

"PRESENT AT THE CREATION": GEORGE W. NORRIS,
FRANKLIN D. ROOSEVELT AND THE TVA
ENABLING ACT

By RICHARD LOWITT

Seated before the fireplace in what would later be called the "Little White House" at Warm Springs, Georgia, Franklin D. Roosevelt, a month before his inauguration, outlined to newspapermen a proposal calling for the development of the entire Tennessee River watershed. He proposed to link water-power, flood control, reforestation, agriculture and industry in a vast experiment which would help relieve unemployment and aid in restoring a balance between rural and urban America. He called, in short, for the realization of George W. Norris's dream for public ownership and operation of the federal facilities at Muscle Shoals, involving the multiple-purpose development of the entire Tennessee River Valley. With another Roosevelt entering the White House, Norris's battle of more than a decade was about to be won.¹

On March 9, 1933, the day the first session of the Seventy-Third Congress convened, Norris introduced a joint resolution, promptly referred to the Committee on Agriculture and Forestry, calling for the development of the Tennessee Valley, including the creation of a corporation to operate the facilities at Muscle Shoals. Four days later the President told Norris that "as soon as this rush of emergency legislation is over, I hope you will come and have a talk with me about Muscle Shoals and the Tennessee Basin development." In his initial conference with the President, Norris insisted that the government build transmission lines to carry electric power generated at Muscle Shoals to both nearby and distant cities. In Alabama and Tennessee municipalities were

¹New York *Times*, February 2, 1933; Lincoln *Star*, February 5, 1933. For Norris's concern with Muscle Shoals, see Richard Lowitt, *George W. Norris: The Persistence of a Progressive, 1913-1933* (Urbana, 1971), *passim*. Two weeks before this interview, Roosevelt had inspected the government-owned plants at Muscle Shoals. Norris accompanied him on this trip. The evening after the visit, in a speech at Montgomery, Roosevelt said that he intended to propose to Congress a plan for the development of the entire Tennessee River Valley.

not permitted to build lines beyond their corporate limits and would have to purchase electricity from private power companies if the government did not construct transmission lines. Norris was adamant on this point. It was one of the things he would not compromise.²

By the end of March Norris was "somewhat impatient" that the Muscle Shoals bill had not yet been considered. But he hoped the President soon would find time for it. On April 1 at a White House conference Roosevelt found the time. Along with congressional leaders and cabinet members, he discussed Norris's bill for the establishment of a government board to operate the Muscle Shoals properties and also to construct an auxiliary dam at Cove Creek in the Clinch River in Tennessee. It became the basis of the administration program. Though details had to be worked out, Norris said, "This is the start of a national program providing for reforestation, control of flood waters, utilization of marginal lands and development of power." Once legislation was enacted and plans were approved, he envisioned over 5,000 men at work on the proposed Cove Creek Dam. The next day he sent the President a long letter citing changes that seemed necessary in his bill as a result of these discussions.³

In the past the Muscle Shoals measure had always been introduced by Norris as a joint resolution. Now he thought it ought to be called a bill because in its amended form it set forth many new legislative matters. Previously it was confined primarily to the operation of properties owned by the federal government. New provisions prepared by Norris followed or clarified suggestions made by the President, such as granting the authority power to construct transmission lines into communities not supplied with electricity. Largely procedural, they were designed to improve both the functioning and financing of the board that would direct the program. In previous contests he had left out many provisions

² Franklin D. Roosevelt to George W. Norris, March 13, 1933, OF 44, Franklin D. Roosevelt Papers, Franklin D. Roosevelt Library, Hyde Park, New York; Norris to M. M. Striplin, March 30, 1933, George W. Norris Papers, Manuscript Division, Library of Congress. All manuscript citations unless otherwise noted are from the Norris Papers.

³ Norris to Striplin, March 30, 1933; Norris to John J. McSwain, April 2, 1933; Norris to Keith Neville and others, April 6, 1933; *New York Times*, April 2, 1933. In addition to Norris, Representatives John J. McSwain of South Carolina, Chairman of the House Military Affairs Committee which handled Muscle Shoals legislation, and Lister Hill of Alabama, and Secretaries Henry Wallace and Harold Ickes attended. There is a brief account of this conference in *The Secret Diary of Harold Ickes: The First Thousand Days, 1933-1936* (New York, 1953), 15.

simply because he was afraid that they would grant the opposition opportunities they otherwise would not have.⁴

On the evening of April 7 Norris spent several hours with the President and recognized that there were many details with which he was not familiar. The Senator doubted whether Roosevelt fully realized "that the same old power trust is as busy now as it was twelve years ago" when the fight commenced. Norris had been battling so long to save Muscle Shoals for public purposes that he had begun to feel that he would die before the fight was over. Now that a bill was ready for Congressional action, he was surprised to discern that "some of the old enemies" were seeking "to jump on the band wagon." The President informed Norris at this conference that he would send a message to Congress on Monday, April 10, dealing with Muscle Shoals.⁵

The next day after a more formal conference at the White House attended by Cabinet members Harold Ickes and Henry Wallace, Representatives John J. McSwain, Edward B. Almon and Lister Hill, and Senators Kenneth McKellar, Hugo Black, John H. Bankhead and Ellison D. Smith, Norris said that, while some minor matters remained, "I don't think there is any doubt of an agreement. This is the start of a national program providing for reforestation, flood control, use of marginal lands and development of power."⁶

In his message Roosevelt called for the creation of a Tennessee Valley Authority, a government corporation not only to operate the power and fertilizer properties at Muscle Shoals but also to inaugurate regional planning for the use, conservation and development of the natural resources of the entire Tennessee River Valley. Thereafter separate bills were introduced in the House by Representatives McSwain, Hill and Almon. In the Senate Norris introduced a bill (S.1272), following the President's recommendations, calling for the construction of Cove Creek Dam, the building of transmission lines, and public operation of the power system with no hampering restrictions. Though the various bills differed in details, their principles had the approval of the President. All called for the creation of an authority, the operation of

⁴ Norris to "My Dear Mr. President," April 2, 1933; Norris to "Dear Boys," April 8, 1933.

⁵ *Ibid.*

⁶ *Washington Herald*, April 8, 1933; *Labor* (Washington, D. C.), April 11, 1933.

the Muscle Shoals properties, the construction of Cove Creek Dam and the multiple-purpose development of the Tennessee River basin.⁷

Introduced on April 11 and sent to the Committee on Agriculture and Forestry, Norris's bill was reported favorably with amendments and placed on the Senate calendar for discussion. It became the main order of business on May 1. During the interim, Norris was in contact with the President about amendments. Whenever Roosevelt approved a suggestion, it was introduced by Norris as an amendment. The House, meanwhile, was considering a Muscle Shoals measure after extensive hearings by the Committee on Military Affairs. Norris's secretary predicted that when it came before the Senate, "all of it after the enacting clause will be stricken out and the bill introduced by Senator Norris substituted."⁸

Norris admitted to being "somewhat worried" about the House bill, particularly the provisions inserted by John J. McSwain calling for the production of fertilizer at Muscle Shoals by the cyanamide process. Confessing that he felt like a criminal for intruding upon the President's precious time, Norris explained that this process was both costly and antiquated. The synthetic process, a modification of the Haber process invented by the Germans during World War I, was so much more economical and relied upon large quantities of coke instead of electricity. At Muscle Shoals coke and coal would have to be shipped to the nitrate plant. If the government were to go into the commercial fertilizer business at Muscle Shoals, it could not produce fertilizer as inexpensively as if the plant were located where coke was abundant. If the House bill were approved, fertilizer produced at Muscle Shoals would have to be sold at less than cost to compete with the commercial product.⁹

⁷ For Roosevelt's message, see Samuel I. Rosenman, comp., *The Public Papers and Addresses of Franklin D. Roosevelt* (13 vols.; New York, 1938-50), II, 122-23. See, too, the memorandum of April 10, 1933, in OF 44, Franklin D. Roosevelt Papers, wherein the House bills are discussed. McSwain stated that after brief hearings, he would ask the Military Affairs Committee to report favorably to the House of Representatives the bill introduced by Lister Hill. The *Washington Herald*, April 12, 1933, discussed Norris's proposed amendment.

⁸ Norris to Roosevelt, April 18, 1933, OF 44, Franklin D. Roosevelt Papers. In the April 21, 1933, entry in the diary of Huston Thompson there is a discussion of Thompson's role in communicating the President's wishes to Norris about amendments. Huston Thompson Papers, Library of Congress. John P. Robertson to John R. Witt, April 22, 1933; Robertson to Henry L. Staffin, April 26, 1933. On April 25, 1933, the Muscle Shoals measure passed the House of Representatives.

⁹ For a discussion of the fertilizer aspect of the Muscle Shoals controversy, see Lowitt, *Persistence of a Progressive*, Chapters 14, 17, and 23.

A further objection that Norris had to the House bill was the way in which it was made difficult, "if not impossible," to construct transmission lines. The Senate bill, without any qualifications or restrictions, provided for both the construction and leasing of lines. Norris wanted the Senate to rectify the mistakes made by the House and informed the President that "your assistance may be needed to secure our agreement to carry out the plan which I think is in your mind and which has long been in mine, as to the real intent of this law."¹⁰

On Monday, May 1, 1933, Muscle Shoals became the main order of business before the United States Senate. Norris criticized the House provision for the manufacture and sale of fertilizer on a commercial scale and called for the use of public funds, as provided in the Senate bill, to seek ways and means of reducing its cost. In his lengthy remarks Norris reviewed for the last time many aspects of a controversy that had first been forced upon his attention as Chairman of the Senate Committee on Agriculture and Forestry during the Harding Administration. Speaking as usual without notes, he reviewed the history and techniques of fertilizer production. The opposition of the Farm Bureau Federation and the "Power Trust" was mentioned. However, they were not as vociferously denounced as in the past. Speaking over a period of three days, Norris devoted most of his time to the power question. He called for the construction of a dam at Cove Creek in Tennessee that would hold when completed about 3,500,000 acre-feet of water. But Norris thought the building of transmission lines was as important as the building of the Cove Creek Dam. He insisted that a transmission line from Muscle Shoals to Cove Creek would be vitally necessary to facilitate the construction of the new dam.¹¹

Though much time was devoted to contrasting the fertilizer and power provisions of the House and Senate bills, Norris did not ignore other provisions of the Senate bill, which was largely his creation. Definitive answers to many questions, he observed, would have to await the experience gained from public operation of the Muscle Shoals properties and the construction of the Cove Creek Dam. But Norris said it seemed only fair "that the government should pay something

¹⁰ Norris to "My Dear Mr. President," April 29, 1933.

¹¹ Norris remarked that a provision granting the board authority to build supplementary transmission lines was inserted into his bill at the request of the President. See *Congressional Record*, 73rd Cong., 1st Sess., 2684.

in lieu of taxes" to the states of Alabama and Tennessee from the revenue-producing (electric generating) parts of the projects. Money would not be paid, however, for electricity used in connection with the navigation locks or "in the operation of the fertilizer provisions" of the Senate bill. Estimates of how much could properly be charged to power and how much to other purposes would have to be honestly and carefully made, though Norris recognized "we will never reach absolute accuracy."

His goal was about to be realized. The idea of multiple purpose development in the river valley would become reality. The bill provided for flood control and navigation, as well as for the maximum amount of power "not inconsistent with navigation and flood control." Therefore, as Norris observed, "the power is really a secondary proposition. It comes about because it would be sinful to build all these dams and not develop some power." The people of the valley would benefit and the Tennessee River for the first time would become navigable from its mouth to Knoxville.¹²

On May 3, the day on which the matter was finally resolved, Norris continued his lengthy remarks, explaining and defending the measure against crippling amendments, particularly one designed to put the government into the fertilizer business through the outmoded and expensive cyanamide process. In this discussion Norris revealed himself, once again, a master of his subject. Factual data, knowledge of chemical processes and the facets of fertilizer production, wisdom gleaned from over a decade of debate and controversy, all were marshalled to defeat the crippling amendments. Concern for the farmers of America, for reducing the cost of fertilizer by conducting experiments on a large scale at the Muscle Shoals nitrate plant predominated in his remarks on this last day of debate. And, finally, he envisioned long litigation over the matter of government ownership of transmission lines. The "Power Trust" would not accept them without a fight.¹³

He understood, too, that the selection of the board of directors of the Tennessee Valley Authority would be the key "to the success or failure of the whole scheme, and the power people are not unmindful of that fact." "If they are not the right men," he said, "the whole thing

¹² *Ibid.*, 2635-38, 2622-63, 2679, 2681-85.

¹³ *Ibid.*, 2785-88, 2799.

will be a failure." About other appointments in the Tennessee Valley Authority he had no qualms. At his insistence a provision (Section 6) removed recruitment entirely from the influence of politics.¹⁴

Debate on the measure ended when Norris requested unanimous consent to consider the House bill. There being no objection, the Nebraskan moved "to strike out all after the enacting clause of the House bill and to insert the Senate bill as we have perfected it." The motion was accepted, and the Senate approved the bill by a vote of 63 to 20.¹⁵ Norris's purpose was to avoid the creation of a Conference Committee to work out differences between two separate measures. Now the bill would go back to the House and, if approved, would then proceed to the White House for the President's signature. If, however, the House could not accept the bill, a Conference Committee would have to iron out the differences. Thus Norris's motion was a gamble. If it succeeded, much precious time would be saved. If it failed, regular order would be observed.

The gamble, unfortunately, did not work. The vital differences between the Senate and House bills were on the questions of fertilizer and the construction of transmission lines. As it passed the House, the bill provided for the manufacture and sale of fertilizer and fertilizer ingredients on a commercial scale; the Senate measure provided only for extensive experiments to reduce the cost of fertilizer. While the House measure suggested the possibility of leasing private lines before government construction would be authorized, the Senate bill permitted government construction of transmission lines without regard to existing lines. Each chamber insisted on its own bill; neither appeared willing to make concessions. Conferees were appointed and an impasse seemed possible. But Roosevelt moved quickly. On the afternoon of May 5, he summoned Congressmen McSwain, Chairman of the House Military Affairs Committee, and Hill, chief author of the bill passed by the House. Norris also attended this conference. After the meeting McSwain told newspapermen early agreement with the Senate was expected but neither Representative would say what concessions would be made. The press speculated that, since the Norris measure had the President's

¹⁴ Norris to Clara Norris Rakestraw, April 29, 1933; Norris to W. B. West, September 7, 1935.

¹⁵ *Congressional Record*, 73rd Cong., 1st Sess., 2808-9; *Washington Herald*, May 4, 1933.

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approval before it was introduced, summoning McSwain and Hill to the White House was a move by the President to insist on House acceptance of the Senate bill.¹⁶

On May 8 complete agreement was reached by the conferees. Norris won a sweeping victory as they adopted his views on both transmission lines and fertilizer. The fertilizer provisions in the bill that emerged from the Conference Committee provided that Nitrate Plant No. 2 at Muscle Shoals be used, as Norris desired, for experimental purposes. If the experiments produced a commercially feasible product, then quantity production might follow. On transmission lines Norris's views again prevailed. The Tennessee Valley Authority could either construct, lease or buy transmission lines as its needs dictated.¹⁷

The following week, on May 16, the conference report on what was now called the Norris-Hill bill for Government Operation of the Muscle Shoals and Development of the Tennessee Valley passed the Senate without debate or a roll call. The next day the House of Representatives by a vote of 259 to 112 approved it. And on May 18, shortly after three o'clock in the afternoon, Roosevelt ended the long and arduous contest over the disposition of the Muscle Shoals property by signing into law the Norris-Hill bill. Everybody was good-natured. The President thumbed the pages and inquired whether or not he ought to read the bill before approving it. On receiving assurance that, since the bill met with Norris's approval, there was no need for him to examine it, he quipped, "George, are those transmission lines in here?" He then glanced around the room and inquired who was there as the representative of the Alabama Power Company.¹⁸

¹⁶ *Ibid.*, May 4, 6, 10, 1933. The *Washington Post* on May 6, 1933, reported in an Associated Press dispatch that some Congressmen wished to instruct the House conferees to accept the Norris bill. This incident occurred on May 5, before McSwain and Hill went to the White House. On May 9, the President drafted a memo at the request of McSwain and Norris presenting his opinion on the two bills. In each controverted instance he supported the Senate version, commenting, for example, "On fertilizer I think the Norris wording is better . . ."; "I strongly favor the wider powers for transmission lines in the Senate bill." The memo can be found in OF 44, Franklin D. Roosevelt Papers, and a copy in the George W. Norris Papers.

¹⁷ *Washington Herald*, May 9, 10, 1933. For Norris's discussion of the conference, see *Congressional Record*, 73rd Cong., 1st Sess., 2984-85.

¹⁸ *Washington Herald*, May 17, 18, 1933; *Sacramento (California) Bee*, May 17, 18, 1933; Robertson to J. G. Baker, May 19, 1933; Robertson to C. W. McConaughy, June 1, 1933. In addition to the pen presented to Norris, others were given to Senator Ellison D. Smith, Chairman of the Committee on Agriculture and Forestry, and to Representatives McSwain, Hill and Almon, chief sponsors of the bill in the House of Representatives. A representative of the League of Women Voters, strong supporters throughout the 1920's of Norris's position on Muscle Shoals, received a pen. Also present were the Congressional delegations from Tennessee and Alabama and "quite a numbers of lesser lights."

In his statement, Norris thanked Roosevelt for signing the bill. His signature marked "the victorious ending of a twelve-year struggle, waged on behalf of the common people against the combined forces of monopoly and human greed." It also established a new governmental policy which, Norris said, would "bring blessings, peace and comfort to all our people." And possibly it might create a precedent for a similar program on the Missouri River and its tributaries. Thus within a period of less than two years Norris guided through the Senate three significant measures which had dominated his legislative efforts during the era of Republican ascendancy: his anti-injunction bill, his "Lame Duck" resolution and the Muscle Shoals bill which he regarded as "the most progressive piece of legislation" placed on the statute books since he had been in public life. Although the Senator was entitled to rest on his laurels and bask in public acclaim, his secretary observed that "his outward appearance gives no indication that he even gives them a second thought." The following morning he plunged into other legislative matters before the Senate.¹⁹

Still, Norris recognized that "perhaps the most important step of all in the Muscle Shoals legislation" was the appointment of the board that would have charge of the entire development. The President had not discussed with Norris appointments to the Board of Directors of the Tennessee Valley Authority, nor did the Senator mention the topic until May 19, the day after the President signed the bill into law. While Norris had no desire to name any board members, he was "very deeply concerned about having the right kind of people selected." Before any appointees were chosen, he informed Roosevelt, "I hope I may have an opportunity to go over the matter with you."²⁰

The President, however, named Arthur E. Morgan on May 19 as the Chairman of the Tennessee Valley Authority without consulting Norris. But he informed him that Morgan was examining a long list

¹⁹ Norris statement, May 18, 1933; Robertson to McConaughy, June 1, 1933; Robertson to John G. Maher, June 3, 1933. In another letter Norris commented "It is interesting to note that, on the day the Muscle Shoals bill passed the House of Representatives, the preferred stock of the Commonwealth and Southern was selling at \$21.50 per share. By the time the bill passed the Senate the selling price had gone up to \$28.50 and since the bill passed the Senate the price had gone up to \$33.87, or more than \$5 a share since the Senate acted. At the very hour the bill was signed by President Roosevelt, this stock was being quoted at twenty-five cents more than double the price of the stock on the day the bill first passed the House of Representatives." See Norris to Edna E. Barry, May 28, 1933.

²⁰ Norris to H. C. Wright, May 10, 1933; Norris to Roosevelt, May 19, 1933.

while Roosevelt informed Norris, "I am calling the attention of the Director of the Budget to the need for an immediate appropriation."²³

What gave Norris great hope was the fact that the President was enthusiastically in favor of making TVA a success. Moreover, he knew that the President had a vision extending beyond Muscle Shoals. Similar experiments could be conducted elsewhere so that the nation's natural resources would be utilized in ways consistent with the best interests of the American people and their posterity. For his part, Norris would ever be on the alert to insure that TVA's interests were considered by Congress. Early in June he suggested that a colleague in the House appear before the Appropriations Committee when it considered the appropriation bill containing TVA's initial expenses.²⁴

In April, 1922, Norris had introduced his first bill pertaining to Muscle Shoals. On the sixth effort he succeeded in introducing a measure that became law. His original idea, omitted from some of the earlier bills to make them more palatable to conservative colleagues, of "taking the Tennessee River as a whole and developing it systematically, as one great enterprise, to bring about the maximum control of navigation, of flood control, and of the development of electricity" was about to be realized. A river now would be developed "as a whole, not by piecemeal." And a maximum amount of electricity would be produced at a minimum cost. On August 1, 1933, TVA announced that the projected Cove Creek Dam would bear the name "Norris Dam" honoring the Senator whose dreams, literally, would come true.²⁵

²³ Roosevelt to Norris, May 27, 1933.

²⁴ Norris to "My Dear Congressman" [John J. McSwain], May 23, 1933; Norris to McSwain, June 9, 1933; Norris to Frank D. Throop, May 8, 1933. In the letter to Throop, Norris said, "Not since Theodore Roosevelt was President, have we had in the White House a man with the vision of Franklin D. Roosevelt."

²⁵ Arthur E. Morgan to Norris, July 31, 1933; *Congressional Record*, 73rd Cong., 2nd Sess., 7664-65. In these remarks Norris reviewed the fate of the six Muscle Shoals measures that he had introduced. Secretary of the Interior Harold Ickes, who preferred not to name dams after living persons, noted that the impetus for naming the Cove Creek project after Norris came from Arthur Morgan. See *The Secret Diary of Harold Ickes*, 119.