

Tennessee Valley Authority and the New Deal

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Tennessee Valley Authority and the New Deal

Essential Questions: What were the goals for the Tennessee Valley Authority? What were the successes and failures of TVA?

When Franklin Roosevelt was elected president in 1932, the nation was in the depths of the Great Depression. Nearly 25% of American workers were unemployed and people throughout the nation were struggling to survive. Roosevelt promised to implement a program of relief, recovery and reform called the New Deal. The Tennessee Valley Authority (TVA) was one of the agencies created during the first one hundred days of the New Deal.

During the 1920's George Norris, Senator from Nebraska, had tried to secure support for a multipurpose development in Muscle Shoals, Alabama where the government owned a large fertilizer plant. Roosevelt expanded the scope and size of Norris' proposal to encompass the entire watershed of the Tennessee River. TVA was given a number of goals: prevent flooding, improve navigation, help farmers, provide cheap electricity, and form a strategic plan for the region.

The Tennessee Valley Region was one of the most depressed parts of the nation. Soil erosion had left much of the farmland ruined. Families scratched out a living on subsistence farms and lived in much the same way as their ancestors a hundred years earlier. Only one percent of farm families had indoor plumbing and only eight percent owned radios. TVA's solution to those problems was building dams to both control flooding and generate cheap electrical power. Unfortunately, building dams would displace thousands of the very families that TVA was charged with helping.

The first dam project TVA undertook was on the Clinch River in Anderson County. It was named Norris in honor of Senator George Norris who had worked tirelessly for development in the Tennessee Valley region. Dam construction began in October of 1933, and was completed in March 1936 with a cost of \$36 million dollars. Some of those funds were used to buy the land that would be flooded when the dam was completed.

Residents in the Clinch River Valley, like residents in other areas where TVA would subsequently build dams, had varying points of view on the dam. Some residents viewed the dam project as beneficial because it would provide construction jobs in the present and hopefully manufacturing jobs in the future. Other residents argued that the dam would flood the best farmland leaving only marginal land to be farmed. Lastly, many residents did not want to leave the land their families had lived on for generations.

TVA employed a carrot and stick approach to land acquisition. Farmers were offered payment for their lands and the first to accept the offer often received help with moving expenses as well. TVA agents also appealed to residents' sense of patriotism and duty. They told residents how much the entire community would benefit from their sacrifice. One sticking point for many residents was that cemeteries containing the graves of loved ones would be flooded. To remove this objection, TVA offered to relocate community and family cemeteries in a manner that most residents considered respectful and dignified.

Residents who resisted TVA's carrot approach found themselves being ordered off their land under the doctrine of eminent domain. Eminent domain is the power of the government to take private land and convert it for public use as long as the owners receive just compensation. Many of the residents resistant to moving argued that the price being offered for their land was too low. Others simply felt that the right of individuals to own property should not be violated by their government. Some residents fought the sale of their land in court; others simply ignored the notices and went on with their lives. Ultimately, the courts upheld the use of eminent domain to force the sale of land for TVA projects. People who remained on their land after the sale was finalized were forcibly removed by local authorities.

By 1945, TVA had built twelve dams, created 14 million acres of floodwater storage, improved navigation from Knoxville to Paducah, Kentucky and was generating electric power for 668, 752 households. In Oak Ridge, TVA generated power had helped to enrich the uranium used in the atomic bomb. TVA had also displaced thousands of people and dismantled entire communities. While many of the displaced people came to see the economic benefits that TVA brought to the region, including the unexpected benefit of tourism, that did not stop them from feeling a profound sense of loss for the communities that disappeared.

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Tennessee Valley Authority and the New Deal

Pretend you're someone living in the Tennessee Valley. Use the text to list 2-3 pros and cons of TVA building projects. Things to keep in mind: People, Landscape, Economy, Energy, Etc.

Pros	Cons

Tennessee Valley Authority and the New Deal Key

Pretend you're someone living in the Tennessee Valley. Use the text to list 2-3 pros and cons of TVA building projects. Things to keep in mind: People, Landscape, Economy, Energy, Etc.

Pros	Cons
<p data-bbox="332 674 657 720">Cheaper electricity</p> <p data-bbox="212 772 773 863">More jobs both in building dams and later in industries using</p> <p data-bbox="337 919 652 961">cheaper electricity</p> <p data-bbox="375 1016 613 1058">Flood control</p> <p data-bbox="272 1115 716 1157">Better farming techniques</p> <p data-bbox="207 1213 781 1255">Tourism related to new reservoirs</p>	<p data-bbox="878 674 1377 764">Many people have to give up family farms and homes.</p> <p data-bbox="870 821 1386 911">Communities are destroyed as people are forced to relocate.</p> <p data-bbox="878 968 1377 1058">Prime river bottom farm land flooded</p> <p data-bbox="943 1115 1312 1157">Historic sites flooded</p> <p data-bbox="870 1213 1386 1304">Some people thought that they were underpaid for land</p>

Tennessee Valley Authority and the New Deal

Pretend you're someone living in the Tennessee Valley. Use the text and your background knowledge to list 5-6 pros and cons of TVA building projects. Things to keep in mind: People, Landscape, Economy, Energy, Etc.

Pros	Cons

Tennessee Valley Authority and the New Deal Key

Pretend you're someone living in the Tennessee Valley. Use the text and your background knowledge to list 5-6 pros and cons of TVA building projects. Things to keep in mind: People, Landscape, Economy, Energy, Etc.

Pros	Cons
<p data-bbox="334 596 656 638">Cheaper electricity</p> <p data-bbox="214 695 773 884">More jobs both in building dams and later in industries using cheaper electricity</p> <p data-bbox="378 938 610 980">Flood control</p> <p data-bbox="272 1035 716 1077">Better farming techniques</p> <p data-bbox="207 1131 781 1173">Tourism related to new reservoirs</p>	<p data-bbox="878 596 1377 688">Many people have to give up family farms and homes.</p> <p data-bbox="872 743 1386 835">Communities are destroyed as people are forced to relocate.</p> <p data-bbox="878 890 1380 982">Prime river bottom farm land flooded</p> <p data-bbox="943 1037 1312 1079">Historic sites flooded</p> <p data-bbox="868 1134 1390 1226">Some people thought that they were underpaid for land</p>

Report on TVA, Norris Dam and Cumberland Homesteads

Lorena Hickok was a journalist and close friend of Eleanor Roosevelt. Harry Hopkins, director of the Civil Works Administration, hired Hickok to travel around the country and report on various New Deal Programs.

From Lorena Hickok

To Harry L. Hopkins

Florence, Alabama June 6, 1934

Dear Mr. Hopkins:

A Promised Land, bathed in golden sunlight, is rising out of the grey shadows of want and squalor and wretchedness down here in the Tennessee Valley these days.

Ten thousand men are at work, building with timber and steel and concrete the New Deal's most magnificent project, creating an empire with potentialities so tremendous and so dazzling that they make one gasp. I knew very little about the Tennessee Valley Authority when I came down here last week. I spent part of my first day in Knoxville, reading up on it. I was almost as excited as I used to get over adventure stories when I was a child. This IS an adventure!

Since then I have been traveling through the Valley and the state--a couple of days in Knoxville, a trip to the Norris dam and the town of Norris, a day's motoring across to Nashville, stopping enroute to look over a subsistence homestead colony a few miles from the Valley, a day in Nashville, a day's trip down here, visiting with farmers, relief workers, county agents in little towns along the way.

Today I saw the Wilson dam and went down into the power house--which is the best way, I found, to get an idea of how big this thing really is--and drove 20 miles up the river to watch workmen drilling in rock to lay the foundations of the Wheeler dam.

I've talked with people who are doing this job, with people who live in the towns and cities that are going to feel the effects of this program, with ordinary citizens, with citizens on relief--as many kinds of people as I could find.

They don't all get so excited about it as I do. They criticize some features of the program. I have an impression that thousands of people right here in the Valley don't really know what it is all

about. But the people--the people as a whole--are beginning to "feel" already the presence of TVA, even though it hasn't made any dent on our relief rolls.

Nearly 10,000 men--about 9,500--are at work in the Valley now, at Norris and Wheeler dams, on various clearing and building projects all over the area.

Thousands of them are residents of the Valley, working five and a half hours a day, five days a week, for a really LIVING wage. Houses are going up for them to live in--better houses than they have ever had in their lives before. And in their leisure time they are studying--farming, trades, the art of living, preparing themselves for the fuller lives they are to lead in that Promised Land.

You are probably saying, "Oh, come down to earth!" But that's the way the Tennessee Valley affects one these days.

Ten thousand men at work may not seem like so many when Tennessee still has a relief case load of 68,000 and Alabama around 80,000. But it's something. And there's no "white collar problem" in Knoxville these days. And people say to you, "Oh, we're lucky down here in Tennessee. TVA's a help!"

"Oh, I haven't heard anybody say anything about the Depression for three months," remarked a taxicab driver in Knoxville the other day. "Business is three times as good as it was a year ago. You ought to see the crowds at the ball games."

Over in Nashville the attitude seems to be:

"Maybe we don't get as direct a benefit out of TVA as they get in Knoxville, but it will be coming eventually. And in the meantime, at least, Roosevelt is trying. He's doing something!"

Another way by which people hereabouts are being made aware of TVA is in the lowering of rates for electricity. They've been forced down already, even where the distribution is still in the hands of privately owned companies.

"I put in an electric hot water heater sometime ago," one man told me, "but I haven't been able to use it because it cost too much. But now, with this new rate, I can. I can run that, with all my other equipment--range, iron, mangle, vacuum cleaner, lights, and radio-- for the same cost as I went without it before."

Before I leave the Valley, I'm going down to Tupelo, Miss., the first town to start buying its electric power directly from TVA, and see how they get along. Up here, one hears enthusiastic reports.

Well.... Tennessee has got a huge job of rehabilitation on her hands. And with TVA setting up standards in rehabilitation, the rest of the state has got a long, long way to go.

Out of nearly 70,000 families on relief in Tennessee, probably 30,000 or more live in small towns or in the country. Many of these are in abandoned lumber and mining camps. Most of them who are farmers apparently are living on sub-marginal or marginal land.

Fairly typical for Western Tennessee, I gather, was a district I visited yesterday. Table land. Thin soil. Terrible housing. Illiteracy. Evidence of prolonged undernourishment. No knowledge of how to live decently or farm profitably if they had decent land.

"Five years is about as long as you can get any crop on this land," one farmer told me. " Then it's gone and you have to clear some more and start over again."

Crops grown on it are stunted. Corn, for instance, grows only about a third as tall there as it does in Iowa. They tell me it isn't even good timber land. Just a thin coating of soil over rock. A county agent said it might make good orchard land, but any farming operation there should be under skilled supervision with authority to make farmers do as they were told.

Eastern Tennessee is worse, of course. There you see constant evidence of what happens when you cut timber off mountain sides and plant crops there. There are great "bald patches" of rock on those mountains!

What to do with these people makes a nice little problem. Whether to move them off--and, if so, where to put them--or, on table land, for instance, where with careful and authoritative supervision they might eke out a living, leave them there and take a chance on their being absorbed in the industries that should be attracted down here by the cheap power furnished by TVA.

There might be, I should think, the possibility of a sort of temporary supervision. Rehabilitate the present adult generation where they are. Try out orchards instead of corn on the table land, for instance. And have it understood that their children are not to inherit that land, but that it will be taken over by the Government as they die, the Government to pay the heirs for it, either with cash or land somewhere else. The idea was advanced by Grace Falke, Secretary Tugwell's assistant, who has joined me on this trip. Help the parents to get at least a fairly decent living now and do a bang-up job of public health and education on the children.

This may sound wild, but I doubt if in Tennessee there is enough good land available for all of them.

Near Crossville, for instance, a subsistence homestead unit, with some of the loveliest little houses you ever saw, is being set up on about 12,000 acres of new land. They are starting out to raise mostly vegetables on it. The farm expert in charge [says that the soil] won't stand up under anything heavier, although it's good soil if handled expertly. They haven't been able to dig cellars under those houses because, if you go down 20 inches below the surface, you hit rock! I wonder if any sort of farming can ever be carried on permanently on soil that thin.

That homestead unit has the nicest houses I've seen anywhere. They are building them of a beautifully colored rock found on the place. They are grand houses, really. But it's the same old story. Each family moving in there will be somewhere around \$2,500 in debt, and any definite plans for enabling those people to pay off those debts aren't in evidence. They seem to be trusting to God--and the Government.

Well--so far, Tennessee hasn't got far with any rural rehabilitation program. As you know, they've had a lot of administrative trouble.

They've at last got a rural rehabilitation man, out of the agricultural extension service. He's just finding himself. They're not thinking of rural rehabilitation in Tennessee for this year, but next year.

And all over the state, in the rural areas, the story is the same--an illiterate, wretched people, undernourished, with standards of living so low that, once on relief, they are quite willing to stay there the rest of their lives. It's a mess.

But then--there's TVA. It's coming along. My guess is that, whatever they do or don't do about rural rehabilitation down in Tennessee, in another decade you wouldn't know this country. And the best part of it is that here the Government will have control. There's a chance to create a new kind of industrial life, with decent wages, decent housing. Gosh, what possibilities! You can't feel very sorry for Tennessee when you see that in the offing.

Yours very truly,

Lorena Hickok

Racial Discrimination during Norris Dam Project

The TVA and the Race Problem

Cranston Clayton

IN the 40,000 square miles of the Tennessee Valley lying in parts of seven different states are some two million people divided between white and colored according to the ratio roughly of three to, one. Negroes are relatively thick in northern Alabama and west Tennessee but are correspondingly scarce in the mountains of Virginia, North Carolina, and east Tennessee.

The various maladjustments that have existed in the relationship between these two groups since the beginning of the nation has no doubt been the greatest single factor in causing this region, with all its wealth of coal, phosphates and other minerals, with its diversified and abundant plant life, with its climatic advantages, and with its streams and rivers ready to generate an estimated 3,000,000 horsepower of energy, to be even at this late day one of the most backward sections, educationally and industriously, of any in the nation. Now the Tennessee Valley Authority comes into this region not merely to build a series of dams and transmission lines, but to "provide for the agricultural and industrial development of said valley" and to foster "an orderly and physical, economic and social development of such areas." How does the TVA with such broad and profound responsibilities propose to deal with the problem of race relations?

AS a relief measure or job providing agency, which it really does not purport to be, the TVA has dealt with the Negro more justly than possibly any other one of the New Deal Acts. Certainly more than the NRA for example, which in most cases in the South has either not been applied at all to Negroes or else has simply been the occasion to throw them completely out of work. TVA authorities claim, and I have no facts with which to dispute such claims, that they are employing Negroes according to their proportion of the total population and in all cases are paying them the same wages that whites receive for doing the same work. In the building of the Joe Wheeler Dam, for example, that more than a mile-long structure being erected fifteen and a half miles above Muscle Shoals, the 523 men now employed are, according to the TVA Personnel Division, divided between the races according to their proportionate population in the territory from which the labor is being drawn. The wage scale of 45c. for unskilled and \$1.00 for skilled labor is, according to the same authority, being applied to all regardless of color. Likewise in the Norris project, twenty miles northwest of Knoxville, among the total number of workers now on the payroll some 7 per cent are Negroes which is about their proportion of the population in the twelve counties surrounding Norris.

However, this equitable representation of Negro laborers at Norris is a story in itself. When the civil service examinations were first given by the TVA in the twelve counties roundabout Norris, only 1.9 per cent of those who qualified for jobs were Negroes. In these same twelve counties Negroes comprise exactly 7.1 per cent of the total population. Thus it looked as though colored labor was to suffer. TVA authorities insisted that they were helpless to rectify matters since they were compelled to choose their employees from among the people who had qualified by examination. Negro leaders claimed, however, that the reason so small a proportion of their population had qualified was that they had either not even been told of the examinations or else had been given to understand by the native whites that there was no need for them to apply since the whole project was for the advantage of the white man. There were some facts which lent credibility to this charge. For example, TVA authorities did not, and still do not, plan to use any Negro labor on the building of the Norris Dam itself. They claim that building separate dormitories and accommodations for the few Negro laborers representing the small Negro population around Norris would be so expensive as to materially advance the price of the electric power to be sold by the TVA and would thereby prevent the providing of a true "yardstick" to be used on public utilities throughout the nation. Another such fact is that on or about December 1, 1933 a committee of Negro citizens making investigations in the interest of their race claimed to have discovered that only two Negroes were employed by the TVA in the whole section of twelve counties around Norris. Thus it did seem that there had been no use for the few Negroes who had registered to have gone to that trouble.

However, TVA leaders, on having this injustice pointed out to them, set about rectifying matters insofar as the limits of the number of 5, Negroes would permit. The event, though, which made possible an equitable division of labor between the races was the allotting on December 5, 1933 of \$3,343,402 by the Civil Works Administration to be spent by the TVA. With this money the TVA could hire laborers from the relief rolls of various counties without their being qualified by examination and could pay them regular TVA wages. This was a godsend to Negroes. This CWA money, to be sure, may be discontinued, but Dr. Floyd W. Reeves, Head of the Personnel Division of the TVA, authorizes the author of this article to say that "if and when TVA-CWA funds are no longer available arrangements are being made to employ Negroes in the task of clearing the reservoir space to be flooded by the Norris Dam in numbers great enough to insure a proportion commensurate with their part of the population." This work, according to Dr. Reeves, will last for some two years.

In the long-range program of social planning Negroes are not definitely promised to fare so well.

To be sure, certain general aims of the Valley Development will, if realized, prove advantageous to them along with the rest of the population. They will be able to buy cheaper fertilizer and electrical power. Their farms, too, may suffer less from soil erosion after a program of reforestation has been put through.

But if Norris is prophetic of the total training program of the Development then Negroes have little cause to be thankful to their Uncle Sam. At Norris will be established a working experiment in coordination between industry and agriculture, the ideal which the TVA envisions for the whole Tennessee Valley. The natives of this cooperative community will receive extensive training in the arts, trades, and skills essential to such a mode of living. That they may become experts in agriculture, for instance, they will be provided a farm-garden for demonstration, a model poultry plant, and a dairy farm with pasteurizing plant connected. Men will also be taught skill in woodwork and in metal work. The women will receive courses in home planning and management. All homes will be electrified for providing lights and heat. Roads will be kept free from sign-boards, hot-dog stands, and road-side clutter. From all this the Negro, as desperately as he needs training, is to be absolutely excluded. He can not even live on the outskirts of the town in his customary hovel.

This is a bitter blow to Negro leadership. Southern states, as niggardly as they may be, do at least provide some sort of educational facilities for the blacks. And southern towns will at least allow their out-caste population to live in dirt and shacks down by the creek or the railroad track. But the government does worse. It absolutely excludes them.

This blow is all the more disheartening because it is delivered by the United States government. The Negro looks to the government as his best if not his only friend. This is due partly to the method by which he was emancipated. It is due also to the fact that Federal Courts have been about the only agency by which Negroes felt they could protect themselves as American citizens. Negro leaders had hopes that in this government venture into the South their rights might be championed. Their hopes burned all the brighter because the government seemed to have a relatively free hand to do as it pleased. Norris is built on government property. The project is nationally supported and therefore ought to be somewhat independent of local prejudices. And last of all, since the Tennessee Valley was receiving gratis such a splendid present from the nation, the whites, it is believed, would have more or less willingly made considerable concessions to whatever ideals the government had wanted to put into effect.

Promises, nebulous and indefinite, are being made Negro groups that other cooperative communities are to be established in which their rights will be taken care of. It is hoped, not without some assurance, that such a community may be established near Huntsville, Alabama, in connection with the state supported Agricultural and Mechanical College for Negroes. This would be all the more practicable since one service of such a community is to provide a field for student labor for cooperative colleges which proceed according to a work-study program.

It is possibly wise for the government to take a lesson from its mistakes in Reconstruction Days when, for the good of all concerned, it forced the matter of Negro rights too rapidly. However, we have come a long way since 1865. Since that far away time it has begun to dawn

even on the Southern white man that, educationally, economically, industrially, and morally, Booker T. Washington was right when he said that "the only way to hold the Negro down in the ditch is to stay down in the ditch with him." If the government is to help any of us, it will have to help all of us.

Source: Clayton, Cranston. "The TVA and the Race Problem." *Opportunity, Journal of Negro Life*, April 1934. Vol. 12, No. 4, p. 111. Accessed on New Deal Network
<<http://newdeal.feri.org/texts/subject.htm#91>>

Roosevelt's 1934 Press Conference on TVA

The One Hundred and Sixtieth Press Conference (Excerpts)

Warm Springs, Ga, November 23, 1934

Q. Mr. President, is there anything you can tell us on the record concerning the visit of your various power officials here today?

THE PRESIDENT: They are members of a committee, I could not tell you the name of it, that has on it somebody from the Federal Trade Commission, somebody from T.V.A., somebody from Interior and one or two from the Power Commission. They have been working - I think the whole thing came out last spring - on a general survey of the power situation, and they are going to talk with me about that tonight.

Q. Is that your National Resources Committee?

THE PRESIDENT: No, it is separate from that. It relates only to power.

MR. TUGWELL: Manly can tell them about it. I have forgotten the name of the committee too.

THE PRESIDENT: It is one of the inter-departmental committees to report on the general situation.

Q. With recommendations for legislation?

THE PRESIDENT: Yes, and policy.

Q. Still on the record, does that visit here mean that you have in mind any new moves of a concrete nature in the immediate future in connection with what you were telling us the other day?

THE PRESIDENT: This has nothing to do with the trip or T.V.A. or anything like that, except in so far as it relates to general power policy....

Q. I feel I am doing a lot of talking here, but the other day you spoke of power and there are a lot of interpretations on it. Purely...

THE PRESIDENT: Oh, the interpretations are all pure. (Laughter)

Q. Do you mind telling us what your ideas are regarding private power companies?

THE PRESIDENT: All right, I shall give you something on that, but this has to be off the record because I don't want to be in the position of interpreting what I said. (Laughter) It is a perfectly simple thing. Two years ago, in this room, you were here, Fred...

MR. STORM: I was here.

THE PRESIDENT: We spent an hour and a half. I think it was in January, 1933, and we had been down with Norris to see the Wilson Dam. And I had said up there publicly that we were going ahead with the development of Muscle Shoals. That is all I said at that time publicly. We came down here and we had this talk in which I outlined what developed into T.V.A.

I can put it this way: Power is really a secondary matter. What we are doing there is taking a watershed with about three and a half million people in it, almost all of them rural, and we are trying to make a different type of citizen out of them from what they would be under their present conditions. Now, that applies not only to the mountaineers - we all know about them - but it applies to the people around Muscle Shoals. Do you remember that drive over to Wheeler Dam the other day? You went through a county of Alabama where the standards of education are lower than almost any other county in the United States, and yet that is within twenty miles of the Muscle Shoals Dam. They have never had a chance. All you had to do was to look at the houses in which they lived. Heavens, this section around here is 1,000 percent compared with that section we went through. The homes through here are infinitely better.

So T.V.A. is primarily intended to change and to improve the standards of living of the people of that valley. Power is, as I said, a secondary consideration. Of course it is an important one because, if you can get cheap power to those people, you hasten the process of raising the standard of living.

The T.V.A. has been going ahead with power, yes, but it has been going ahead with probably a great many other things besides power and dam building. For instance, take fertilizer. You talk about a "yardstick of power."

Dr. H. A. Morgan is running the fertilizer end of it and at Muscle Shoals he is turning out, not a nitrate - the plant was originally built for a nitrate plant - but he is turning out a phosphate. He is conducting a very fine experiment with phosphate of lime. They believe that for this whole area around here, and that would include this kind of soil around here, phosphate of lime is the best thing you can put on land in addition to being the cheapest.

Now at once, the fertilizer companies, the National Fertilizer Association that gets out figures (laughter), say, "Are you going into the fertilizer business?" The answer is a very simple one. The plant is primarily an experimental plant. That is the primary purpose. Therefore, they are going to take this year a thousand acres of Government land, worn-out land typical of the locality, and they are going to use this phosphate of lime on these thousand acres and show what can be done with the land. They are going to give a definite demonstration. They will compare it

with the other fertilizers, putting them in parallel strips, and they will see which works out best and at the lowest cost. Having the large plant, they will be able to figure out what is a fair price for the best type of fertilizer.

Having done that and having figured out the fair price, it becomes a process of education. If the farmers all through that area can be taught that that type of fertilizer at x number of dollars a ton is the best thing for them to use, then it is up to the National Fertilizer Association and its affiliated companies to meet that price. Now, that is the real answer, and we hope that they will meet that price, adding to the cost of manufacture a reasonable profit. We shall know what the cost of manufacture is, and it is very easy to say what a reasonable profit is. Now, if those gentlemen fail to avail themselves of this magnificent opportunity to conduct a sound business and make a profit, well, it is just too bad. Then somebody will get up in Congress and say, "These fellows are not meeting their opportunities and the farmers will have to have the fertilizer and of course we shall have to provide it." But I, for one, hope that that day will never come. Now, that is not holding a big stick over them at all. It is saying to them, "Here is your opportunity. We go down on our knees to you, asking you to take it."

Q. Just a little guiding light.

THE PRESIDENT: In other words, what we are trying to do is something constructive to enable business...

MRS. ROOSEVELT: An intimation. (Laughter)

THE PRESIDENT: No, it is not even an intimation. No, it is a generous offer.

Now, coming down to power. You take the example of Corinth we went through the other day. In Corinth, without Government assistance - they did it themselves - they had a county electric-power association and they used to buy their juice from the Mississippi Power Company. Because they were on a through line to Tupelo, the T.V.A. came along and stepped in as a middleman, and still bought the power from the Mississippi Power Company at a lower cost per kilowatt on the agreement with the Mississippi Power Company that it would take more juice. The result was that the Mississippi Power Company gets the same gross profit as it was getting before, but it is selling more power. Then the T.V.A., merely acting as middleman without any profit to itself, turns around and sells it to the county electric- power association. That part of it does not change the existing situation at all. The Mississippi Power Company merely gave a lower rate to the Alcorn County people, but it did it via the T.V.A., instead of direct. It was merely a bookkeeping matter. It does not cost the T.V.A. anything, and it does not receive anything.

Now the Alcorn County people, that is the Alcorn County Electric Power Association, did a very interesting thing. There they had Corinth, which is a good-sized town, and they found they could distribute in Corinth - these are not accurate figures - they found they could distribute household power at about two cents a kilowatt hour. But if they were to run an electric line out to a farm, they would have to charge three cents. In other words, the farmer would have had to pay more.

What did the Corinth people do? They said, "We can get cheaper power than the farmer, but we think he should have the same rates we are getting." Voluntarily they agreed to take and to pay for two-and-a-half-cent power which enabled the farmer to get two-and-a-half-cent power. That is an extraordinary thing. That is community planning. Now, there was no reason in God's world why the Mississippi Power Company could not have gone to Corinth and said the same thing - no reason in the world. It just never thought of it. It could have done that same thing. But it was the T.V.A. that went down and sold the idea to the people in that county and said, "Let us have a uniform power rate for the man next to the powerhouse and the same rate for the man who lives twenty-five miles up the Valley. We don't want to concentrate any more people in Corinth. We want to increase the rural population."

The result of that operation is that they are increasing - they have more nearly doubled the consumption of power. Furthermore, they have gone ahead and formed another association, tied up with this county one, by which people can buy refrigerators and electric cookstoves and all the other gadgets at a figure which is somewhere around 60 or 70 percent of what they were paying before.

Now, the process behind what they were paying before amounted to this: A subsidiary of the Mississippi Power Company in the business of selling refrigerators, generally owned - I am just saying this as a mean aside - generally owned by a son of a president of a power company - there is a lot of that nepotism - would go around and say, "We will sell you a refrigerator. The cost is two hundred dollars. You can pay for it over thirty months. The total cost to you at the end of thirty months will be three hundred dollars." In other words, it was a hundred dollars extra for installment payments. It did not say that, but that is what it amounted to. In other words, it was selling them the thing at two hundred dollars, and it was making an average of 18 to 20 percent on that sale during this thirty months.

Now, who else profits? That selling corporation, of course, made not only its 15 or 20 percent, but also made quite a lot on what it had paid for the machine. It had probably paid a hundred and seventy-five dollars for the machine, so it made twenty-five dollars on the machine. Now, whom did it buy it from? It did not buy it from the General Electric or the Westinghouse. It bought it from the middleman, and he also made a twenty-five-dollar profit on it, and the General Electric Company got only a hundred and fifty dollars for the machine. Therefore, when the consumer paid three hundred dollars, it was just 100 percent more than the General Electric Company got for the machine.

We went to the General Electric Company and said, "Will you give us your wholesale rate on machines?" It said, "Sure." And we went to all the other refrigerator manufacturers so as to have a complete line, and then we said to the householder, "You can buy this for a hundred and fifty dollars plus a five - dollar handling charge, paying for it over thirty months at 5 percent interest instead of 18 percent." The net result is that instead of paying three hundred dollars, he pays a hundred and seventy- five or a hundred and eighty dollars. His installment cost is at 5 percent instead of 18 percent. He gets it at the wholesale price, which the Mississippi Power Company could have done exactly as well as the T.V.A. In other words, we are teaching him something.

Q. Whom is Corinth getting its power from now?

THE PRESIDENT: Mississippi Power Company.

Q. I don't quite understand the power company getting its same profit. Mr. Ruble, who runs a department store down there, told us that the building had its bill cut from sixty dollars a month to forty dollars and he doubled his consumption.

THE PRESIDENT: That is the point; what does it do? Suppose it were selling - well, let us put it in algebra. Suppose it were selling x kilowatt hours times y cents per kilowatt hour. The total receipts of the company amounted to z . Now, we come in and tell these local people that if they will buy $2x$ kilowatts times $1/2Y$ - in other words, half the price - you will still have z . In other words, if they buy twice as much power at half the cost, the gross will be exactly the same at the end of the month. Now, that is what we have been trying to do.

I don't know the consumption back in Corinth, but in Tupelo we estimated it would take a year at a three-cent rate running down to one, instead of a rate starting at six cents and running down to three. We figured it would take a year for the consumption of power to double. Actually, it took only four months. The consumption of power in Tupelo has doubled in four months.

The result is that the local company has an even bigger gross in the way of receipts than it had before, and yet the consumers of that power, whether shopkeepers or farmers or householders or anything else, are getting their electricity for less than half the price - about 45 percent - of what they were paying before.

Q. Isn't there a considerable change in the cost of having to step up its power production to meet a demand like that?

THE PRESIDENT: Very little. The only overhead is when you get an extension of rural lines. There you have a larger inspection force to watch the lines. That is about all.

Then we are doing a third thing along the same lines. The power companies did a silly thing when it came to rural electrification. They put out all kinds of specifications for rural lines that were out of the question. There was a certain rural line we wanted here in Warm Springs, and the specifications of the power company, as I remember them, called for thirty-five-foot poles, white oak, that had to come from North Georgia. They had to be hauled here by railroad. Then I think it charged eighty dollars for the transmission line into the farmhouse. The net result is that a line for five or six farmers would cost somewhere on the average of four or five hundred dollars. That is a pretty big debt for a farmer to assume. Then it said to him, along the same line as the refrigerator, "You can pay that over a number of years with a small charge for interest." The interest ran from 18 to 20 percent.

What we are trying to do is to build a rural line which will be substantial. We will put in transformers, actually at cost from the electric supply company, the General Electric Company or the Westinghouse, and then let the farmer pay for his power line at 5 percent instead of 18 or so percent. It means that on the average he can put in his power line for about 60 percent of what it costs the other way.

Now, we come back to the old simile we used before. I hope that the proper power-company officials will accept this free education that the Government is giving them. It is a fine offer and a grand chance. If they come in and do it right with a reasonable profit on their actual cost, that is all we are asking. No threat....

Q. Or else?

THE PRESIDENT: No or else....

Q. In Atlanta the Georgia Power Company runs its auxiliary plant in Atlanta with gas. It buys gas from Mississippi, makes electricity from the gas - converts the gas into electricity - and sells it at a profit. It uses about twenty million cubic feet a day.

THE PRESIDENT: Do you know, about gas - Ickes told me this on the train the other day - there is going to waste every year in the Texas oil fields \$72,000,000 worth of gas. It is just escaping into the air. Now, if that gas were turned into electricity, think what it would mean to Texas. That is \$6,000,000 worth of gas a month.

Q. They pipe the gas into Atlanta from Mississippi.

Q. If that much is going to waste in Texas, what is the gas wasted on Capitol Hill? (Laughter)

THE PRESIDENT: That would run the District, anyway. It might cut the District tax rate.

Q. The trouble is that that is nonconvertible gas.

THE PRESIDENT: Now, coming back to the point, this statement shows a balance available for construction and retirement of 35 percent of the gross. If you were to analyze the financing of most of the private power companies, you will find that in the majority of cases they have been following the pernicious rule of the railroads. They get out a twenty- or thirty-year bond issue and they don't start a sinking fund. When the bonds mature they don't pay them off. For example, in the paper yesterday morning, there is one company that is seeking to refund an issue of bonds which were issued twenty years ago. That is what has hurt the railroads. The railroads never paid off a single bond which had matured. They never set up a sinking fund....

Q. The logical question that that raises is, can the average private utilities undergo the reorganization necessary to cut the rates and take advantage of the opportunity given them?

THE PRESIDENT: Only if they reorganize. Of course, we all know they do a lot of talking about widows and orphans. Now, whose fault is it? I will give you an example: A certain friend of mine, who makes or perhaps saves two or three thousand dollars a year, started in about 1928 to put aside a savings fund, realizing that someday he would get old and could not work any more. Wanting a little more than 4 percent, he went to two banks in New York City, the most reputable, old fashioned banks he could find. I was partly responsible and told him where to go. As a result, today he finds that the fifteen or twenty thousand dollars he put in is invested, about two-thirds, in bonds of utilities, not stocks but bonds. What kind of utilities? Holding companies, all of them holding companies, none of them operating companies. He was advised to buy the bonds of these holding companies as the best form of investment he could get. They were 6 percent and 7 percent bonds and he bought them at 102, 103 and 104. He bought them above par. Today the average of those bonds is about 40. The result is that he has lost over half of the savings that he put into those bonds.

Now, why are they selling at 40? For the simple reason that you have to find out what is behind them. That starts you back over a chain. Let us take Associated Gas & Electric, as an example, or Commonwealth & Southern, or any of the big holding companies. Those bonds have printed on them that behind them is so much stock. Let us call the first company the A Company, and its bonds state that it has so much stock of B Company, C Company, D Company, in the treasury of the A Company, as security for those bonds. Then you analyze and you ask, what is the common stock of B, C and D Companies? You will find that they are holding companies. And you will also find that they have outstanding bonds which are backed by the common stocks of E, F, G, H and I Companies. And then you will come down to those companies and perhaps they are operating companies or perhaps they are holding companies too. Sometimes you get the pyramid of the holding company principle up to the fourth dimension. . .

The banker who does the merging gets a lot of common stock, and dumps it off on the market. Now what Charlie (Hurd) said was right. I don't like the expression "squeezing the water out," but if the utility companies in this country could recapitalize on the basis of the money put into them, every one of them would be making a profit today and every one of them could reduce the rates.

Q. But a lot of people have taken their money and gotten out.

THE PRESIDENT: And a lot of widows and orphans are holding the bag, having been persuaded by the best banks in New York City to buy that kind of bonds, which is not at all honest.

Q. The answer is that they hold the bag anyway, so that in reorganization it would not make any difference.

THE PRESIDENT: In a reorganization it is just too bad about people badly advised. It is not the Government's fault. In other words, somebody is bound to get hurt. There isn't any question about it.

It is a very simple proposition. Suppose, for the sake of argument, you can save the consumers of power one hundred million dollars at the rate of two hundred dollars a year. That would be five hundred thousand people who would benefit in a year. They would benefit from that kind of saving through cheaper power. You would hurt a lot of people. You might hurt twenty or thirty or forty thousand people in materially benefiting five hundred thousand. But, after all, that is one thing that Government cannot do, and that is to protect widows and orphans against bad advice they have had on investing....

To give you a thought, what we are after primarily is to improve the standard of living for the country as a whole.

And power is merely one of the things?

THE PRESIDENT: Merely one of the things. Better homes, slum clearance, better roads, they all tie in together. Better education is very, very important....

Q. Do you think it is necessary to go ahead with the Tennessee Valley experiment on a national scale to bring about the plans you have outlined?

THE PRESIDENT: Not the same kind of governmental power development if the other fellows will do it. They have every chance in the world to do it.

You take a simple example: Eight miles over here to the eastward is a place called the Cove where they make the best corn liquor in Georgia.

Q. The best is none too good. (Laughter)

THE PRESIDENT: Throw him out. (Laughter) Now, in the Cove the Georgia Power Company owns one of the most favorable power sites in the State. It can turn out at that power site something between forty and fifty thousand kilowatts at a cost of less than half a cent. It has owned it for fifteen years and it bought the whole power site for a total of fifteen thousand dollars. In other words, it bought it as a farm lot. It has sought in other years to carry it on its books for a million dollars. It is an undeveloped power site and I think the old Public Service Commission of this State allowed it to do it for a while.

Farther up, where we are going to picnic, is a place where it can develop 30,000 kilowatts, and I think it paid fifteen or eighteen thousand dollars for all the land comprising that site. It has a grand chance to make cheap electricity for the whole region and we are just giving it the opportunity as well as showing it how.

Q. None of this, I take it, is on the record.

THE PRESIDENT: No, it is just so that when you talk about it in the future you will know all about it.

Q. Can't we write this as background?

THE PRESIDENT: I think not. You had better keep it. If you write anything at all it will look like trying to explain something....

Q. Can't we use this, what you said this afternoon about Tennessee Valley and before - can't we use that?

THE PRESIDENT: Instead of using it right now, jot your notes down and let me give you a hint. The National Resources Board preliminary report is coming out, and it ties right in with it. Let me dig that up for you. Don't use it today - use it for a Sunday story or a Monday story.

Q. These notes are worth a thousand dollars at least, minimum.

THE PRESIDENT: Wait until you learn more about it. You don't know enough about it to write a story....

Q. Mr. President, if you were going to write a story today for the morning papers, what would you write?

THE PRESIDENT: I would write that the power people were all down here and were discussing power policy and legislation, just a preliminary talk.

Source: Reprinted in *The Public Papers and Addresses of Franklin D. Roosevelt*, Vol. 3, 1934, (New York City: Random House, 1938), p. 465. Accessed on New Deal Network <<http://newdeal.feri.org/texts/subject.htm#91>>

TVA Helps Farmers

Excerpts from: A Valley to Hold To

by GEORGE C. STONEY

WE WERE LOOKING OUT OVER MR. HIXSON'S SIXTY-THREE acres of hillside. The steepest section was sowed in permanent pasture, belted at intervals by ridges that cupped the water for thick grasses to drink. Lesser slopes, terraced in wide steps, held a crop of young corn. The meadow at the bottom was rich green with oats.

"Did some government expert help you work out this crop plan?" I asked the owner as we stood together on the porch of his three-room house.

"Naw," Hixson mumbled, rubbing his long jaw with a gnarled work hand. "God-a-mighty give a man brains to figure out some things for hisself."

WHEN TVA FIRST CAME TO THE VALLEY, EIGHT YEARS AGO, these had been sixty-three acres of badly eroded land, part of fourteen million acres in the Valley that were sending down their topsoil into the waters of the Tennessee, causing floods, filling up the reservoirs of power dams and making them grow old before their time.

Almost all these fourteen million acres were owned by such farmers as Mr. Hixson. The Authority had to get the cooperation of these small farmers. Somehow a system of agriculture had to be worked out that would not only hold the topsoil in place and store the water, but also one that would at the same time support the families on the land as well as, or better than, they had been supported by the old system.

The experts had certain general ideas. They knew that most of the valley land was undernourished. For too many years farmers had planted soil-depleting row crops on these slopes, literally mining the land of the natural plant foods nature had spent hundreds of years in depositing. They knew that by the planting of legumes and winter cover crops, by proper terracing and the addition of fertilizer, this land could be restored to its former richness in relatively few years. But how was the farmer and his family to live while this restoration was taking place? What choice had the farmer but to mine the soil of its last ounce of goodness when the food in his children's mouths depended upon it?

Drive south on U.S. Highway 31 from Columbia, Tenn. to Athens, Ala.; turn east on 72 across north Alabama through Scottsboro and Bridgeport. Around Columbia: thick pastures, fat cows, tall even rows of corn, avenues of cedars, and beyond them the white columns of \$20,000 farm

homes. Around Bridgeport: bald red hills, scrubby stock, stunted crops, unpainted shacks on eroded hills. The most telling contrast of all shows in the faces of the people.

Around Columbia the land sucks a continuous supply of phosphate from the limestone upon which it rests. At Bridgeport there is no such base. The difference is phosphate.

Test Farms

IN SETTING UP THE TVA, CONGRESS INSTRUCTED IT TO USE the old Muscle Shoals factory, originally built to develop nitrogen for war purposes, to experiment with new and improved types of phosphate fertilizers. This it has done, developing two special formulas which are now used on test farms not only throughout the Tennessee Valley, but also in twenty-two states that lie outside. The scheme for testing these combinations is the heart of TVA's large scale program for getting farmers to do something about conserving their own land.

Now the Authority could have tested these fertilizers more satisfactorily from a purely scientific point of view, and no doubt more cheaply, had it bought farms in the several soil belts, hired experts, and measured results with exactitude. Scientific tests by state and federal experiment stations now tell the TVA what can be done. But farm experts have learned that to get a new method of cultivation adopted takes much longer and is much more costly than to develop it. Even then, application to each farm unit is something the farmer must figure out for himself. Why not let him help with the testing?

Half a mile from Hixson's place, "within hollerin' distance," as he puts it, lives James Daulton, whose 123 acres have become the test demonstration farm for that neighborhood. In 1935, at a community meeting called by the county agent, Daulton had been nominated for this work. After his farm and farm record had been examined by the agent and the Soil Conservation Committee, made up of presidents of community associations, Daulton was finally chosen.

How Hixson Did It

DAULTON SIGNED UP WITH THE TVA TO RECEIVE a stated amount of the special test fertilizer each year, provided that he pay the freight on it; use it on permanent pastures, winter legumes, or other soil building and water retaining crops; not use it on row or soil-depleting crops; keep rudimentary farm records to show the effects of the fertilizer used. He was free to withdraw from the program whenever he wished. Everything else was in the hands of Daulton, his neighbors, and the county agent.

Those men got together and mapped out Daulton's farm, marking all soil types, measuring slopes, condition of topsoil, and drainage. They noted Daulton's revel in tools, labor, and stock, and, finally, the needs of his family. A farm plan was drawn up with all these things in mind. Accordingly, Daulton put his land in c crops to prevent erosion during the winter. An application

of test fertilizer doubled the growth and, when these covers were turned under the next spring, the corn that followed yielded nearly twice the accustomed number of bushels. More corn on fewer acres permitted Daulton to retire from row crops to pasture; several acres were really too much eroded for profitable cultivation way. So it went.\

And Hixson watched. In the evenings he would, through his own fields, note that the corn came only to his knees, then walk down the road and look over the fence at Daulton's waist-high stalks. He saw Daulton grazing two cows on land reclaimed from waste and retired from corn. He had seen Daulton's farm record book for the first year (how the agents have to sweat get them to keep accounts), and knew that despite the high cost of terracing and planting of winter cover a l increased yields indicated that the investment was a profitable one.\

No rule of thumb could be given for adapting all these things Hixson saw happening on Daulton's farm to his own smaller place, with its own special problems of drainage, of soil depth, of family need. The fact, then, the he has successfully adapted his acres to the new agriculture, along with many thousands of other farmers in the Tennessee Valley, is signal proof of TVA's success in what they like to call "administration at the grass roots."

Making the Wheel Go Around

THERE ARE ABOUT FIFTEEN THOUSAND TEST FARMS SIMILAR to Daulton's in the Tennessee Valley watershed and a many more outside it, now spread over twenty-two states Eight others are organizing to join the program soon The allotment of farms in each state is not determined by TVA but by the State Agricultural Extension Service in whose hands rests the direction of this whole program Less than a score of men are employed directly by the Authority to assist. Most of the work is guided by the man in each county who knows farmers best, the county agent. And the agents are eager for it.

"For twenty years," one agent told me, "I've been wanting to run some whole-farm demonstrations in this and I couldn't get them started. Oh, I had a little of test crops on several farms, but somehow these have the dollars-and-cents proof of the men I work with." Now this agent has twelve whole-farm demonstrations going at once, one within four miles of every homestead in the county. It was the fertilizer program that really made the wheel go around.

"Now when I want to tell the men about how to develop permanent pasture," the agent explained, "I hold a meeting with them on one. A man can stick his fingers into what I'm telling him about. And if we're talking about the effect of winter legumes on a crop of strawberries, we can walk from a field that had one turned under right over next door to one that didn't. Same soil type, same weather conditions. They can't come back at me with any of that old talk about 'it being all right what they do down at the experiment station, but now if they had the kind of land and the kind of weather we have up here . . ." He laughed, and motioned to a graduate of the State Agricultural College, who furnished him as a special assistant to help with test farms and to supervise conservation work in the county.

"He can tell you more than I can about the farms. He spends a great deal of his time on them."

This assistant is one of those supplied by TVA to 9 agents in all counties that fall within the watershed of the Tennessee River. TVA supplies the money. The assistant is hired through the State Extension Service, functions as their employee, and his only direct obligation to the Authority is to send it a detailed report.

"This TVA fertilizer program is fine," the county agent said, and more than a dozen agents I have interviewed in as many counties in Alabama, Tennessee, North Carolina, and Georgia, say the same thing.

"The Extension Services are doing wonders with their test-farm program," an official in the Authority's headquarters commented as we talked. This general willingness to share credit is an indication of the success TVA is having with local officials who are participating in its 'grass roots administration."

The Fertilizer Man

USE OF PHOSPHATE FERTILIZER IS CERTAINLY NOTHING NEW to farmers in the South. Because they have spent close to 20 percent of their income annually for his products, the fertilizer man has been pictured often in southern journals as an awful bogey, taking a huge bite out of the farmers' meager slice of living.

In some ways that bogeyman caricature of the fertilizer man was justified, and still is. The bags of phosphate fertilizer he has been selling the farmer-at the latter's request, it must be admitted-are sometimes more than half "filler" with no fertility value. Think of the thousands of dollars farmers have paid out in extra freight charges to have this "filler" shipped to them.

TVA's Muscle Shoals plant has developed two concentrated phosphates, one called triple superphosphate, about three times ordinary strength, and metaphosphate, about four times as strong as the usual commercial brand. Four years' use on test farms has shown that these fertilizers, when used in one third to one fourth proportions to the amount of commercial phosphate ordinarily used, give the same result. Farmers are beginning to demand these new combinations from their dealers (TVA produces none for sale), and already demand exceeds supply.

Besides developing a cheaper and more efficient fertilizer (the increased phosphate content of these new combinations is one of several improvements), the TVA has its eye on the long future. Its own supply comes from the fast diminishing deposits in Tennessee. Florida has considerable deposits which will supply the Southeast's needs for a long time, but not forever. More than 92 percent of the nation's supply of phosphate is in the Far West, thousands of miles away from its largest segment of phosphate-hungry soils in the Southeast. If these western deposits are to be

made commercially available to people who most need them, the cost of shipping must be reduced. TVA's new high concentrates have gone a long way toward making this possible.

Are the manufacturers and marketers of commercial fertilizer suffering because of this program of what they once called "free fertilizer"? They thought they were going to suffer when the program was announced. Now they know better. Hotelkeepers in the country towns will tell you that fertilizer salesmen are now making their circuits twice instead of once a year. They come back in the fall, order book in hand, to sell fertilizers for cover crops and pastures—direct result of the test-farm program.

Stepping the Hills

TERRACES BELT AND STEP THE TILLED AND PASTURED SLOPES IN a large part of the Valley. Crop rows hug the hills in carefully measured contours above them and below them.

Terracing is one of the most important—and expensive—jobs that must be done if soil is to stay put, and water is to seep naturally and silt-free into the Valley streams. For many more years than they have known about TVA, Valley farmers have known terracing would do. A farmer would spend six backbreaking labor with mule and plow building ridges to hold back the water, only to see a weekend shower cut deep gashes in their lips and send half his week's work down the hillside. The few mules that were successful waterholders were either on slopes and connected with an efficient drainage system they were the work of several years of careful building. Because over half the farmers in the Valley were who moved on the average of every third year, the land had been given this treatment.

Farmers found that a power terrace, thrown up by a heavy grader unit pulled by a tractor, if properly edged with grass, would last. Once built, it could be shaped by a man with a single mule and light plow. The trouble was that the cheapest tractors cost from and one suitable for heavy terracing costs, with all appliances, from \$1,600 to several thousand. Only the largest farmers could afford units of their own.

In some places terracing units have been bought cooperatively, and farmers are able to have their land terraced at a price they can afford for what they justly consider "permanent improvements." Where holdings are smaller, farmers have appealed to their county road commissioners for help. County governments have begun to realize that the health of their tax structure is no better than the condition of the land upon which it is based. Accordingly, many of them have bought tractor units for use as terracers on all farms. By gearing in the operation of this unit with work on roads, terracing can be done at a reasonable cost.

While a large part of the land even within the Valley proper still stands in need of rudimentary terracing, the general transformation of the countryside is truly starting. To tell it in figures: Madison County, Alabama, had 11,550 terraced acres in 1935. In 1939 it had more than 54,000 acres.

All credit for these improvements must not be given to the fertilizer program. AAA's crop control has helped make it economically possible for many farmers to retire cropland to pasture. The payments for soil building practices, under the Department of Agriculture's conservation program, has supplied much of the cash necessary for legume seed and terracing.

Yes, many of these acres now producing soil buildings once supplied a livelihood—if a very poor one—to tenants and sharecroppers, now displaced.

Source: Stoney, George C. "A Valley to Hold." *Survey Graphic Magazine*, 1 July 1940. Vol. 29, No. 7, p. 391 Accessed from New Deal Network <<http://newdeal.feri.org/texts/subject.htm#91>>

TVA Propaganda

Federal Theatre Project

Power, Act I Scene 15

SCENE FIFTEEN

(The Tennessee Valley)

CHARACTERS

Prologue

LOUDSPEAKER

A-Farmer and wife

WIFE

FARMER

B-City man and wife

HUSBAND

WIFE

C-Farmer and Electric Company Manager

MANAGER

FARMER

D-City Man and Public Utilities Commissioner

COMMISSIONER

MAN

E-Parade and TVA Song

CLERK

PARADERS

PROLOGUE

(Movies of Tennessee Valley come on scrim. They are integrated with the following LOUDSPEAKER announcements:)

LOUDSPEAKER: In the Tennessee Valley.... Parts of seven States, 40,000 square miles, two million people. All living in a region blighted by the misuse of land, and by the wash of small streams carrying away the fertile topsoil. In these cabins, life has changed but little since some pioneer wagon broke down a century ago, and for them this became the promised land. Occupations - when they exist at all - are primitive, a throwback to an earlier America. Here stand the results of poor land, limited diet, insufficient schooling, inadequate medical care, no plumbing, industry, agriculture or electrification! (Front traveler curtain opens. Light comes up very slowly on FARMER and WIFE, left, while movies are still on) Meanwhile, the entire country seeks cheap electric power, and the demand for a cost yardstick comes from every section. In the Tennessee Valley, 1933. (Scrim goes up.)

SCENE FIFTEEN-A

(Farmer and Wife)

(FARMER seated at cut-out table on which is a lighted kerosene lamp. He is reading; WIFE is kneeling, measuring a knitted sock to his foot, carrying out the action as seen in the last movie flash.)

WIFE: [Fictional character] Beats me how you see to read in that light.

FARMER: [Ibid.] What's the matter with it?

WIFE: What's the matter with it? You're squinting down your nose like you had a bug on the end of it!

FARMER: Same light I been usin' for the last twenty years.

WIFE: Yeah, and look at you now. Them glasses are thick enough to fry eggs under if we ever got any sun in this dump!

FARMER (quietly): Andy Jackson used a lamp like this, Nora.

WIFE: Then it was just too bad for Andy. Besides, they didn't have electricity in them days.

FARMER (folding paper and putting it down): Maybe I better read durin' the day.

WIFE: How?

FARMER: What d'you mean, how?

WIFE: How you gonna read when you're out there plowin' from sunup to dark?

FARMER: Maybe I better quit readin.

WIFE: That's right. Don't do nothing about it. Just give in and don't make no fuss, and everybody'll love you.

FARMER: What you want me to do, Nora? The wick's up as high as it'll go.

WIFE: Never mind the wick! How about a couple of nice little electric lights around here?

FARMER: Now, we been all over that before. And there ain't nothin' I can do about it.

WIFE: Ain't there?

FARMER: You heard what Joe Frank said. His farm's bigger'n mine. He can use more lights, and the company told him, nothin' doin'.

WIFE: So, you and Joe are gettin' up a little club to read in the daytime, eh? (She rises) Suppose they told you you couldn't have any air, would you stop breathin'?

FARMER: What's that got to do with it?

WIFE: Light's just as important as air.

FARMER: Sure it is, but...

WIFE: Don't "but" me! Why don't you go out and do somethin' about it?

FARMER: Nora, if they don't want to string lights out to my farm I can't make 'em. (FARMER rises.)

WIFE: Who said you can't? Who says you can't go up there and raise holy blazes until they give 'em to you! Tell 'em you're an American citizen! Tell 'em you're sick and tired of lookin' at fans and heaters and vacuums and dish-washin' machines in catalogues, that you'd like to use 'em for a change! Tell 'em... (She stops)... What the hell do you think Andy Jackson you're always talkin'

about would do in a case like this! (As he stands, convinced, she claps his hat on his head, and gives him a push) Now go on out and tell 'em somethin'!

(FARMER exits.)

Blackout

SCENE FIFTEEN-B

(City Man and Wife)

LOUDSPEAKER: In nearby Chattanooga. (Lights come up on HUSBAND and WIFE. City dwellers are seated at table on which is an electric lamp. He reads and she peels potatoes.)

HUSBAND: Well, here it is. First of the month. (Picks up envelope from table, reads bill, emits a long whistle) Six ninety-two! Say, what do you do with the juice around here, eat it?

WIFE (Flippantly): No, darling. We burn it.

HUSBAND: But good Lord, I only pay thirty-five dollars a month rent for this whole house!

WIFE: What's that got to do with it?

HUSBAND: It seems all out of proportion, one-fifth for electricity. If this keeps up I'll have to cut down my life insurance.

WIFE: That'll be nice.

HUSBAND: Of course, if I had the kind of wife who turned the lights off when she walked out of a room I wouldn't have to. (Rises, stands left of table.)

WIFE: I did that once and you almost broke your leg going back into it.

HUSBAND: Well, we've got to cut down. Our bills shouldn't be more than three dollars a month.

WIFE: That's what I say.

HUSBAND: Don't say anything, do something about it!

WIFE: All right, let's throw out the radio.

HUSBAND: How can I hear any football games if you do that? Let's stop using the vacuum.

WIFE: And me get down on my hands and knees? Not on your life!

HUSBAND: How about the washing machine? You used to send the stuff out.

WIFE: Yeah, and your shirts came back without cuffs. Remember?

HUSBAND: Well, we've got to do something. You got any ideas?

WIFE: I got one.

HUSBAND: What is it?

WIFE: Did it ever occur to you that maybe those electric companies are charging too much?

HUSBAND: Sure it did. But what can I do about it? Bump my head against the wall?

WIFE: No, but you can complain to the State Electric Commission.

HUSBAND: Look, dear. I'm just one little consumer. How can I fight a utility?

WIFE: Tell the Commission. That's what they're there for.

HUSBAND: Why, they won't even listen to me.

WIFE (rises): Make 'em. Tell 'em that your taxes are paying their salaries. Tell 'em that that's what they're there for, to regulate things. Tell 'em you're sick and tired of making dividends for somebody else and it's about time the little fellow got a look-in some place. And tell 'em... (She stops)... tell 'em you'll be damned if you'll give up listening to those football games on Saturday afternoon! (She thrusts hat at him) Now get goin'! (He does.)

Blackout

SCENE FIFTEEN-C

(Farmer and Electric Company Manager)

(Lights come up on desk. MANAGER of Electric Company is seated at desk. FARMER, left of desk, stands.)

FARMER: [Fictional character] My God, I've got to have lights, I tell you!

MANAGER: [Ibid.] Certainly, Mr. Parker. You can have all the lights you want. All you've got to do is pay for the cost of poles and wires.

FARMER: But I haven't got four hundred dollars! And my farm's mortgaged up to the hilt already. (Desperately) Can't you see? If I could only get juice I could get me an electric churn and make enough money to pay for the poles!

MANAGER: I'm sorry, Mr. Parker, but that's the way we operate. I'm afraid I can't do a thing for you.

FARMER: And I got to go on livin' the rest of my life with a kerosene lamp and a hand churn like my grandfather did when he came here?

MANAGER: Until you can raise the cost of the equipment.

FARMER (desperately): Isn't there anybody else I can talk to?

MANAGER: I'm the manager here. There's nobody else.

FARMER: Isn't there any other company I can go to?

MANAGER: We're the only one in this part of the State.

FARMER: Then when you turn me down I'm finished?

MANAGER: That's right. (A pause.)

FARMER: By God, the Government ought to do something about this!

Blackout

SCENE FIFTEEN-D

(City Man and Commissioner)

(Lights up on desk. COMMISSIONER seated, MAN standing, right of desk.)

MAN: [Fictional character] Mr. Commissioner, my electric bills are too high!

COMMISSIONER: [Ibid.] Have you had your meter tested?

MAN: Yes, I've had it tested twice. The meter's all right, but the bills are too high just the same.

COMMISSIONER: Mr. Clark, you're not paying one cent more for your electricity than anybody else.

MAN: I know that! That's what the trouble is, we're all paying too much!

COMMISSIONER: Mr. Clark, the company that sells you is working on a margin of seven to eight per cent. We consider that a fair profit. And so will you, if you're a business man.

MAN: Look, Mr. Commissioner. I'm not asking you to argue with me on behalf of the utilities. I am a taxpayer! I'm paying your salary I want you to go and argue with them! What's the Commission for, if it's not to help guys like me?

COMMISSIONER: Mr. Clark, the law permits any private enterprise to make a fair return on its investment.

MAN: It does, eh?

COMMISSIONER: And the law permits any company to charge any rate so long as that fair profit is maintained.

MAN: It does, eh? Well, tell me this: If laws like that are made for utilities, why aren't laws made to help people like me?

(General lighting on entire stage reveals FARMER, his WIFE, and CITY WIFE in their former positions.)

FARMER'S WIFE: And me!

CITY WIFE: And me!

FARMER: And me!

Blackout

SCENE FIFTEEN-E

(Parade and TVA Song)

LOUDSPEAKER: May 18th, 1933. The United States Government answers. [New York Times, May 19, 1933.]

(Lights pick up CLERK of Senate.)

CLERK (reads): The Tennessee Valley Authority is created for the purpose of: one, flood control of the Tennessee River Basin; two, elimination of soil erosion, and three, the social and economic rehabilitation of the swampland and hill people of this district; four, the generation and distribution of cheap electric power and the establishment of a cost yardstick. (As the CLERK reaches the words "the social and economic rehabilitation" orchestra plays the TVA song very softly. When the CLERK reaches the words "cost yardstick" lights fade on him. A motion picture of TVA activities and water flowing over the Norris Dam appears on the scrim, and through the scrim and on projection curtain upstage. A parade of men and women comes on stage behind scrim, singing the TVA song. Many of them carry lanterns. Red, yellow and amber side lights pick up the parade. They circle the stage and continue the song until act curtain falls, which comes down on movie of second large waterfall.)

THE TVA SONG: [Used with permission of copyright owner, Jean Thomas.]

My name is William Edwards,
I live down Cove Creek Way;
I'm working on the project
They call the TVA.
The Government begun it
When I was but a child,
And now they are in earnest
And Tennessee's gone wild.
All up and down the valley
They heard the glad alarm;
The Government means business-
It's working like a charm.
Oh, see them boys a-comin',
Their Government they trust,
Just hear their hammers ringin',
They'll build that dam or bust!
For things are surely movin',
Down here in Tennessee;
Good times for all the Valley,
For Sally and for me.

Curtain

Source: Arent, Arthur, *Power, Act I Scene 15*. Federal Theatre Project February 23, 1937.
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