saved the public at the very least £1,000,000.⁴³

The Commission released its findings in a 316 page document in August 1903. It is significant that the commissioners were sceptical that lessons had been learnt, concluding that they 'regret to say that we are not satisfied that enough is being done to place matters on a better footing in the event of another emergency.'⁴⁴ Clearly while the nation had to go to war very poorly prepared responses to the Commission's findings varied.

The War Office belatedly noted in its appreciation of 15 October 1906 of the (Elgin) Royal Commission:

Since 1902 it has been conclusively shown that the system which then prevailed of heaping the double responsibility of command and administrative detail on an Officer Commanding-in-Chief puts upon him a duty which it is impracticable for him to perform adequately. In 1905 a new system was introduced which has, to a considerable extent, effected the necessary reform...⁴⁵

Before concluding this section, mention should be made of yet another enquiry. In December 1902 the Government announced the appointment of a committee consisting of three members from the Committee of Imperial Defence, with Lord Esher as chairman. Its task was to co-operate with the heads of the various Treasury departments sanctioning expenditure in all army and navy contracts arising out of the war.⁴⁶ This was the outcome of demands in the House of Commons for a full enquiry into allegations of contract scandals. Unfortunately, the committee members' 'intellectual rigour...went hand in hand with a parsimony that flawed their achievements.'⁴⁷

⁴³*The South African War Commission: its report and evidence summarised and analysed*, (London: Liberal Publication Company, 1903).

⁴⁴Quoted in *The Spectator*, 29 August 1903, p. 5.

⁴⁵Affidavit of Documents, Commission on War Stores in South Africa. TNA WO 132/9259.

⁴⁶In 1903 Esher was appointed to chair yet another committee: the War Office Reconstruction Committee. Its report, published in 1903 led to radical changes in a War Office that had not altered since the Crimean War. These included the establishment of a General Staff, an Army Council (along the same lines at the Admiralty Board; comprising four generals and two civilian officials under the Secretary of State for War (Richard Haldane); and a more logical departmental structure within the War Office itself.

⁴⁷Reid, *Architect of Victory*, p. 136

Prior to 1914 the War Office conducted all its planning (and procurement) on the basis that Britain should be ready to send overseas an army expeditionary force of six divisions (approximately 150,000 men). In theory the military supply departments would determine requirements, draw up the specifications, and receive, store and inspect the goods. But it was the Army Contracts Department which placed contracts, selected the firms invited to tender, and negotiated prices. As a result of the enquiries discussed above 'the main object was to provide a system of checks and counterchecks, which would prevent any laxity or costly errors of judgement.'⁴⁸ But it was a cumbersome and slow process, involving as it did moving paper between several locations in London. It also laid the ground for cosy relations between officials of the Department and the private sector.

1914

Unfortunately, few lessons were learned from the Boer War. Almost half of the workforce of government arms factories was slashed between 1899 and 1914. By 1907 43% of the Royal Arsenal's machinery was idle, while the wider arms industry had been reduced from a bare 'care and maintenance' level of 15,000 workers to 10,600. It was therefore in no fit state to respond to the unprecedented munitions demand of the Western Front.

In order to understand Government responses to rising prices and supply shortages in the army environment we need to look briefly at the pre-war economic environment and official policies. The essential feature of that economic system was that it relied 'on the market for all the decisions which make up the shape and form of economic society.'⁴⁹ Unlike today government spending then was relatively small, the budget for the Royal Navy being the exception,

Britain in 1914 was a naval power whose Army was intended for outpost duty ... The result of this policy was to limit the effective preparation permitted to the War Office to the equipment of a small Expeditionary Force.⁵⁰

For centuries it was the Royal Navy which was succoured by the state and to the army fell the scraps. Most the army's orders were met not by private contractors but by the Royal Ordnance Factories. These supplied 80 per cent of the guns and 77 per cent of their ammunition. So, while the Admiralty routinely dealt with very large orders

⁴⁸Lloyd, *Experiments in State Control*, p. 14.

⁴⁹Edward Victor Morgan, *Studies in British financial policy, 1914-25*, (London: MacMillan, 1952), p. 33.

⁵⁰*Official History of the Ministry of Munitions, Volume 1: Industrial Mobilisations*, (London: HMSO, 1922), p. 8.

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worth considerable sums of money, the army, when it came to sudden demands for massive orders, was entirely out of its depth. This included dealing with even well-known companies such as the armaments firm Vickers which had little experience as a supplier to the War Office. Between 1910 and 1914 Vickers had taken orders from the War Office which had

averaged about £55,000 worth of goods a year, compared with Admiralty orders averaging nearly three million a year. In the ten years ending in August 1914 the company's deliveries of machine guns to the War Office had been just under 11 guns a year.⁵¹

All Government departments (including the War Office) were semi-autonomous; and, when it came to placing munitions and other government orders, they were responsible for specifications, letting tenders and placing orders. As we have seen this was not always done on an efficient or commercial basis and was prone to manipulation by those within as well as by businesses in the private sector – at least until mid 1915.

There were systemic issues too that would continue until the outbreak of the First World War. For example, the 18-pounder and 13-pounder quick firing guns for the field and horse artillery were a composite design incorporating an Armstrong barrel, a Vickers recoil system, and Royal Ordnance sighting and elevating gear.⁵² Complex composite ordnance like this did not lend itself to anything approaching 'mass production'.

The administrative machinery for public controls and even planning war production was primitive. As discussed, despite several pre-war enquiries into how the War Office did business, at the outbreak of war in 1914 Britain's Committee of Imperial Defence did not include within it any organisation such as the Principal Supply Officers' Committee of the later inter-war period. Even when it is compared with the new Ministry of Munitions a year or so later its 'administrative machinery [could not] be called a machinery at all.'⁵³ So it was a government very inexperienced in these matters that had to deal with a large scale war which would make unprecedented demands on the economy of Great Britain.

The procurement landscape was also dominated by tradition.

⁵¹John Scott, *Vickers: a history* (London: Weidenfield & Nicholson, 1962), p. 97.

⁵²A. Wilson, *The Story of the Gun*, (Woolwich: Royal Artillery Institution, 1965), p. 65.

⁵³Scott, *Vickers: a history*, p. 98.

For many years a small group of armament firms had been locked into a close but frequently abrasive relationship with the War Office ... Bargaining on contracts [as had occurred in South Africa] ... was utterly inadequate to supply the vast increase in demand for munitions in 1914. But there was no immediate political stimulus for reform and the War Office officials were unprepared to look beyond the inner ring of initiated suppliers or to amend their aloof, almost ritualistic conduct of negotiations.⁵⁴

When war broke out in 1914 it was not long before the tiny Army Contracts Department (in July it consisted of 56 officials and clerks) was overwhelmed, a situation made worse when Kitchener's 'New Army' came into being in the following year. Early in the war, volunteers (and their corresponding needs for equipment, arms, and food) flooded recruiting depots across Britain. The system of centralised buying broke down under the strain of a wild scramble for supplies, which sent prices up by leaps and bounds. As we have seen

...the repeated reorganisations of the accounting systems and the instigation of internal audit procedures suggests that at the very least the accounting departments were out of their depth; the ever increasing volume of complex work once the government realised that war would not be over by Christmas and the lack of experienced staff, and the necessary recruitment of new personnel led to serious confusion.⁵⁵

One scholar has concluded that:

...it is not sufficient to say that in 1914 and 1915 a production and procurement system organised for the colonial scale was broken by a continental war. The truth is that it was almost broken by an earlier war, a colonial 'great war', which advertised its extent by the economic strains it created. Not only that, but many of the weak points in the industrial and military apparatus – over-reliance on the private sector, 'contractors' promises', poor procurement methods, faulty fuses and shell production – were the same points at which weaknesses developed in 1914 and 1915.⁵⁶

⁵⁴Jonathan Boswell and Bruce Johns, 'Patriots or Profiteers? British Businessmen and the First World War', *Journal of European Economic History*, Vol.11, No.2, September, 1983, p. 429.

⁵⁵Janet MacDonald, *Supplying the British Army in the First World War*, (Barnsley: Pen & Sword, 2019), p.13.

⁵⁶Trebilcock, *War and the failure of economic mobilisation: 1899 and 1914*, p. 161.

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While a 'business as usual' mindset endured in official circles until late 1915, this is not to say the Government lacked a sense of urgency. For example, Prime Minister Asquith set up the Shells Committee (which met between 12 October 1914 and 1 January 1915) in recognition that the traditional procurement and business models were inadequate.⁵⁷

Late in 1914

...there had been some talk in the War Office of nationalising the armaments firms, both to ensure supplies and to guard against the inflated prices which might be thrown up by the free play of the market, but it was no more than talk; the War Office supply departments of 1914, tiny and harassed, could not conceivably have carried out such an operation. They could only rely upon an external system of control, which was mainly a control of prices.⁵⁸

In the early stages of the war

the royal ordnance factories could not expand to meet demand and the state turned to the private manufacturers. This faith in the arms industry was irrational because although the firms were highly skilled and specialised engineers, they had no great superiority or experience of manufacturing small items in quantity, and shell production continued to fall short.⁵⁹

Conclusion

This then was the Britain that would go to war in 1914. While some lessons had been learned from the Boer War, and some structural changes were made, skilled workers in defence-related industries were allowed to bleed out.

Almost half of the workforce of [British] government arms factories was slashed between 1899 and 1914. By 1907 43% of the Royal Arsenal's machinery was idle; while the wider arms industry had been pared past a bare care and maintenance' level of 15,000 workers to 10,600.⁶⁰

⁵⁷For more on this see Stephen Broadberry and Mark Harrison, 'The United Kingdom during World War I: business as usual?' in Stephen Broadberry and Mark Harrison (eds.), *The Economics of World War I*, (Cambridge: Cambridge University Press, 2009).

⁵⁸Scott, *Vickers: a history*, p. 126.

⁵⁹Edward F. Packard, Whitehall, 'Industrial Mobilisation and the Private Manufacture of Armaments: British State-Industry Relations, 1918-1936', A thesis submitted for the degree of Doctor of Philosophy (London: the London School of Economics and Political Science, July 2009), pp. 41-2.

⁶⁰Trebilcock, *War and the failure of economic mobilisation: 1899 and 1914*, p. 153.

While innovations in the British Army from 1906 'enhanced its war preparedness and its Continental striking power...it laboured under manpower and financial shortages...'⁶¹ It was therefore in no fit state to respond quickly to the unprecedented munitions demand of the Western Front. There were plans in the War Office for dealing with an outbreak of war, but no plans for war on such a scale as this. 'For weeks and months after few even in the War Office realised the extent of the struggle on which the country had embarked ... Certainly no one in the Contracts Department could have expected to plan on such an assumption.'⁶²

British economic legacy did not help either. Despite the attempts after the Boer War at reform noted above the system between the army and its suppliers continued in a 'business as usual fashion in the time honoured tradition of *laissez faire*. While this may have worked in the preceding century 'it became an increasing, if self-imposed burden.'⁶³

And the post-Boer War British army itself? Scholars are right to suggest that Britain's 'military transformation was neither consistent nor ... [owed] its origins simply to great reformers or generals. Past campaigns, national politics and individual influence all affected the shape of the constituent services.' But such a view still overlooks the fact that the efficiency of the British army in the Boer War was degraded by a lack of organisation and skills in its procurement, accounting and contractual procedures. This was recognised by the end of that war and steps were taken to learn from its lessons and implement change. But these lessons were forgotten or thwarted in the decade before 1914. It was the latter which contributed to the often forgotten logistics weakness behind the British Army's fighting capacity in 1914. Vestiges of the cumbersome bureaucracy survived until 1915 despite the attempts outlined above.

As a result, prior to 1915, the Master General of the Ordnance (MGO) was technically not responsible for any failure to deliver ordered munitions. Unfortunately, that meant the MGO could be and often was left waiting for promised deliveries with little power to expedite production; not necessarily a problem in peace but a potential disaster in war.⁶⁴

⁶¹Stevenson, *Armaments and the Coming of War*, p. 90.

⁶²Lloyd, *Experiments in State Control*, p.19.

⁶³Hew Strachan, *The Outbreak of the First World War*, (Oxford: Oxford University Press, 2004), p. 17.

⁶⁴George Hay, 'The tragedy of the shells', <https://blog.nationalarchives.gov.uk/tragedy-shells-supplying-army-munitions-war-act-1915/>. Accessed 20 June 2023.

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For all the lessons learned the one factor that the Boer War did not predict nor consider was how a future war might enforce 'a much more "forward" role for government in production, distribution and the markets for goods and labour.'⁶⁵ Even though, as we have seen, a number of eminent businessmen were members of the various committee during the course of the decade preceding the First World War, they were constrained by: a Government reluctance to encroach on the private sector; conservatism in the military; and budgetary constraints. But even they could not envisage the unprecedented scale of that conflict.

⁶⁵Barry Supple, 'War Economics', in Jay Winter (ed.) *The Cambridge History of the First World War, Vol. II, The State* (Cambridge: Cambridge University Press, 2014), p. 318.