

# *A Missouri Valley Authority*

Remarks of

Senator James E. Murray of Montana

Senator Guy M. Gillette of Iowa

Senator Hubert H. Humphrey  
of Minnesota

in the

Senate of the United States

Wednesday, March 2, 1949

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## *Pick-Sloan Plan Condemned by Hoover Commission*

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Wednesday, March 30, 1949

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at Government  
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HON. JAMES E. MURRAY

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(3)

# A Missouri Valley Authority

REMARKS  
OF  
**HON. JAMES E. MURRAY**  
OF MONTANA

Mr. MURRAY. Mr. President, I have just introduced a bill providing for the control of the waters of the Missouri River and its tributaries and the development of the resources of the potentially rich land areas of that river basin.

This proposed legislation is designed to solve a problem which has been before the country for a number of years and has come to be regarded as one of vital importance not only to the area involved but to the Nation.

Associated with me in the sponsorship of this vitally important legislation are distinguished Members of this body from both political parties.

Mr. President, there are few more important subjects before the Eighty-first Congress than this proposal to harness the mighty Missouri River, stop the periodical ravages occurring in the territory, and put the river to work for the benefit of all the people. Control and development of the Missouri River is not a local problem; it is a national problem. That great river and its tributaries drain the greatest inland empire in the world. The waters of this river system course through Montana, Wyoming, North and South Dakota, Nebraska, Kansas, Missouri, Colorado, Minnesota, and Iowa, in a main-stem distance of 2,500 miles from southwestern Montana to a meeting with the Mississippi just above St. Louis. Within this vast region is found our largest undeveloped and substantially underdeveloped stores of rich cropland, forests, minerals, fertilizers, and hydroelectric power; a wildlife and recreational wonderland area of unsurpassed marvels.

We are indeed fortunate in the far-sighted development of the hydroelectric potentials of the Tennessee and the Columbia Rivers through Federal legislation establishing the Tennessee Valley Authority and the Bonneville Power Administration. Those great Federal

undertakings enabled us to generate the tremendous hydroelectric power requirements essential in our successful war effort. Likewise, in any future emergency, the proposed Missouri Basin development will provide the great arsenal of power and essential resources which may be required to defend democracy.

In order to be certain of having the great resources and power potentials of the region put in form for use in time of need, it is imperative that we act promptly to establish a carefully planned, unified program such as envisaged in this proposed legislation, related to the total needs of the area. Under such a program we will witness not only a huge expansion of hydroelectric power, the development of valuable mineral and other natural resources, and an expansion of industrial and business growth; but we will also prevent the terrifying floods which annually cause losses mounting into the millions of dollars. Under this unified, integrated program we will reclaim and irrigate large areas of land, increase agricultural and livestock production, promote an economically sound expansion of navigation, protect wildlife, conserve and expand our forests, increase our recreational facilities, and bring many thousands of new settlers to the area.

Not only is this great river basin our last remaining untapped reservoir of raw resources needed for defense, but its potentialities for the development of vast amounts of essential civilian products are so great as to offer a new economic frontier for the use of our capital, our unused manpower, and the utilization of our great genius as optimistic, enterprising Americans.

Mr. President, this bill for the unified and balanced development of all the resources potentialities of the Missouri Basin will provide the foundation upon which a virile American free-enterprise system can expand and develop with an assured future. It will create great new wealth, attract new populations, raise the standard of living. It will do much to stabilize our economy at full-employ-

ment, full-use-of-resources levels, which alone will satisfy our people. Here is the effective and silencing answer to those false prophets who would create despair of our future, and spread the deadening blight of communistic dissension amongst us. Here is something big, worth working together to accomplish.

This great program for the unified and rapid development of the resources of the Missouri Basin will cost much money. But this sum will not be required, nor can it be invested, all at once. The program will start small, and will develop gradually. But not a single dollar of the amount needed is a charge on the taxpayers of this Nation, to be consumed without return. On the contrary, this is a capital investment; and even before the heavier amounts are required for the larger projects contemplated, returns on that investment will appear.

This investment will call forth such economic activity from private sources as to greatly expand our wealth and reverse our losses in population. Even more important, it will control the mad rampages of the Missouri River, which already have cost more in lives of humans and animals, suffering, disease, and destruction of valuable property than the total prospective money investment in this vast undertaking.

Mr. President, unless this Missouri Valley Authority is enacted into law and implemented at once, the losses I have described will continue to occur with every seasonal flood or drought. I say this because no adequate measures thus far have been taken, or contemplated in any plans now before this Congress, to prevent such destruction. On the contrary, we have spent hundreds of millions of dollars in dyking the river, strait-jacketing it in levees that do little more than narrow its channel and add to its destructive force. Today, after years of such efforts, the Big Missouri is less tamed than ever before. She sweeps away millions of dollars in one season's flood. The floods of the last 2 years have been exceedingly severe. This year, with its tremendous snowfall, promises to keep alive this annual avalanche of destruction.

This program is not deferrable. We cannot order the weather to suit our purposes. Raging storms and floods, parching droughts, and scorching suns will continue to take their heavy toll until engineering projects of flood control,

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irrigation, forestation, soil conservation, and hydroelectric power development are welded into a single system based upon holding the rain where it falls, storing surplus water, and directing its flow for the beneficial purposes enumerated. In such a vast area as the Missouri River Basin, only a unified attack on the manifold problems of resources development and control will accomplish what is essential to the future of the area.

Throughout this proposed legislation runs one guiding principle, one which it is not possible to obtain under any other method so far advanced to meet the Missouri Valley situation. Where there is one river system, having different problems over its course, conflicting claims upon its waters, and freighted with so many separate desires and hopes of the people, there must be one center of responsibility, one authority, acting under principles of equity, in touch with and guided by the interest and welfare of all sections, and acting, also, only after securing the best advice obtainable from all groups and sections in the area. This principle has been tried out in the TVA, and has proven sound. It is the democratic way to find a solution for a complex problem which is vexed by conflicting interests and demands. The people will always have a check on the program because it can continue and its plans can be put into effect only as a result of annual appropriations.

One thing has been made abundantly clear during the past year by the work the Army engineers and the Bureau of Reclamation have done, and as a result of independent research by competent engineers and economists: A unified program and administration of the Missouri Valley resources must be established by law without delay for between these two great Government agencies there is an irreconcilable and dangerous conflict which is based on a physical condition that they are completely powerless to remove, namely the fact that the navigation-flood control program of the Army engineers depends on impounding and holding a large amount of water for downstream use, while the Bureau of Reclamation requires an ever-increasing amount of water for upstream area irrigation and power generation. Latest engineering studies reveal that there simply is not enough water over wet and dry cycles to meet both needs. Neither agency has ever squarely faced

this fundamental problem. Each is intent upon securing as much of its program through congressional authorizations and appropriations as speedily as possible to protect and enhance its own particular program. But the Congress can no longer ignore this situation, or appropriate great sums from the people's treasury to further cement a false and self-defeating program into the very dams which these two agencies are building.

We have had much experience with the efforts of the Army engineers and the Bureau of Reclamation to get together and work out a single program for the Missouri Valley ever since the highly dramatic shotgun wedding of these antagonistic agencies in the passage of the Flood Control Act of 1944. But all the facade of amiable relationships which they have erected, all the nice job of smooth public relations which has been done by them in the Inter-Agency Committee of which they are the ranking members, all the moneys spent by contractors and power lobbies to confuse and baffle the people, fail to answer the insoluble questions and differences between them.

The O'Mahoney-Millikin amendment presumably gives first priority to the upper-basin States on all waters. Yet the Army engineers' program, already authorized, and some of it already being built, requires a tremendous proportion of that very water belonging to the upper-basin States. So the farmers who have been led to believe in the strength of the protection afforded them by this worthy, fair-sounding amendment are apparently putting their faith in an illusive fortress built on sand. If the Pick-Sloan program goes through, then the primary use of water for irrigation will suffer so greatly as to defeat a chief purpose of a sound regional resources-development program. Such a result will not merely injure the upper-basin States, it will be an irreparable damage to the Nation.

That is why it is imperative that the Missouri Valley Authority bill be passed by this Congress, so as to correct, while yet there is time, the mistakes being made, and to prevent any costly delays in constructing the flood control dams, power installations, soil conservation and forest works, and irrigation canals so badly needed.

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Mr. President, let me point out here that this is not simply a conflict between the interests of the Upper-Basin States and the States to the south. There is another factor in the background. The great power monopoly operating in the area is exercising a powerful influence to block this program which involves the question of public power development. The private power interests are working both sides of the fence. They seek to misrepresent the facts and confuse the people to the north, as well as the people to the south, with a view of keeping alive this issue between the Upper-Basin States and the States to the south, and thus preventing the extension of the policy of public power development which is so essential to that area and the Nation.

Mr. President, the bill which embodies the practical details of this legislation for the unified resources development of the Missouri River is necessarily long and complicated, because the subject of which it treats is not simple. The bill we have introduced today is the result of tested experience and study over a period of several years. It is premised on the successful program of the TVA. Previous MVA bills, designed to present this program, have been carefully scrutinized by committees of the Congress and by experts in the various subjects involved, including some of our outstanding engineers, conservationists, economists, and public administrators. In its present form the bill obviates many criticisms leveled at it at previous congressional hearings, and by individuals and groups in the area who are interested in providing sound legislation to meet the complex problems involved.

The grass roots have spoken on this bill. The issue of a unified program of resources development through the establishment of an MVA was a major factor in the campaigns of many persons seeking election to the House and Senate, to the governorships of the Missouri-Basin States, and even to the highest office in the land, the Presidency. On November 2 last, the people declared in no uncertain terms for an MVA.

My colleagues the Senator from Minnesota [Mr. HUMPHREY] and the Senator from Iowa [Mr. GILLETTE] and I visited with President Truman recently to discuss the matter and found him enthusiastically supporting this most beneficial legislation. It was one of the is-



sues upon which I campaigned in the recent Montana elections. It was one of the important issues in my campaign. In State after State of the Missouri Basin, the MVA issue was raised during the recent elections, and in State after State the candidate who espoused that cause was elected. Powerful support for this legislation has developed not only in the region but in the Nation as well; and in the forthcoming hearings on the bill it will be supported by outstanding authorities.

Moreover, Mr. President, the persistent need for this legislation as the only way to secure an adequate and unified program for the control of the river and development of the valley has become quite evident to those Government agencies which, over the years, have had independent administrative responsibility for parts of this program. I refer to the Departments of Interior and Agriculture, where those responsible for policy in both Departments are on record as favoring the MVA to overcome the shortcomings of the piecemeal approaches they are now forced to apply. They favor it because they know that none of their accumulated wisdom and none of their technical ability will be lost and none of their current program will be cast aside by the establishment of the MVA. These Departments of our Government, which have brought great credit and renown to our country, know that an MVA will furnish a medium through which, in collaboration with each other, they can achieve ever-greater beneficial results for the Nation.

Mr. President, at this point, I wish to discuss briefly the outstanding features of this bill.

This legislation establishes a Government corporate agency described as the Missouri Valley Authority. As a basic conception, it recognizes that much which now is being done by existing agencies in the area—local, State, and National—should continue to be done by these same agencies while they are fitted appropriately into a coordinated and unified plan designed to achieve the utmost economies, while at the same time carrying out the coordinated program of river control and regional resources development. Recognizing these facts, the bill proposes that these existing agencies which have been engaged in the various activities in the area—reclamation, irrigation, flood control, soil

erosion, forestation, wildlife, power development, and so forth—will be utilized in an integrated plan under the supervision of the Authority in carrying this program into effect. Under this unified and coordinated plan each of the existing agencies of the Government which I have enumerated will be used to carry out the particular part of the program they are respectively equipped to perform. That is a guiding principle upon which this proposed legislation has been built—in other words, to conserve all the efforts of a constructive character that now are being made, and at the same time to fix responsibility, so that waste and duplication are eliminated, and so that the engineering soundness and success of agreed-upon plans can be appraised and realized.

The headquarters of the MVA will be in the region itself. A head office and conveniently located regional offices will be there where the program is being carried out and where the people affected by it can reach those in charge readily and without great cost of time and money. This decentralization of Federal Government activities is sound. It seeks to achieve the great benefits of Federal financing, planning, engineering, and high-grade administrative personnel, while making the work in the field subject to day-by-day scrutiny, participation, and evaluation of the people in the region, so they may have prompt contact with those supervising and carrying the program into effect.

The MVA will be administered by a board of directors of five American citizens, three of whom must have had a residence of at least 5 years in the Missouri Basin before taking on their duties as directors. They shall employ a general manager who will act under policies and plans approved by the board. Here is a well-trying and proven method of corporate administration by which our public and private business institutions have achieved outstanding and enviable success.

The MVA shall proceed immediately upon being established to develop and present to the President and the Congress as expeditiously as possible a comprehensive plan for the unified development of the Missouri Valley region in accordance with the purposes and policy of this act. No plan shall be effective, and no funds made available or works begun until the Congress shall have approved that plan in all its details and particulars.

Moreover, no plan can be presented to the President and the Congress until after it has had the careful examination and comment of an advisory board. That board will be composed of 12 citizens who represent in equal numbers the interests of agriculture, commerce and industry, labor, and wildlife and recreation in the Missouri Valley. In addition, it will have as members the principal officer of each of the following Federal Departments: Agriculture, Interior, Commerce, Justice, War, Labor, the Federal Power Commission, the Board of Governors of the Federal Reserve Bank, and the governor of each of the 10 States in the Missouri Basin. The governors shall also be constituted a special committee to advise and cooperate with the MVA on all matters involving Federal-State relationships.

Through this advisory committee, the States and localities and the diverse interests of the region will be fully aware of all proposals of program and policy, and be able to assist in their solution. Here is democracy in action.

I wish to stress the fact that no existing program, no flood control or other works already authorized and for which funds have been appropriated, will be delayed 1 day by the passage of the bill. For the bill provides that all such authorized projects shall go forward toward completion and be incorporated into any over-all plan developed by the MVA and approved by the Congress. I wish also to point out that no delay or waiting period is contemplated under this measure before a comprehensive plan can be submitted to the Congress. It is recognized that so much work of an engineering nature has already been done by the separate Government agencies on important phases of the regional program that the comprehensive program which is contemplated should be forthcoming within a reasonable period after the bill becomes law.

Moreover, quarterly reports of progress are required of the MVA, so that at all times the Congress and the people to be benefited or affected will be acquainted with the proposed plans, the work under way, the accomplishments, and the progress of the program. Here is a decentralized, carefully planned, and efficient administrative policy designed to get a unified program of river development carried out without costly delay.

The bill specifically provides that the

plans and projects shall be carried out in such manner as to protect the interests of the States in their watersheds and water rights. In this way, a considerable body of law in these Western States, which has received the sanction of the courts since earliest statehood, and whose value in protecting the rights of citizens to this primary need of water has stood the test of time, will be recognized and continued in force and effect. Moreover, the passage of the MVA bill does not carry with it any transfer of such moneys as have been accumulated over the years for specific purposes in the reclamation fund.

The MVA bill recognizes the existence of an important body of law affecting the public lands, irrigation, reclamation, grazing, geological survey, national parks and monuments, mines and mineral holdings, and forest land that must not be affected in any manner. The bill expressly prescribes that these laws must be taken into full account in the plans and programs under the proposed legislation.

It is the intention of those sponsoring the measure that the existing Government agencies shall be drawn upon to the fullest extent of their capacity. Consequently, the bill provides that they may be contracted with to perform that part of the program for which they have particular ability and experience.

The bill provides that in any program developed the O'Mahoney-Millikin amendment to the Flood Control Act of 1944 shall determine the use of waters, protecting the rights of the semiarid regions of the Northern States to a primary claim for irrigation and kindred uses of such waters.

Lands to receive irrigation produced at tax-payers' expense in the Missouri Basin are limited to the intent of the reclamation law which was put on the statute books during the administration of President Theodore Roosevelt in 1902. A single ownership can receive such irrigation water on 160 acres of irrigable land, plus not to exceed a minor fraction of a second 160 acres which may be required to round out the irrigated part of a family-operated farm. Of course, in addition thereto, the operator may own and use as much nonirrigated land as he sees fit.

This bill restricts the MVA to the wholesaling of electric power, with the exception that it can sell at retail to

farms and rural communities which are not adequately served by existing utilities at reasonable rates.

All funds for carrying out the purposes of the proposed act must be authorized and appropriated by the Congress. Profits made from its operations must go into the United States Treasury. No sums from such profits can be used in further construction unless specifically so authorized by the Congress. The business-like conduct of the MVA is further insured by provision that the General Accounting Office shall prescribe the exact forms of accounting to be followed and shall audit these accounts.

Of vital importance to the States and political subdivisions is the provision relating to removal by the MVA of taxable property from their rolls. In any such action, the local and State governments do not lose a single tax dollar. On the contrary, the greatly increased wealth created by the works of the MVA will add much taxable wealth to the tax rolls. And, so far as the particular taxable property taken over by the MVA is concerned, the local and State governments will gain, also in that respect; for the bill provides that a sum not less than the revenue lost to the States and political subdivisions shall be paid upon their appraisal to the local taxing authorities. As MVA increases wealth and property values, so tax reappraisals of its property will result in larger revenues to the localities where the property is located.

Such are the main provisions of the bill. They have been developed as a result of the thorough testing and rigorous application of the legislative process, through several congressional hearings involving previous bills for this purpose.

Mr. President, during the Eightieth Congress I introduced a resolution calling attention to certain startling facts which had been developed by independent engineering and economic studies indicating that our continued appropriation of public moneys to carry out the so-called Pick-Sloan plan of the Army engineers and the Bureau of Reclamation was wasteful and injurious to the best interests of the region and would not accomplish its main purposes of flood control, navigation, and reclamation.

No one has denied these charges. The agencies referred to have chosen to dodge them completely. They rely, apparently, on the easy credulity and forgetfulness of the people. The passage of time is expected to erase any lingering

memory of the doubt these charges have cast upon the ability of the much-advertised Pick-Sloan plan to produce all the water needed for irrigation in the upper reaches of the Missouri and all the water needed for navigation in the lower part of that river. The hope, apparently, that the people will forget about dams silting up and levees failing to provide flood control; that people will not know about the plan's inability to generate a maximum of low-cost hydroelectric energy to ease the burden of irrigation costs on farmers.

But cold facts will not die. They keep on coming to the surface in the minds of men who give thought to these matters. They prove there is not enough water, over wet and dry cycles, to accomplish all these purposes. These facts therefore warn us that a blind continuance of the Pick-Sloan plan through further vast appropriations this fiscal year will without doubt prove to be wasteful and self-defeating. The situation has disturbed many of us, including some of the leaders from the Missouri Valley on the Republican side of the Senate who have urged me to reintroduce my resolution with the promise of their support.

But a study of the Pick-Sloan operations is no final answer to the great needs of the Missouri Valley. What we propose under the bill is to give a properly constituted board the authority to examine all plans, programs, and efforts being made, including those of the Army engineers and the Bureau of Reclamation, known as the Pick-Sloan plan, report back to the Congress with the utmost expedition on their soundness and usefulness in a unified and adequate program, and proceed under authorization of Congress to carry such a program into action. To this approach I invite the support of all my colleagues who are at present concerned over the Pick-Sloan plan.

I now invite attention to a brief examination of the major needs which the MVA will satisfy.

#### POPULATION

The Missouri River drainage system encompasses an area of 500,000 square miles—almost a fifth of the land of the United States. But in 1948 its population was only 15,866,000, or a tenth of our people. This vast area of great economic resources and tremendous potential wealth has been declining in population for several decades in comparison

with the country as a whole. And with the decline has come an inevitable decline in agriculture and industry.

Four States—North Dakota, South Dakota, Montana, and Nebraska—actually lost in total population from 1940 to 1948.

Every year, whole families and vigorous single workers leave these States. Migration, in and out, resulted in a net loss of population for the 10 Missouri Basin States of 6 percent from 1940 to 1947. North Dakota suffered most—a net loss of a fourth of her people from in-and-out migration. Montana was a close second. Only Kansas broke even through migration; every other State losing people in this movement.

#### AGRICULTURE

In 1930 the United States census was taken in the 430 counties included in the 10 States drained by the Missouri and its tributaries. Another census was taken of the same counties in the highly prosperous war year 1945. During the intervening 15 years the number of farms operated had declined by more than a tenth—12.2 percent. When 1 out of every 10 farms disappeared, the remaining farms increased in acreage almost a sixth—15.7 percent. But this does not mean that farmers and city consumers are the gainers thereby. For the cropland actually harvested in 1944 was 7 percent less than 15 years earlier.

Here is an area whose problems are so serious as to warrant the attention of Congress. Some 90,000 families gave up their lifelong stake in farming. People abandoned farms whose acreage was absorbed by adjacent farms, much of it being taken out of cultivation and allowed to go back. In the recent 15 years the money value of all farms and farm buildings in the Missouri Valley declined more than a fourth. Those who still owned farms in 1945 had suffered a money loss of more than two and a third billion dollars in the value of their farm properties.

#### INDUSTRY

Only a balance between agriculture and industry will ever reverse the loss of population trend that has fastened upon the Missouri Valley States, and give them that standard of living to which their natural wealth entitles them. Only a greatly broadened industrial base will free them from the status of colonial bondage to the money and

industrial centers of the East who have enriched themselves for so long by bleeding the Missouri States of their raw materials. Only when the raw materials are processed on the ground will a soundly flourishing industry be established.

In all this vast area covering 10 States, there were only 20,000 manufacturing establishments operating in the highly prosperous year 1929. They employed less than 600,000 wage earners, fewer than are employed by a few large manufacturing concerns in the industrialized East. By 1939, despite a very substantial degree of national economic recovery, the number of factories still operating in the Missouri area had fallen to 17,000 and the number of wage earners had declined a fifth.

There was a pick-up in the Missouri region, as elsewhere in the Nation, to higher levels of industrial activity due to the unusual efforts made during World War II. Here is positive proof of the drawing power of industrial employment so badly needed in the Missouri Valley. For example, in Wyoming the State's population trend was reversed in the 1940-48 period by the addition of 20,000 people, most of whom came in to man industrial plants in the war.

But the power to attack and hold industry in the Missouri region depends on the development of low-cost hydroelectric power, the lifeblood of industry. Here was the key to the amazing development of the seven States of the Tennessee Valley whose industrial growth has exceeded substantially the national average since 1940. The relatively high cost and low output of electric power is the principal reason for the continued industrial stagnation of the Missouri Basin States. Yet in this very region is located the greatest potential supply of low-cost hydro-electricity still to be generated in this country.

#### RECREATION

Many people in these United States know the Missouri Valley States because of their superb offering of natural wonders, such as the great parks and monuments. Many others know them because of their abundance of wild game, birds, and fish. Still others know them because of the remaining primitive cultures of Indians. Some know them because of the great forests and the infinite variety of wild flowers.



But all would be greatly disturbed to know of the inroads civilization is making despite our efforts to preserve and make these wonders of Nature available in abundance for present and future generations. The drying up of ponds and waterways and the pollution of streams are destroying birds and fish. The clearcutting of forest areas is ruining our timberland. The overgrazing of grasslands is endangering the open range. Modern means of transportation that make even the most inaccessible places no safeguard against the airplane threaten our recreational offerings. The rich natural heritage of our Nation's wonderland is being jeopardized. In this, each and every one of us has an all-time stake.

Mr. President, in this all-too-brief high lighting of the major needs which an MVA will meet directly—needs of population, agriculture, industry, and recreation—I have been forced to neglect others which are of great importance. I am not unaware of them, however, and would direct attention to the fact that an MVA will seek to answer all those important needs of the valley which can be met best through an integrated program of regional resources development. Thus, reforestation, reseeding, and sustained-yield forestry practices will be of concern to the MVA, as will an adequate program of transportation.

But an MVA will be known as well for what it does not administer directly in its many-sided, wide-fronted program. For example, all of the activities now being carried on by the sovereign States of the Missouri Valley will be continued and strengthened and still operate as State activities once the MVA has been established.

The MVA will seek to unify interstate resources problems to the end that the utmost benefits accrue to the region as a whole, without unfair treatment of any State. The MVA will, in addition, step up the program of Federal activities within the Missouri Basin States. The MVA will administer those regional resource matters which require one central agency controlling the flow of the river and the storage and use of its precious waters.

Mr. President, we are already paying a big price, an unnecessary price, for the continued misuse of our resources which creates scarcities and raises costs. Expressed in dollars, economists tell us we

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lost approximately \$40,000,000,000 in the single year of 1948 from the scarcity of essential materials. Lumber and oil scarcities are today costing us over \$1,500,000,000 a year, and we have hardly entered upon the era of real scarcity in those commodities. We are losing land at a rate that will cost us \$1,000,000,000 a year for the next 20 years to retrieve and put into full cultivation.

We must bring into production and use, on a continuing basis, all of our natural resources essential to the maintenance of a high standard of living for our people. The Missouri Basin States are a major key to this accomplishment. I have only to cite their prospect in the production of synthetic gasoline from Colorado, Montana, and Wyoming shale and sand; their abundance of high-grade mineral fertilizers in Idaho and Montana, their offering of iron, clays for aluminum, coal, manganese, and chrome, to point the way to an increase in the supply of resource products and a lowering of their costs.

But the development and use of any one of these essential resources is tightly bound up with the development and use of others. For example, water with power, power with gasoline refining, water with synthetic fuel production—to mention a chain of relationships. No great resource gains can be made on a wide front except in a unified way.

Mr. President, in presenting this important legislation, I am speaking on behalf, not only of the citizens of my own State of Montana, but, as the cosponsorship of this bill indicates, on behalf of many people in many States. The Missouri Basin is a part of the Nation well worth this investment. Here is raised nearly half of our foodstuffs, with a potential production of the essentials of life far in excess of the present rate. Here is the greatest river basin in the United States. Here are seemingly boundless deposits of coal and phosphate, vast reaches of timberlands, great mineral deposits—all little-explored and awaiting intensive commercial development.

But here, too, is a seasonally swift-flowing river rushing away to the sea in floods annually destroying thousands of acres of rich lands and other irreplaceable natural resources. Here are dry spells so severe as to sap the vitality of man, animal, and plant. Here are dust storms which take so much of nature's nutri-

ments from the soil that only cactus plants can be used for reseeding purposes. Here are vast hydroelectric possibilities, and here exist alongside of them a greater need for electricity for farm, home, and industrial use than anywhere else in the Nation.

Here we have spent, and are now spending, millions of dollars annually in a wasteful and fruitless effort to bring about balance and unity between these forces of Nature. But our outmoded, piecemeal methods will not accomplish these purposes. Only an MVA whose very purpose is the unified and balanced development of the region's resources will accomplish this great task. That is why my colleagues and I have offered this bill for your consideration.

Mr. President, I have reviewed in this statement the broad outlines of the MVA bill and sketched the needs which prompt the bill's introduction. It remains for two of my esteemed colleagues, the Senator from Iowa (Mr. GILLETTE), and the Senator from Minnesota (Mr. HUMPHREY), to develop in more detail certain phases of the regional resources problem which this bill is designed to meet.

Few measures before this Congress have such important purposes, or such widespread national interest and appeal. For in creating the Missouri Valley Authority we are answering a long-felt national need that will be expressed in great new opportunities for all our people.

# REMARKS

OF

HON. GUY M. GILLETTE

OF IOWA

Mr. GILLETTE. Mr. President, I am very happy indeed to be associated with the able Senator from Montana, who has just taken his seat, and with the other cosponsors of the bill which was introduced this morning.

On August 22, 1944, I introduced a bill in the second session of the Seventy-eighth Congress to create a Missouri Valley Administration.

It was apparent then, as it is increasingly apparent today, that it is imperative that we have a single planning and administrative agency dealing with the Missouri River.

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Four and a half years have elapsed since that introduction. The Congress has reorganized and merged many committees to handle its own business more efficiently. The Hoover Commission has been established, and is already making periodic reports to us on merger and reorganization of executive bureaus and branches of the Government. One is on our desks this morning. There has been recognition that our Topsylike governmental structures must be realigned, with many bureaus merged to end overlapping functions, bureaucratic jealousy and conflicts, and more nearly to attain economy and efficiency.

In spite of the emphasis that has been given this movement in the Federal Government, out in the Missouri Basin the agencies of the Federal Government have been going in exactly the opposite direction. Out there, the Army engineers, the Bureau of Reclamation, the Departments of Agriculture and Commerce, the Federal Power Commission, and at least a score of their lesser agencies, have created a super-council of bureaus, designed to protect the powers, prerogatives and prerequisites of each in the basin, instead of following the sound sort of merger and realignment of authorities and responsibilities which is going on everywhere else in the Government.

Let me give my colleagues a little history of this super-council of the bureaus.

Following the floods of 1943, the Army engineers rushed together a plan for the lower Missouri River and presented it to the Seventy-eighth Congress. The Washington Post, in a recent story concerning Gen. Lewis A. Pick, said that General Pick developed the plan in 90 days. It was not quite that speedy. As a matter of fact, the Army engineers had done years of work on the lower Missouri, charting its channel and studying its behavior—and hauling gravel back and forth—so the claim that the general did this stupendous job in just 90 days is about as exaggerated as the premature report of Mark Twain's death.

However, there were those, including the Bureau of Reclamation, who apparently thought the plan reflected only about 90 days' study. When the Pick plan was submitted to Congress, the Bureau of Reclamation attacked it vigorously. W. Glenn Sloan told a committee of the Senate, as spokesman for the Bureau, that the gigantic Garrison Dam in

North Dakota "is unnecessary in any plan for developing navigation or any other purpose. We recommend the elimination of Garrison Dam because we think it is unnecessary and not worth the expenditure."

That dam was then estimated to cost around \$130,000,000. The estimates run around \$200,000,000 today.

Sloan also testified, still for the Bureau of Reclamation, that the \$15,000,000 Gavins Point Dam "is a very expensive dam for the benefits to be derived from it. As a power proposition, the cost per kilowatt-hour for the development there is 30 to 40 times the cost of power at any of these other dams."

Mr. Sloan had been assigned the task of developing a Missouri River plan for the Bureau of Reclamation. It was apparent to the Bureau that the Pick plan for a flowing navigation channel would require all the river's water, and that there would be none left for irrigation if the Army got priority. So they opposed the Army before Congress and offered their own Sloan plan.

We were told at the time that the Sloan plan would not work, that some of the projects proposed were fantastic and uneconomic. We were told that the giant Souris irrigation project in North Dakota would cost many times what farmers could afford to pay, and that it was an engineering fantasy. We were told that the James River irrigation project in South Dakota was not needed—that the area had plenty of water except 2 or 3 years out of 10.

It was at about this time that both the distinguished Senator from Montana [Mr. MURRAY] and I introduced bills to create a Missouri Valley Authority.

The effect on these two bickering, battling agencies was almost electric. Within 60 days after our bills were introduced—on October 16 and 17, 1944—the Army and the Bureau of Reclamation held a joint meeting in Omaha, Nebr., and in those 2 days claimed that they had completely integrated their conflicting plans. Let me quote from a joint statement to the Secretary of War and the Secretary of Interior which went out a week after that conference over the signature of the Army and Bureau participants:

The committee met at Omaha, Nebr., on October 16 and 17, 1944, discussed the feature of both plans, examined the supporting data for each plan, and prepared the en-

closed joint engineering report. The joint engineering report points out that by making appropriate modifications it is possible to eliminate existing differences between the two plans.

It was possible to bring into agreement the plans of the Corps of Engineers and the Bureau of Reclamation.

Mr. President, it would take both hands and arms to hold the supporting data which were allegedly examined at that brief joint conference. One thick volume contains 1,245 pages—a report on the Missouri River by Army engineers, printed as House Document No. 233, second session of the Seventy-third Congress. Another, of larger page size, contains 212 closely printed pages, plus maps and illustrations, and is the Bureau of Reclamation report on the Missouri Basin, which was printed as Senate Document No. 191 of the Seventy-eighth Congress. Those two documents alone would take days to examine, and they are not nearly all of the supporting data, nor is the examination of the supporting data all those gentlemen did on those two historic days. Theoretically, at least, they had enough discussion to decide upon, and then write out—and I quote their own press release of November 8, 1944:

The best practical plan for the development of the Missouri River Basin for navigation, flood control, irrigation, reclamation, power, and all other beneficial uses of the waters of the Missouri River and its tributaries.

Mr. President, at the time when those occurrences were taking place I considered the allegations an imposition on the credulity of the people of the Missouri Basin and of this Congress.

The things claimed for the combined Pick-Sloan plans—this 2-day engineering wonder—were simply incredible. One did not have to be an expert on all the projects, and there are more than a hundred of them, to know that those claims were not well-founded.

It quickly became obvious to those following the situation that the Omaha conference had developed neither a single unified plan nor the best practical plan. Nor had it even taken account of all the beneficial uses of the waters of the Missouri and its tributaries.

Instead, it became apparent that the Army and the Bureau had simply laid maps of their two conflicting plans side by side, and wherever they were both

trying to put a dam at about the same location on the river, they gave and took, eliminating conflicts which would be visible to the public and the Congress.

There was no actual setting down and developing a full river plan, with the best practical plan for irrigation, the best practical development of electric power, the best practical plan for navigation and for flood control. The Bureau simply yielded the Army the right to build two or three main-stem dams that it had planned, and the Army got out of the Bureau's irrigation field. Then they agreed to quit criticizing each other, lest Congress create an MVA.

The Senator from Montana [Mr. MURRAY] and the backers of the proposed Missouri Valley Authority quickly contended and demonstrated that there was still not enough water in the river for both plans; that the basic conflict continued. They were treated as partisans, and the Eightieth Congress paid no heed to their warnings. But now we have reports from the other side, from men who have been opposed to the valley-authority plan, and it is in total agreement with what the Senator from Montana and others have been warning.

I want to read a few excerpts from the report of the Hoover Committee's task force on natural resources development, which was published in the Denver Post of January 26. That report is quoted directly as follows:

Present estimates are that the construction of projects for the development of the Missouri River will cost nearly \$3,500,000,000. One of the unanswered questions concerning development plans is whether there will be sufficient dependable water for purposes of navigation, flood storage, irrigation, water supply, and power development.

It is nothing short of a calamity that there should be grave uncertainties on this score at this late date.

After sharp clashes over plans for the development of the Missouri Basin, the Corps and Bureau announced complete agreement on the Pick-Sloan plan. Analysis of that plan reveals the fact that it contains many projects which previously had been subjected to devastating criticism by one or the other agency. The compromise consisted for the most part of a division of projects, each agency agreeing to forego the privilege of criticizing projects assigned by the agreement to the other.

That is the end of the quotation carried by the newspaper. That was the natural resources task force of the Hoover Commission speaking. It was

not a group of partisans for a Missouri Valley Authority, but a task force appointed by our Republican ex-President, Mr. Hoover.

Mr. President, the tragic deficiencies of the Pick-Sloan plan are now recognized in every quarter. The deficiencies of the superagency which was set up to follow up on the Omaha compromise are just as marked.

The superagency was officially known as the Missouri Basin Interagency Committee. It included Army engineers and the Bureau of Reclamation as the principal participants, but with the Federal Power Commission and the Departments of Agriculture and Commerce, representing all their subordinate bureaus, holding memberships.

After two or three meetings, it became apparent that this continuing agency was not going to do the real, fundamental job of coordinating and integrating the basin plans, which they claimed they had done at Omaha. At a meeting in Topeka, Kans., when there was effort to go to the merits of some of the competitive projects, so much heat was generated that the Commissioner of the Bureau of Reclamation packed his briefcase and started to walk out for good. I understand that another compromise was then reached whereby the participants promised to forego engineering arguments and simply tell each other, at the meetings, what new projects they had in mind.

This would give the public an impression of agreement simply because the participants did not argue or disagree about anything.

Someone has suggested that the Missouri Basin Interagency Committee should be renamed the Missouri Basin Adding and Subtracting Society.

Seriously, that is not a bad description of the way this group operated after their first few meetings. Under the arrangements which grew up, the various agencies now come into the meetings and report the projects they plan to undertake, give an estimate of their cost, and the amount needed each year from Congress. There are no arguments, no discussion of conflicts, feasibility, or the manner in which each project fits into an over-all development and operating plan. The figures are simply put down. When the Department of Agriculture was slow in claiming some money, they were coaxed to get a request in the pot.



When every agency has put in its sums, the group adds them up and they all come down here to Washington to subtract the grand total from Congress and the Treasury.

A careful examination of the meetings and the operations of that group will show that that is the total real limit of its functioning. It has served the participants as a public front. It has met at a different State capital each month, hearing speeches from the various agencies about what they are doing, and adding up totals to be subtracted from the public till.

As the Hoover Commission has pointed out, this Interagency Committee has never yet tackled the real problem of allocation to various uses of the supply of water actually in the Missouri Basin. It has never tackled the elimination of conflicts in plans and the development of an ultimate, over-all water-operation plan which will give the Missouri Basin the most of irrigation, of electric power, of navigation and flood control.

It has been demonstrated here in the United States that a truly integrated river-development plan envisions the ultimate operation of the plan, and the dispatching of water for various uses after the dams are all built.

An integrated program requires sufficient hydrological data that allocations of water to irrigation can be known in advance, storage and flow plans can be envisioned in advance for hydroelectric power generation, navigation, and flood control, with capacities reserved for the unusual thaws and rainfalls which inevitably occur in a long cycle of years.

Mr. President, there is no such great, over-all plan for the Missouri Basin in existence. The planning for the river is now recognized as piecemeal, with probable enormous wastes of money going on today for construction of uncoordinated, piecemeal projects.

Even if I believed that there was a total plan—a splendid plan—for the development, control, and operation of the Missouri River within the existing set-up, I still would advocate a Missouri Valley Administration.

The Pick-Sloan plan, in its total concept, is but a fraction of a total basin plan. It deals with the river. It does not deal with the problems of the land, of soil conservation, of the development of land and mineral resources, and of the human resources of the valley. It has

no plan for stopping the loss of 300,000,000 tons of topsoil annually. It does not provide for the development of the plant-food resources on the western rim of the Missouri watershed, to make conservation practices economic for farmers, who would then help to stop erosion and floods back on the land. It does not contain any forestry plans, to help stop floods as well as protect and restore our forests and our soil.

The Pick-Sloan plan does not include the coordination of power and navigation developments with the establishment of new industries, which are so greatly needed.

The Pick-Sloan plan does not include any plans for development of basin-wide recreational facilities, for preservation or increase of wildlife, for industrial research and stimulation, for the development of other facilities which make life for people in the Missouri watershed richer and better.

The Pick-Sloan plan is only a fraction of the total basin development—in all its phases—which is needed in our great watershed. We need an over-all agency which will relate the problems of the land and the water, and then the problems of the people to those of developing the land and water, so that the basin may become the source of strength to the Nation which it should be.

The Tennessee Valley Authority has been a tremendous success.

It has been combed over and over by critics and to this good day there has not been any startling disclosure about it except that it has tremendously improved the economy and the life of the people of that valley. Certainly there have been some minor criticisms, though they have been surprisingly few. But there is nothing startling about a reasonable number of mistakes. It would be startling if there were none.

The valley administration proposed in the bill that has been submitted is patterned after the TVA, with modifications to fit the peculiar needs and the great size of the Missouri Valley. Our valley has the resources, the people, and the material things needed to rival or surpass the progress made in the Tennessee Basin, where the Federal investment is paying off.

We have invested about \$800,000,000 in the Tennessee Valley development. The returns from electric power are liquidating the costs at Government in-

terest rates, or the cost of money to the Government. Books are not kept in accord with those of a private utility, because it is not a private utility and it has no parent company management fees, no preferred-stock and no common-stock dividends to pay. It merely pays to the Government whatever it has in margins at the end of the year.

Accountants have had quite an argument about whether or not the TVA is paying out. The argument revolves around the TVA bookkeeping practices versus those of a private utility. That argument seems to me wholly beside the point.

The TVA has already paid for itself more than once.

When the Congress of the United States established the Tennessee Valley Authority, the seven affected States were paying 3.4 percent of the total income taxes collected by the United States Treasury. In 1947, the same area was paying 6.3 percent of the total income-tax payments made in the United States. Today, after 15 years of TVA, with improved agriculture, 2,100 new factories and other growth, the valley is paying almost twice as much of income tax, percentagewise, as it did before TVA.

On a cumulative basis, the increase in income-tax collections from 1933 to 1947 has been more than \$2,000,000,000—about two and one-fourth times as much as this Nation has invested totally in the Tennessee Valley Authority.

I want to be clearly understood. That is not the total gain in income-tax collections. The gain has been much more than that. The \$2,000,000,000 represents the gain resulting from the proportionate increase in payments by that area—the excess over 3.4 percent of the national total.

At the present time, TVA is paying for itself at least every 2 years on this basis.

No one can question that the Tennessee Valley is more prosperous for having an integrated resources-development program which has related industrial development and agricultural development to the harnessing of the water of the area. No one can deny that the lag between that southern area and the rest of the Nation is being shortened, that the waste of land resources is being stopped—that greater gains have been made there than in the Nation as a whole as a result of TVA stimulation.

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I have been impressed by the annual report for 1948 recently made available to the Congress, which analyzes the Tennessee Valley progress.

They have 2,100 new industries in the Tennessee Basin itself, which is a gain of 163 percent since TVA's creation. In the seven States of the valley, including areas of those States outside the basin, the gain has been 132 percent in number of industries. The national gain has been 95 percent in the same period—much less than the Valley Authority's area.

In agriculture, there are now 1,000,000 acres of terraced land in the valley and pasture acreage has increased 800,000 acres, reflecting a tremendous gain against the problem of erosion. Livestock has increased 9 percent. Dairy cattle numbers are about the same, but milk production is up 22 percent. Farm tenancy went down 38 percent in the valley from 1935 to 1945, compared to a 25-percent decline in the Nation. Value of farm property and farm production show similar gains in excess of national average gains.

Individual incomes, as indicated by the income-tax figures, I have cited, are very much closer to the national average. The Tennessee Valley is no longer a problem area. Its problems have been and are being met. It is an area that contributed great strength to this Nation in wartime, and continues to contribute strength in peacetime.

The Missouri Valley has some problems that are different from those of the Tennessee Valley. The Missouri Valley is bigger and involves the problem of irrigation.

Foes of a Missouri Valley Administration contend that such an agency was designed only for the Tennessee Valley or an area exactly like it.

It is a transparent, specious argument of the sort used when valid arguments are not at hand.

The core of the valley administration idea is centralized administration and responsibility for efficiency and better results. It is the basically same core—the same objective—we have had in congressional reorganization and reorganization of the executive departments.

The MVA bill gathers together responsibilities for development now scattered through 30 or more bureaus of Government and consolidates them in a

single Government corporation with headquarters and final responsibility out in the valley among the people who are concerned by its work and its decisions. It is as essential to development of the Missouri Basin and proper administration as is centralized responsibility in the Ford Motor Co. or General Motors.

Every Member of this body would, I am sure, agree that it would be absurd for Ford Motor Co. to divide itself into 20 or 30 autonomous departments, with the body department and the motor department competing for iron and steel, and producing parts to the limit of their acquisition of metal without regard for the other, or the final assembly of total, finished automobiles.

That is almost exactly what we have in the Missouri Basin today. The Army and the Bureau of Reclamation are competing for the basic resource—the river's flow—and each proposes to use all it can get of the water without regard to the final assembly—a developed and prosperous valley.

The MVA bill is a proposal to use an accepted business pattern to administer existing Federal powers and functions in the Missouri Basin so that expenditures will be dynamic and productive, as those in the Tennessee Valley have been.

It is not a change in our basic philosophy of government. It is nothing more than typical American common sense, tested and successful in the Tennessee Valley, and now ready for application in the Missouri Valley.

Mr. President, I want to say just one more word, and that is about the desire of the people out in our valley for a Missouri Valley Administration. This is almost another of those cases where everybody is against it except the folks themselves.

In my observation, the opposition to a Missouri Valley Administration is almost entirely professional, or guided by the hands of professionals. The matters which my colleagues have discussed or will discuss concerning the anti-MVA lobby should be investigated. I hope that if the Kilgore resolution is passed there will be such inquiry. I am sure that it would establish the accuracy of what I have just said.

I great majority of the people of Iowa who have given study to the problem are for a Missouri Valley Administration; and in the western area, where they would be directly affected, they are aggressively for it.

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The returns from the last election strongly indicate to me that the same is true in other Missouri Valley States.

There is general recognition now that the Pick-Sloan plan is not adequate. At the same time, there is anxiety about getting ahead with the Missouri Basin development as rapidly as possible. The tremendous snows lying in the basin right now are a threat and a reminder of the enormous dangers and damage of Missouri River floods, and of the necessity of pushing forward with work in the basin as speedily as is humanely possible.

I deeply hope that the Congress will not take any partial action, or adopt half-measures. It would be tragic if, recognizing the shortcomings and infeasibility of the Pick-Sloan plan, we simply slowed or stopped it and failed to enact a constructive alternative.

The MVA bill is the one way to meet the full situation. Its immediate establishment would permit the most expeditious development of a truly full and coordinated plan for valley development with an absolute minimum of delay in actual development work.

#### REMARKS OF

**HON. HUBERT H. HUMPHREY**

OF MINNESOTA

Mr. HUMPHREY. Mr. President, I rise today to address the Senate for the first time. I am especially honored that I have been asked—and I gratefully accepted—to join the great and courageous senior Senator from Montana and the honorable junior Senator from Iowa in introducing this bill. This is a fitting issue and an appropriate moment for my first address on the floor of the Senate of the United States.

I rise today to speak for the Missouri Valley Administration—an integrated, soundly conceived and carefully planned program for the prosperity of the Nation and the development of the basin of the Missouri River.

I feel that this is the right time to speak out; it is an essential issue to speak for. The Missouri Valley Administration is vital to the Midwest. It is vital to my birthplace in South Dakota. It is essential for the progress of my present home, Minneapolis.

Our people in the Midwest have been looking at the miracle of the Tennessee Valley. They have seen cheap electric power created from the river's flow; they have seen industries grow up near the cheap power and they have watched the great atom plant working in the Tennessee Valley for the progress and peace of the world. They have seen irrigation and soil conservation, flood control, and navigation improve constantly in the Tennessee Basin. They have wondered, and they have every right to ask, Why cannot the same be done for our valley, for the Missouri Valley?

The Missouri Valley can prosper. As the Tennessee Valley grew under TVA, the Missouri can grow under MVA.

I speak now for my friends and neighbors in Missouri, the Dakotas, Iowa, Nebraska, Kansas, Colorado, Montana, Wyoming, and Minnesota. I speak for our citizens who live amidst great potential wealth, surrounded by wealth that is locked up and going unused. This is the story, the fable of Croesus who had all the wealth he might want, who instead was destroyed by his wealth. So it is with the Missouri. Wealth is locked in its stream, unused; and every year that potential wealth flows over its banks and destroys and does not build.

The issue of a Missouri Valley Administration is not a sectional issue alone. The MVA is a vital program for the entire Nation. It is a national issue; it is a liberal issue. MVA will mean more and cheaper production from more and cheaper electricity. It means more diversified agriculture, providing crops in demand rather than crops in surplus. It means cheaper finished products because it will bring cheaper transportation of raw materials out of the valley. MVA can make a great contribution to food security for the world, because its soil-conservation provisions will improve and extend the conservation practices of the basin. MVA can strike a blow for free enterprise against monopoly in such fields as light metals and fertilizer where big business controls supply and controls price. New business growing from MVA's cheaper electric power can break the monopoly control.

Politically, MVA is a symbol, a symbol of liberalism to the large majority of Americans who voted liberal last November and in other Novembers. It is a symbol of progress and prosperity to the valley; a symbol of cheaper production

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and better distribution to the whole Nation.

In the debate which has arisen over the Missouri Valley, the same forces that have lined up in the other battles over liberal legislation are lined up again. On the one hand we have high-priced lobbyists for special interests, sniping constantly behind the scenes, lobbyists who have beaten MVA for several years. We have the large power companies, the railroads, the water rights attorneys, and the general dissenters who want reaction at any cost.

On the other hand there is a familiar line-up, too. First, we have the inhabitants of the valley itself, people who every day are losing the wealth that can be created from the now destructive Missouri. On this side we also have the consumers of the whole country, looking always for cheaper and better goods. And on this side of the picture we have the same spokesmen for the interests of the people who have constantly, throughout their long and statesmanlike service, represented honestly what all the people want and deserve. I am humble and I am honored to join these great statesmen in support of this bill—in particular, to join the fearless, stalwart, and great liberal, the Senator from Montana [Mr. MURRAY], and his equally distinguished colleague the Senator from Iowa [Mr. GILLETTE].

The Missouri Valley Authority to me is just another section of the same battle that liberals have been waging throughout our generation. It is a fight for the rights of the people of the Missouri to the natural resources God has granted to all of them. MVA stands against the monopolistic control of those resources by a few. MVA is economic liberty. It is individual rights. These are the goals for which I shall always fight.

Now let us look a little more closely at the line-up on this bill. Let us look at the opposition, at those who are fighting MVA.

First is the power lobby, whose rates in and near the Tennessee River were cut drastically by MVA.

Behind the power lobby, comes a fake development association formed of the contractors to the Army and the Bureau of Reclamation who now are engaged in a hodge-podge of contrary maneuvers in the Missouri Valley today.

Next come the railroads, who no longer believe in the competitive system.



Last spring the Eightieth Congress eliminated any vestige of competitive action in the railroad industry with the Reed-Bulwinkle bill. Now the railroads are out to prevent MVA from opening up the ways to healthy competition from river transportation.

Finally come the water-rights attorneys who stand to lose their constant, sterile litigation over ownership of the resources of all the people, namely, water.

Monopolists are holding their breath all over the country. They are fighting MVA because MVA would successfully fight them. Besides the railroads and electric-power monopolies, MVA will challenge the Big Nine of the fertilizer industry and squeeze out monopoly profits and lower the price of fertilizer to our farmers. Financiers whose capital is tied up in eastern industries, have a big stake in keeping the Midwest from its most prosperous development—a development that would mean a higher standard of living for the entire Nation. Finally, light-metals industries could grow up around the new generators, to challenge the nearly complete one-firm monopoly in that field.

What we are asking, Mr. President, is not a subsidy or gift for the Missouri Valley. We are asking, rather, for a loan. That money will come back to the people in many ways. One way is cheaper electric power. Let me compare the rates that REA cooperatives were paying in the Missouri Valley in the fiscal year 1947 with what they would have paid under the TVA rates the same year. While TVA electric rates are not the lowest in the Nation, TVA's price of 5.53 mills per kilowatt-hour is 3 to 8 mills lower than the rates in the Missouri Valley.

I shall send to the desk a table showing the difference in electric rates for Missouri Valley electric consumers had they lived under the TVA. The Federal Power Commission reports show that in total electricity used in the MVA States, consumers pay \$100,000,000 a year more than they would have paid for the same electric service in the TVA area.

It is little wonder, then, that the electric-power lobbies are fighting MVA, just as they fought TVA some years ago. Let us look for a moment at the fight MVA's opponents are waging.

Public pressure for development of the valley is too great for the power interests to flatly oppose any development.

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While the sons and daughters of valley residents continue to move out of the valley, seeking greater opportunities, the power lobby cannot expect to speak against any and all development programs for the Missouri. So they support a totally inadequate development plan. They could not defend do-nothingism when floods alternate with drought, and power shortages plague the valley.

The plan they champion is called the Pick-Sloan plan, named for a general in the Army engineers and an employee in the Bureau of Reclamation.

The engineer's part of the plan is a great, flowing navigation channel from Sioux City, Iowa, to the mouth of the Missouri on the Mississippi. The channel is wide open. It will never generate any electricity for the unlighted sections of the valley. The Federal Power Commission has pointed out that there is a potential of 10 to 15 billion kilowatt-hours of electricity a year in the lower river. In technical terms, the river from Gavins Point, near Sioux City, to the mouth of the Missouri has a fall of 770 feet. The engineers are digging a navigation channel, and the electric power potential is overlooked. But the power potential is there, and MVA can produce electricity for the people of the valley. This potential is now being wasted.

That is the picture in the lower Missouri Valley. We have the words of Mr. Lester C. Walker, engineer of the Federal Power Commission, describing power development under the Pick-Sloan plan. Mr. Walker made the following remarks at a meeting of the Missouri Basin Inter-Agency Committee at Cheyenne, Wyo., on January 14, 1947:

In our examination into the ultimate hydroelectric potentialities of the Missouri River Basin, we find with our as yet unfinished investigation that the 1,600,000 kilowatts provided by the Pick-Sloan plan of development is less than one-half of the total potential power of the basin. We consider 5,000,000 kilowatts with an average annual potential generation of 25,000,000,000 kilowatt-hours a somewhat conservative estimate of the potential hydroelectric power of the basin.

What about the upper Missouri Valley? We have Mr. Walker's words as to it, also:

The Bureau of Reclamation has approved sites in the Yellowstone Basin which will provide a total of 2,620,000 acre-feet of usable storage. The aggregate gross power head available at the project is 5,630 feet and it is

proposed to install 315,000 kilowatts of generating capacity which will be capable of producing on the basis of estimated stream flow about 1,740,000,000 kilowatt-hours of energy per year.

In addition to these approved projects, the Army engineers have investigated storage sites in the Yellowstone Basin as reported in published "308" report capable of storing approximately 2,000,000 acre-feet. The aggregate gross power head at these sites investigated by the Army engineers is about 315,000 kilowatt-hours of installed capacity which could generate about 1,390,000,000 kilowatt-hours per year on the basis of present estimates. In addition to the projects approved for construction by the Bureau of Reclamation, and the storage site investigated by the Army engineers, the Federal Power Commission staff has given consideration to 16 additional sites with storage possibilities of about 4,000,000 acre-feet, combined power heads of 10,000 feet, installed capacity of 1,400,000 kilowatt-hours, and a possible average output of 7,000,000,000 kilowatt-hours. The staff recognizes that if the potential head between Billings, Mont., and Glendive were developed it would provide about 1,000,000 kilowatt-hours of installation and approximately 5,000,000,000 kilowatt-hours of average annual energy.

Mr. President, the meaning of Mr. Walker's remarks is that more than 60 percent of the electric potential of the Yellowstone River, a tributary of the Missouri, is being ignored. Mr. Walker's remarks further show that present plans overlook the real possibilities of the Yellowstone. His remarks show that neither the Army engineers nor the Bureau of Reclamation have even made a full study of the Yellowstone and do not have anything like a full plan for that tributary. The present plans for power plants on the Missouri show that there are no over-all plans.

W. Glenn Sloan, Administrator of the Bureau of Reclamation's work in the valley, testified at a congressional hearing in 1944 that the enormous Garrison Dam, estimated to cost \$130,000,000 in 1940 and now probably costing \$200,000,000, was unnecessary and not worth the expenditure. In regard to Gavins Point Dam, he testified:

As a power proposition, the cost per kilowatt-hour for development there is some 30 to 40 times the cost of power at any of these other dams.

We might ask them then why those particular dams were built at all, and why the power lobby, usually concerned about Government economy, is pleased as

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Punch with the Pick-Sloan plan that built these wasteful projects. The only answer we can gather is that the private-power monopolies want public power to fail. Electricity at Gavins Point will cost several cents a kilowatt-hour, many times what it should. We have that on the record and on the word of Mr. Sloan himself.

We can say then at the outset, without fear of contradiction, that the present Pick-Sloan plan is not what the proposed Missouri Valley Administration will be—an all-purpose, integrated program for democratic planning and democratic use of all the resources of Missouri. One of the most needed and most prevalent of the Missouri's resources, electricity, is not being tapped to any degree. Where it is planned, it is planned so poorly as to discredit the whole project. The Pick-Sloan plan as a producer of needed, cheap electricity is failing. A healthy Missouri Valley Administration must replace it.

This is not to say that Pick-Sloan is a deliberate failure, that it is a careful plan by the power monopoly to maintain the electric shortage and the sellers' market in power. The failure of Pick-Sloan is rather a demonstration of the impossibility of planning for the best use of the Missouri Valley through two separate agencies. One agency is a necessity, and the answer obviously is the MVA.

Standing shoulder to shoulder with the power lobby against MVA, and against a sane plan for using the Missouri to its fullest extent for the benefit for all, are half a dozen other lobbies. About 4 years ago 31 organizations, supposedly interested in land and water development, were joined together in a coordinating committee, dedicated to the defeat of the Missouri Valley Authority. The National Reclamation Association, a lobby representing a variety of vested interests, joined with the so-called water councils and development associations, including the Propeller Club, the Pittsburgh Coal Exchange, and the American Power Boat Association, to see that MVA should not pass Congress. This group distributed 60,000 copies of a propaganda pamphlet by Mr. Clifford Stone, director of the Colorado State Water Conservation Board and vice president of the National Reclamation Association. Mr. Stone goes unregistered as a lobbyist because he is a Colorado public official. It



was this coalition of "anti" lobbies that bore the real fight for an undeveloped and underdeveloped Missouri Valley.

While this coalition tried to pass itself off as an unbiased civic-minded group, those who know the National Reclamation Association were not fooled. About 50 of the association's members are private power company representatives. At least another 50 are railroad people. The West knows the National Reclamation Association for its constant fronting for special interests.

I cannot imagine what the Propeller Club and the American Power Boat Association are or what their interest in MVA might be. Nor am I acquainted with the Pittsburgh Coal Exchange, though I do know of a few towns in the 10 valley States that are named Pittsburg. None of them seems to have a coal association, however, so I must assume the anti-MVA lobby is from Pittsburgh, Pa., a thousand miles from the nearest bank of the Missouri. I should further suspect from the organization's title that the group has coal to sell. In their opposition to MVA lies a magnificent argument for an MVA. Obviously a pressure group outside the valley, especially one with coal for sale, is interested in the kind of development of the valley which would result in the least amount of water power. That is not MVA. MVA will produce cheap water power and will compete with expensive coal. It will make possible constructive industries and will compete with vested industries of the East who have cheaper coal than the Midwest can get. I rather welcome the Pittsburgh Coal Exchange into the fold of our opposition on this issue. They make our case for us.

While this small group of Pennsylvanians on the Pittsburgh Coal Exchange is opposed to MVA, their grass roots are planted somewhat outside the valley. What seems to be more important is that the grass roots in the Missouri Valley are for MVA. I suppose it still is not too safe to talk about public-opinion polls, but I think we can rely on this one because of the large majority that MVA had in its favor in a Roper poll of last November. At that time 76 percent thought TVA and similar projects were good; only 6 percent opposed them. As to the valley itself, I cannot speak for all its people, but I can say the overwhelming majority of the men and women I know in the valley favor MVA without a doubt. I am supported in that opinion

by one of the few successful public-opinion polls of last November, the Minnesota poll that actually predicted Minnesota would carry for President Truman. In November 1947 the Minnesota poll showed that three out of every four Minnesotans who had heard of the MVA proposal were in favor of it.

But the handful of willful men who have financial interests in the electric power industry, or who have coal interests or eastern industrial interests or railroad interests, have fought to a standstill the overwhelming majority of Missouri Valley residents and the best interests of the entire Nation. The water lobby coordinating committee has constantly fought the interests of western development. While these lobbyists have attempted to appear innocent of any evil intent toward the West, the National Reclamation Association let its position against sound reclamation come out in the open after it succeeded in defeating the first MVA bill.

Mr. LANGER. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Minnesota yield?

Mr. HUMPHREY. I yield for a question.

Mr. LANGER. Is the Senator familiar with the poll taken by the Farmers' Union, covering 8 States?

Mr. HUMPHREY. No; I am not.

Mr. LANGER. That poll showed the vote in favor of MVA to be over 90 percent among the members and among others living in the 8 States.

Mr. HUMPHREY. I am very grateful to the Senator from North Dakota for his remarks, because the families of the men who represent the Farmers' Union, are living on the family-sized farms. They are desperately in need of electrical power and of the benefits which MVA could provide for the people of the Midwest.

Mr. MAGNUSON. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Minnesota yield?

Mr. HUMPHREY. I yield for a question.

Mr. MAGNUSON. I was very much interested in what the Senator had to say. I cannot refrain from remarking that the people in the Senator's area seem to be having the same trouble we had in the Pacific Northwest. I hope they will continue their fight. We did,

and as a result of doing the very thing the Senator from Minnesota is attempting to do, we succeeded in obtaining cheap electric power.

Mr. HUMPHREY. I appreciate the remarks of the Senator from Washington. I may say that those of us from the Midwest stand in full support of the even greater hydroelectric power and land reclamation projects the Far West is developing.

The adverse position of the National Reclamation Association became clear in a fight over irrigation funds for the West. Dams are used for both irrigation and electricity. Both are important for the farmers of the Midwest, and they are, therefore, important for all Americans—and all the world. Electricity is purchased from public power dams and paid for by its users, and their payments eventually cover all the costs on the electricity and on the interest of the investment. Irrigation costs are often greater than can be paid by the farmer. It has been the practice of the Bureau of Reclamation to apply the interest paid on the power investment to the amortization of excess irrigation costs. The Reclamation Association supported a bill that would raise electric rates high enough to pay for the excess irrigation costs. So it became obvious to everyone at last that the pretended friend of western reclamation—the National Reclamation Association—was much more the friend of the power trusts than the friend of reclamation.

This plan of the Association, called the Rockwell bill in the Eightieth Congress, for a gentleman who is no longer present in the House of Representatives, would have done just the job the Reclamation Association had in mind: It would have raised power costs of the Colorado-Big Thompson diversion project in Colorado a few mills higher than power was selling for at the nearby Colorado Public Service Co. This, remember, was only possible by adding costs that had nothing to do with electric output to the electric bills of valley home owners and REA members. The Rockwell bill, which never did pass the Senate of the United States, was only one prong of a two-pronged attack on low electric rates. The other half was more successful. It involved adding meaningless costs to the Colorado-Big Thompson project. The charge has been publicly made and never denied that millions

of dollars have been added to the cost of this dam, without adding one acre-foot of irrigation or one kilowatt of electric power. So even without the Rockwell bill, cheap power has been sabotaged on the Colorado.

There are numerous other examples of reclamation where public-power potential is ignored, always with the effect of maintaining high private-power rates where lower rates are possible. The private-power interests are at work on every project. The ceding, for instance, by the Bureau of Reclamation to Army engineers of three large power-producing dams in the original alignment of the Pick-Sloan plan has had ruinous effect on the Bureau's power program. This maneuver reduced the power capacity of Bureau of Reclamation dams from 3,809,000,000 kilowatt-hours to 1,620,000,000 kilowatt-hours, 42 percent of what those dams could produce. And while the dams did provide improved flood-control and navigation facilities, electricity costs actually went up. The Public Affairs Institute has figured that the shift of the dams from the Bureau to the Army will cost valley farmers half a billion dollars in additional costs and will raise wholesale electric rates perhaps as high as the unheard of level of 2 cents a kilowatt-hour. That simply means that the Missouri Valley can never develop as it should develop for the best interests of all the people. That is the present policy in the Missouri Valley. It must be changed.

Mr. President, my interest in the Missouri Basin has many facets. I directly represent a small portion of it. I was reared in a State lying totally in the Missouri River watershed—South Dakota. My residence is in a city which will prosper or decline to a considerable degree with the great northwestern portion of the Missouri Basin. The Twin Cities are the market place of that area. I am also interested in the welfare of every area of this Nation. Surely, as a Member of the National Senate, I sincerely feel that all of these will benefit from unified development of the valley.

Historically, forces of development have twice passed around or over most of the Missouri River Valley, the Great Plains, and the mountain areas. This was true in the original development of the Nation. Covered wagons moved from the eastern areas directly to the west coast in the 1850's and largely by-

passed the Great Plains area. It was true a second time when our country expanded during the world wars. Development occurred in the East, the South, and the Pacific Coast States, but there has been little development in the Missouri Valley section. But this valley, I repeat, can be developed.

The Senator from Montana [Mr. MURRAY] has told us today of resources in the Valley which our Nation needs. He has described rich agricultural lands, phosphate deposits, manganese, metals, and fuels.

Low-cost electric power is essential if these industries are to be developed; if the ores and the fertilizer are to add to the strength of our Nation. Low-cost power is important to farmers, whose REA cooperatives are short of power and are today being bludgeoned into long-term wholesale power contracts to take them out of the market when public power becomes available. Low-cost power is especially important to farmers who have to pump water for irrigation, but it is also important to every farmer who wants relief from drudgery, a better living, and attractive surroundings for his children who now move away.

I am also interested in the irrigation possibilities of the Missouri. There has been no agricultural justification for hundreds of thousands of acres of the proposed Sloan irrigation projects, and these malpractices might bankrupt tens of thousands of our farm people. It is now obvious that the Pick flowing channel will take millions of acre-feet of water away from much needed irrigation.

I am interested in conservation of the land, in controlling floods from the point the water touches the ground. This kind of planning has been largely ignored in the present Pick-Sloan project for the Missouri Basin.

I am deeply interested in the conservation of our forests, in the development of recreation facilities, in the preservation of wildlife—in all the creative, constructive programs which a truly integrated plan for Missouri River development could bring, benefits which the Pick-Sloan plan are denying to the Valley.

831393—29368

I am concerned that the Pick-Sloan plan will not finally provide reliable navigation.

All of these situations are of grave concern to me, but I have devoted myself to the power phase because that is where the strong opposition is found.

Our effort to get an MVA is a fight of political powers.

It is a contest to see if the people of the United States may cooperate through Government to build a better economy and a better life.

Mr. President, numerous committees of this Congress will soon deal with matters vitally affecting regional valley developments. The Appropriations Committee and the Army will review requests for tremendous sums for Pick-Sloan projects. The committee which studies the bill we have introduced today ought seriously to investigate the whole subject of regional planning. Reports indicate that the Hoover Commission criticizes sharply the inefficiency of the myriad agencies now involved in resources development. The Joint Committee on the Economic Report has a report from the Council of Economic Advisors suggesting complete examination of river-basin plans, especially the Missouri Basin and the Columbia.

Enormous sums are being spent in the Missouri Valley today on the Pick-Sloan plan, which I have partially described. There is increasing danger that those expenditures may become a strait-jacket and may prevent honest full-scale development for many years to come.

It is urgent that this Congress, and every committee involved, deal with every phase of MVA and investigate it thoroughly. I cannot urge too strongly that this be done. If full investigation is made, a Missouri Valley Administration, today proposed, will be assured. The people once more are ahead of their leaders. America in every corner and in every region wants to get its people together to make full and better use of the rich resources at our command. We need these resources now. A Missouri Valley Administration must come out of this Eighty-first Congress.

Mr. President, I ask unanimous consent to have printed in the RECORD, as

a part of my remarks, a statement showing comparative costs of REA wholesale power.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### Comparative costs of REA wholesale power

[Missouri Valley States' actual cost compared to the Tennessee Valley Authority average charge of 5.53 mills for year ended June 30, 1947]

State	Rate in mills actually paid	Sum actually paid	Cost at TVA rate	The difference
Colorado.....	10.8	\$654,427.18	\$335,696.21	\$318,430.97
Iowa.....	11.4	2,038,291.10	591,243.91	1,047,047.19
Kansas.....	10.8	412,909.96	211,290.75	201,610.21
Minnesota.....	12.8	2,387,020.49	1,030,011.13	1,357,009.36
Missouri.....	10.0	1,717,177.87	549,897.07	767,280.80
Montana.....	8.6	235,805.33	151,321.19	84,484.14
Nebraska.....	8.4	588,221.75	389,478.03	198,746.72
North Dakota.....	11.1	204,670.75	101,023.18	103,656.57
South Dakota.....	12.3	170,888.96	81,025.54	98,863.42
Wyoming.....	10.4	162,628.02	86,841.09	75,786.93
Total.....		8,581,353.41	4,329,037.10	4,252,316.31

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. LANGER. I should like to ask the distinguished Senator from Minnesota a question. I wish to compliment him, particularly, on his very fine maiden speech, I believe it is.

Mr. HUMPHREY. I thank the Senator.

Mr. LANGER. I think it is an honor and credit to the State of Minnesota to have a representative who speaks out so frankly on a matter of such great importance. My question is this: Does not the Senator believe that when money has been appropriated to build a great dam, such as the Garrison Dam, originally estimated to cost \$130,000,000, and which will very likely cost \$200,000,000 before it is completed, the Congress should appropriate sufficient money to enable the Government to build a distribution system and own it, so that the farms, the little villages, the cities, and the towns in that area can get their power at cost?

Mr. HUMPHREY. I shall answer the Senator by saying that, so long as that project has been started, it would be folly, so far as I can see, for the Government not to complete the work, which should be done by providing power facilities which that dam could readily provide.

Mr. LANGER. And distribution facilities?

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Mr. HUMPHREY. Yes; and the necessary distribution facilities, federally owned and federally operated.

#### Pick-Sloan Plan Condemned by Hoover Commission

#### EXTENSION OF REMARKS OF

#### HON. JAMES E. MURRAY

OF MONTANA

IN THE SENATE OF THE UNITED STATES  
Wednesday, March 30 (legislative day of  
Friday, March 18), 1949

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement which I have prepared in regard to the Hoover Commission Report on the Pick-Sloan plan, which was filed last week, together with certain excerpts from the report.

There being no objection, the statement and excerpts were ordered to be printed in the RECORD, as follows:

#### PICK-SLOAN PLAN CONDEMNED BY HOOVER COMMISSION

Mr. President, the report which was filed with the Congress last week by the Commission on Organization of the Executive Branch of the Government contains a critical analysis of the Pick-Sloan plan for development of the Missouri River Basin, refer-



ring to it as a sort of horrible example of extravagant waste and general bad administration.

For several years the Congress has been hearing warnings that the Bureau of Reclamation and the Army engineers, operating under the Pick-Sloan plan, have been pursuing a course in the Missouri Valley wasteful of money, wasteful of resources, and wasteful of the area's great potentialities. These warnings have heretofore been totally ignored, but now we find that the report filed last Thursday by the Hoover Commission and its task force on natural resources completely justifies all these warnings. The criticisms of the Pick-Sloan plan in the Hoover Commission Report are even more devastating than anything which heretofore has been said.

The Commission and its task force, both composed of eminent citizens of both political parties, tell us that the Pick-Sloan plan is not a properly integrated plan at all; that there is serious question if the supposed agreement between the Army engineers and the Bureau of Reclamation—actually a fictitious front arrangement—is not more costly to the Nation than continued disagreement.

#### ENORMOUS WASTE

It is going to take a good deal of time for the committees of Congress to study the Commission's reports and act on them. Some may lay over from this Congress to the next. But the Hoover Commission Report on the Interior Department, as it points out the enormous, current, questionable expenditures in the Missouri Basin, should have our immediate attention. There are before the Congress right now proposals for appropriations, in pursuance of this arbitrary and recklessly concocted plan, totaling many, many millions of dollars. These expenditures would commit us to further appropriation of even larger sums.

As an example, we are now asked for money to proceed with Garrison and Gavins Point Dams, in the Dakotas. In the study which was submitted to us, there is a finding that "the public may very well question those parts of the Pick-Sloan project as economical expenditures. They represent an eventual investment estimated in January 1948, at about \$213,000,000."

The study calls attention to the fact that, when originally justified, the Garrison Dam was defended on the basis of impounding water for farm and domestic use in the Dakotas. But in the compromise between the Army engineers and the Bureau of Reclamation, the Dakota water diversion was transferred from the Garrison Reservoir up to Fort Peck, so the huge Garrison structure now has only the most vague sort of justification.

#### NO REAL PLAN

The Hoover Commission task-force study is actually an astounding document as a commentary on the sort of wildly extravagant

program which has been put over on the Congress, and for which appropriations are now being sought. It is indeed a major congressional scandal.

The Hoover Commission tells us, in direct quotations from the study of the task force:

"The (interagency) committees have failed to solve any important aspects of the problem \* \* \* because the dominant members, the corps and the Bureau, have been unwilling to permit interagency committees to settle their differences. The result has been neglect or avoidance by the committees of virtually all major areas of interagency conflict, and concentration instead on technical studies and publicity. \* \* \*

"The development agencies sometimes compromise their differences. After sharp clashes over plans for the development of the Missouri Basin, the corps and the Bureau announced complete agreement on the Pick-Sloan plan. Analysis of that plan reveals the fact that it contains many projects which previously had been subjected to devastating criticism by one or the other agency. The compromise consisted for the most part in a division of projects, each agency agreeing to forego the privilege of criticizing projects assigned by the agreement to the other. The result is in no sense an integrated development plan for the basin, and there is serious question in this case whether agreement between the two agencies is not more costly to the public than disagreement."

The case study in substantiation of this statement is specific on a large number of matters involved in the Pick-Sloan scheme now before us. I have told you of the comments on Garrison and Gavins Point Dams. There is another analysis of the water supply for all the things that the Army engineers and the Bureau of Reclamation propose.

Mr. President, those of us who advocate an MVA program for several years have warned that there is not enough water in the river for both the Sloan upper basin plan and the Pick plan for a flowing navigation channel. The study filed with us indicates that there may be water deficits even larger than we had anticipated. It points out that private irrigation, industrial use, and soil conservation may require much larger amounts of water than heretofore estimated. In that event, the expenditure of \$6,300,000,000 for both the Sloan plan for upstream uses of the water, and the Pick plan for a flowing navigation channel, would be even more ridiculous than anyone has claimed up to this time.

Mr. President, the eminent gentlemen who conducted this study and prepared this report constitute a nonpartisan group of nationally recognized experts in the field of conservation and use of our natural resources. They are Leslie A. Miller, former Governor of Wyoming, Chairman; Ralph Carr, former Governor of Colorado; John Dempsey, former Governor of New Mexico;

Horace Albright, former Director of the National Park Service; Donald H. McLaughlin, president of the Homestake Mining Corp.; Dr. Isaiah Bowman, president of Johns Hopkins University; Dr. Gilbert White, president of Haverford College; Prof. Samuel T. Dane, dean of the School of Forestry and Conservation, University of Michigan.

#### INVOLVES BILLIONS

Mr. President, the Pick-Sloan plan involves proposed expenditures of \$6,300,000,000 or more. This part of the Hoover Commission Report relates to current and urgent matters, of great concern to all the people of the Missouri Basin, all the taxpayers of the Nation, and to the Congress. I am sure my colleagues will agree with me that it should have widespread public circulation and study. I therefore ask that pertinent excerpts from the Hoover Commission's natural resources task force study be printed in the RECORD at this point in my remarks.

#### DEVELOPMENT OF MISSOURI BASIN RESOURCES— A CASE STUDY IN THE ORGANIZATION OF FEDERAL ACTIVITIES

(Excerpts from the Hoover Commission's Natural Resources Task Force Study)

#### BROAD PLANNING

The greater part of the agencies which are concerned with planning and operation in the [Missouri] basin act in terms of the authorized projects, with only passing reference to the likely economic and social pattern of the region. The Department of Agriculture should be commended for its insistence on planning, programming, and operation in terms of the rural economy as a whole, but no group as yet appears to be considering all aspects of the economy and society in an over-all valley program, and the relation of water and land resources to them. This is evident in the lack of any systematic plan for the development or encouragement of industry, industrial research on regional problems, or community planning. Yet diversification of opportunities for employment and opportunities for a better life for all classes in the region are very closely tied to such actions. Adequate consideration of them might even have changed some specifications for the engineering works. Even more important, there is no provision for continuing integrated action on these matters, which will become more real when the large engineering projects are completed. It would seem that regional conservation and development is not being looked upon as a dynamic process of indefinite duration, but is an emergency objective, which will drop out of focus until another emergency arises. A Department of Agriculture statement on one phase of the program might well be needed for the whole: "Making water available to a semidesert or subhumid area does not of itself guarantee successful development. Sound social and economic engineering is as essential to the success of

such projects as is adequate engineering of the physical \* \* \* plant."

#### IRRIGATION

These points emerge from the controversy concerning irrigation developments on the subhumid lands:

1. There is reasonable doubt as to the likelihood of farmer acceptance in the planable future of irrigation in the subhumid areas, which comprise more than half of the proposed irrigated lands in the Missouri Basin. Therefore there is reasonable doubt as to the ability of the Federal Government to obtain eventual reimbursement for expenditure on the extensive works required.

2. There is some question whether the scope of the proposed irrigation program, particularly in the eastern section of the basin, can be justified as essential to the stabilization of the rural or the regional economy.

3. There is reasonable doubt as to the size of production increase which will result from the application of irrigation.

4. There are not sufficient basic data at hand to form a valid judgment as to the desirability of developing the large irrigation projects authorized for the subhumid areas of the Missouri Basin.

5. It is entirely possible that the funds required for development of these subhumid irrigation projects would yield greater benefits in terms of increased agricultural commodity production (possibly many times) if they were directed otherwise. Among the possibilities which may be mentioned are (a) land drainage in humid sections; (b) seed-improvement programs; (c) supplemental irrigation in humid areas more likely to accept irrigation; and (d) production of food yeasts.

#### NAVIGATION

The present navigation channel plans call for a 9-foot channel from Sioux City to the river mouth. The amount of flow necessary to maintain this channel during the navigation season is not known exactly, but the figures most generally used are Corps of Engineers estimates of a discharge of about 30,000 cubic feet per second at Yankton, S. Dak., or 35,000 cubic feet per second at Kansas City. However, the Geological Survey records from 1929 to 1942 show a mean annual discharge at Yankton of only 21,780 cubic feet per second. On this basis Bureau of Reclamation testimony before a House committee in 1944 definitely suggested that the needs of both irrigation and navigation as planned could not be served consistently. \* \* \*

The further elements which should be considered in judgment on the water supply leaving the upper basin are:

1. Beneficial use may very well include industrial demands and general community needs considerably greater than amounts now devoted to them. \* \* \*



2. The Department of Agriculture considers the proposed irrigation development to be only part of eventual additions to the basin's irrigated lands. \* \* \*

3. Treatment and management of all land in the basin for soil conservation and on-the-spot water conservation, as proposed by the Department of Agriculture, may reduce the stream discharge of the upper basin. \* \* \*

Under the circumstances it appears entirely possible that dependable navigation facilities, ensuring attainment of the objectives sought by the people of the lower basin, and at the same time giving the people of the upper basin the water promised them under the 1944 and 1945 Flood Control Acts, will be obtained only by the construction of a slack-water channel with locks. Many works constructed for the open-water channel obviously will contribute little to a slack-water channel, and the need for the authorized big dams upstream will be affected.

#### ELECTRIC POWER

The total power possibilities of the basin may be considerably different from those contemplated in the Pick-Sloan plan. The studies of the Federal Power Commission indicate that the 1,600,000 kilowatts which the Pick-Sloan plan would provide is less than one-half of the total potential hydroelectric possibility of the Missouri Basin. The figure for potential installation is 5,000,000 kilowatts, from which an average annual generation of 25,000,000,000 kilowatt-hours could be expected.

#### WATER MANAGEMENT

There is no provision for unified management of water by the Federal and State agencies responsible for its use. The Corps of Engineers will control main-stem reservoirs from Fort Peck on downstream, managing them primarily for flood control and navigation, if they are to discharge their principal responsibilities. The Bureau of Reclamation will control most of the remaining dams, particularly on the tributaries, but they will contain space for flood storage and in certain cases may be also used for navigation purposes, so that operations for these and other purposes will require some regional center of unified control. These will be managed with priority for irrigation. Although both sets of reservoirs certainly are going to produce power, it is not unlikely that there will be waste water which could be avoided with a single management of all Federal facilities in the basin.

Lack of coordinated water management is also a feature of concern in the development of ground-water supplies. \* \* \*

#### ENGINEERING

At the time when the needs for irrigation, navigation, and flood control on the Missouri were being debated publicly by the agencies which later developed a combined plan, two features of the present authorized flood-control works were called into serious

question. W. G. Sloan, of the Bureau of Reclamation, testified before a Senate Commerce Subcommittee hearing concerning the large Garrison Dam in North Dakota, now under construction:

"It is unnecessary \* \* \* not worth the expenditure \* \* \* floods can be adequately controlled without it \* \* \* (it) floods out 50,000 acres of irrigable land, including 20,000 acres in an irrigation project just completed at a cost well over \$1,000,000."

It may also be noted that the earlier exhaustive engineering report on the Missouri by the Corps of Engineers also eliminated Garrison as a practical site for construction.

On the Gavins Point Dam in South Dakota Sloan offered similar conclusions:

"We think the Gavins Point Dam is unnecessary. \* \* \* It is very expensive for the benefits to be derived. \* \* \* As a power proposition the cost per kilowatt-hour is some 30 to 40 times the cost at any other dam. \* \* \* As a regulator its capacity is so small that all it does is to regulate daily flows and no seasonal flows. \* \* \* It has no flood-control value and practically no value to navigation. \* \* \* We recommend the elimination."

Although the reconciliation of the Pick and Sloan plans, which includes both dams, may be considered a tacit approval of the two on Mr. Sloan's part, his opinion concerning the need for them has never been retracted publicly. The only explanation offered of the reconciliation approval was made by H. D. Comstock in 1945, region 6, director for the Bureau of Reclamation, who is reported as saying:

"When the Bureau opposed the Garrison and Gavins Point Dams there was no complete program. When we reached an agreement we withdrew from the fields of flood control and navigation. We shall be the sole judge of requirements for reclamation. If the Army engineers say those dams are required for their functions, we have no opinion."

The Garrison Dam was justified in the original Pick plan primarily as a reservoir for storage of water to be diverted into the Dakotas for farm and domestic use. This plan, however, was shelved in the reconciliation document, and the Dakota water diversion is to be made from the Fort Peck Reservoir. The Garrison Dam was justified in the reconciliation document only with very general reference to flood control, navigation, irrigation, and silt collection to prolong the life of downstream reservoirs.

The Garrison issue was not laid entirely to rest with the reconciliation. A later controversy arose over the dam's height, which finally had to be settled in Congress. The dam was originally scheduled to operate at a pool level of 1,850 feet above sea level. As it is finally to be constructed, foundations will be laid for a dam capacity of operating at the 1,850-foot level, but the reservoir ac-

tually will not be permitted to operate above a 1,830-foot pool level. This hardly seems an economical procedure.

In view of the conflicting engineering opinions on the value of the Garrison and Gavins Point Dams, the lack of detailed justification for their construction, and the incompleteness of integrated flood-control investigations in the basin, the public may very well question those parts of the Pick-Sloan project as economical expenditures. They represent an eventual investment estimated in January 1948 at about \$218,000,000.

#### TROUBLES AHEAD

The questions on water which thus far remain unanswered are matters of special concern to the people of the region, and may lead them into later difficulty which will dwarf their past water controversies. As matters stand the uncertainties are approximately as follows:

##### (a) Navigation's or irrigation's water?

(a) The present storage system will not provide adequate water for the authorized irrigation works, and the authorized navigation channel during an extended dry period.

(b) In the event of conflicting demands for the same water, Federal statute promises priority to upstream interests.

(c) The discharge, or storage available for release during dry periods may actually be less than now calculated, because:

1. Total additions to irrigated area may be larger than those now proposed.

2. Industrial and other needs may cause withdrawals not now calculated.

3. Water retardation operations may lessen stream discharge.

(d) More water may be needed for navigation (to supply the 12-foot channel) than now estimated (for the 9-foot channel), if the benefits of competitive water transportation are to be given the lower valley.

Accordingly, in the event that the uncertain water supplies are ignored and navigation facilities are developed, and traffic assumes the proportions promised in official documents, there almost certainly will follow a legal contest to test the constitutionality of the O'Mahoney-Millikin amendment when drought comes. The prospect of this eventuality can only serve to generate a feeling of insecurity on the part of prospective water users in the upper basin, and in the end might result in unusable developments having been made in the upper basin, should the decision be in the lower basin's favor.

##### (b) Who takes account of industrial water needs?

Under the plans presented, the decisions made and the actions taken, the provision for industry is not entirely clear. First, its position as a water user is not completely secure. If west of the ninety-eighth meridian, it is given preference in water use over navigation by the amendment, but that cannot

be considered fully secure. Then also, what are its rights if conflict arises between it and other beneficial consumptive use within the upper basin? Furthermore, since the dams are to be managed for irrigation, flood control, and navigation, what assurance of firm power is there during extended dry periods? Attractions to industry in the upper basin are not at their best, so long as these uncertainties prevail, and that may be considered a definite loss to the people of the basin as a whole.

##### (c) How much will irrigators and other water users pay for their water?

The financial obligations of prospective water users in the Dakotas and Nebraska are not by any means clear, in spite of the estimates issued on amounts reimbursable. There is a possibility that the costs per acre may be much higher than those estimated. It is by no means certain that the net amount of land finally irrigated on the Nebraska-Dakotas projects will be as large as estimated in the Pick-Sloan plans. The amount of class I land in the proposed projects is unknown, and the extent of farmers' acceptance of irrigation is unknown, although some indications provide a pessimistic outlook. Therefore, it is entirely possible that the amount of good land which will actually be placed under water will be much less than that inferred in the general statistics on reimbursement. The capital cost obligations of these good lands may be very high. It has been estimated that in Nebraska they may run as high as \$500 an acre, if power contributions cannot offer material assistance. The Bureau of Reclamation itself estimates the irrigation repayment cost of one Kansas project at \$263 per acre. Clearly, then prospective water users have some reason for a feeling of insecurity in the present outlook.

##### (d) What will power rates be?

One of the reasons, from a regional point of view, for the investment of huge sums in water development, is the opportunity for obtaining cheap power. Improvement of rural living conditions, and particularly the attraction of industry are closely dependent on it. The relative cheapness of the probable power available is not yet assured, however. It is to be noted that the greater part of the large power-producing projects will be under Corps of Engineers control, to which the following provisions of section 5 of the Flood Control Act of 1944 apply:

Electric power and energy generated at reservoir projects under the control of the War Department and in the opinion of the Secretary of War not required in the operation of such projects shall be delivered to the Secretary of the Interior, who shall transmit and dispose of such power and energy in such manner as to encourage the most widespread use thereof at the lowest possible rates to consumers consistent with sound business

principles. \* \* \* Rate schedules shall be drawn having regard to the recovery \* \* \* of the cost of producing and transmitting such electric energy, including the amortization of the capital investment allocated to power over a reasonable period of years. \* \* \*

Since power's share of capital costs is going to be high, along with all other costs, and the provisions of the 1944 act are adhered to, one of two eventualities seems likely: (a) Power rates will not be low, or at least attractively low to industry in comparison with rates elsewhere; or (b) there will be little surplus revenue to assist in reimbursement for irrigation developments.

#### REGIONAL INTERESTS

It must be admitted that the programs are not ideal, that the job will not be completed even when present programs have been fully implemented, and that seeds of contention and difficulty will be left which may spring to life at any time. These are all matters of special concern to the people of the valley.

#### 1. Over-all responsibility and initiative:

The most conspicuous missing parts from the region's point of view are: (a) A means of considering the over-all social and economic objectives of the region (toward which all present effort should be directed); a means of evaluating the several programs in relation to those objectives; and an instrument for integrating the programs on some basis other than Federal agency compromise. (b) A means of continuing consideration of regional development and conservation problems, prepared for study, recommendation, and action on them as they arise.

It may be maintained that the Missouri Basin Inter-Agency Committee answers these needs. Only a far stretch of the imagination could fit it into this role. Among the reasons why it should not be considered adequate are:

(a) It has no authority, other than the separate delegations made to the agencies and States represented on the committee. It therefore has no capacity for decision, and any controversial issue must be referred by the separate channels to Washington for decision there. It has no staff for the study of problems concerning two or more of the programs.

(b) It does not have an over-all social and economic program, nor the means of formulating one in its present composition.

(c) Stabilizing the economy and improving living conditions for the region involves more than is embraced in the present problems. A stabilized income and social structure will not be provided on the plains by irrigation alone because its effects cannot possibly

touch the major part of the most susceptible dry-farming and ranching area remote from the large projects. This committee is not equipped to carry on the continuing research on industrial engineering problems relating to the development of raw materials, processing, plant-site location, employment, or the many other phases of a program of industrial encouragement. There is no provision for undertaking the complex task of balancing manufacturing and agriculture in the valley.

(d) The committee is not at present an agency for anticipating general problems, it is a forum for harmonizing established programs.

From one important point of view, then, the people of the Missouri Basin are not receiving all that might be provided for them at slight, if any, extra cost to the Nation beyond that now planned. In its present organization the Federal Government is not designed to provide either a temporary or a continuing agency for consideration of over-all social and economic problems in the Missouri Valley, while the States concerned have not yet shown themselves temperamentally inclined or financially able to support one. \* \* \*

#### ONE AGENCY NEEDED

The present system may also be criticized because there is no single administrative center in the region which can take leadership in pulling together the many segments for a comprehensive resources program for the entire basin. The State membership on the Missouri Basin Inter-Agency Committee, together with the public hearings procedure used by that committee, do not meet the need fully. They do not assure a basin-wide and active consciousness that the basin is a unit for coordinated management, despite the admission of informed public officials that it should be so regarded. The really important plans and decisions are made by separate Federal agencies responsible to a Washington desk or by the Congress or the President. Thus the present organization encourages centralization and the habits of dependence on centralized authority and largesse. A more unified organization in the basin should mitigate these tendencies.

One may raise doubts about the validity of the principal defense of the present organization of programs in the Missouri Basin (i. e., it is the most democratic procedure possible). Another more unified organization with less centralized agency responsibility, and more regional responsibility might presumably adhere more closely to the spirit of democracy in some respects, and probably would operate more efficiently.





dust. As to most other types of fish, our extensive study of the experiences of the Tennessee Valley Authority, convinces us that these large water basins behind these dams increases rather than diminishes the fish supply. Propagation of fish is carried on so much more extensively in these larger dam basins, than in the former normal river channels, that the fish life is thus greatly increased. The same thing can surely be done here.

#### POWER MOST IMPORTANT OF ALL RESOURCES

However, from more than a quarter of a century of intensive research and study of the power question on this entire continent, particularly in the Pacific Northwest, we are convinced that ultimately the needs for power in this Puget Sound region should compel the construction of all the dams outlined in this 308 report, for power purposes and for the other uses outlined in this report. We consider these dams of vastly greater benefits to the region than any other conceivable assets which the construction of these dams might diminish or even destroy.

We consider that the wealth which will be created from these dams when they are all ultimately built simply staggers the imagination. The experiences from the two dams so far constructed by the Federal Government on the Columbia convinces us that the benefits from these dams will be considerably greater than that outlined in this 308 report, and which we feel is based upon very conservative estimates of power production, stream flow, and other factors which enter into this ultimate wealth production from these dams.

#### PROPER AGENCIES TO CONSUMMATE 308 REPORT PLAN

We are not very well informed as to what particular agency, commission, authority, or body is recommended in this 308 report, for the execution of the plan outlined in it, except as to the construction of the dams and other major construction projects of the plan. We have been informed that it is expected that existing agencies will execute this 308 report plan.

We do not want our endorsement of this 308 report to be construed that we will not at some future date endorse Federal legislation creating a commission or authority, such as is now in the making, and as is commonly referred to as the Columbia Valley Authority.

#### OUTSTANDING RECORD OF TVA

We have throughout the entire history of the Tennessee Valley Authority made a very thorough and extensive research and study—getting all their reports, etc.—of the entire operations of this outstandingly successful Federal project throughout this TVA region. From this study, we are convinced beyond any question of doubt that the Tennessee Valley Authority projects are the best managed and most beneficial major Federal projects in all this Nation, except possibly our much misrepresented Post Office Department.

No major Federal project has been misrepresented and lied about so much by its enemies as this Tennessee Valley Authority, and has at the same time given such vast benefits in so short a time to all the people of the vast region in which it operates. However, the people and State officials in that region are no longer deceived, as are most of the people in the rest of this Nation, through this gross misrepresentation of this wonderful TVA project.

#### DIVIDED INTERESTS HAMPER OUR DEVELOPMENT

Right now, while this hearing is being conducted on this 308 report, we are experiencing the devastating, conflicting work of those leaders who should be unitedly leading us forward in the development of the vast natural resources of this Pacific Northwest. We have too many men of little vision.

Despite the fact that progress has been made in bringing about the vast benefits of our Bonneville Power Administration, the Columbia Basin project, our public utility districts, our municipal light plants, all these projects were vigorously opposed by the same selfish interests who are now opposed to the Tennessee Valley Authority, or to any Columbia River Authority. It is to be regretted that some of those interests must be named, if we are ever going to overcome this opposition, and really go forward in unity, as has been the case with the Tennessee Valley Authority, for the good of that region and mankind in general. We must eventually adopt a similar program in this region if we are ever going to reap the most benefits from all our resources.

As we write this report, we are told in the press in glaring headlines and over the radio, that our Governor and our Seattle Chamber of Commerce, and other powerful interests, are vigorously opposed to any Columbia River Authority. On the other hand, in equally blazing headlines we are told that our Secretary of State, our Seattle Congressman, and our President of the United States, and many others like them, are just as vigorously fighting for a Columbia River Authority, modeled after this outstandingly successful TVA.

#### OPPOSITION TO PROGRESS MUST CHANGE ATTITUDE

For more than a quarter of a century, some of us who are framing this report for this hearing, and have been prominently and actively crusading for these beneficial public power projects, have experienced this same kind of powerful opposition, from these very same interests—private power companies, chambers of commerce, governors, legislatures, press, and others. And here are some of the results:

For some weeks now, this Pacific Northwest region has been suffering the worst power shortage in our entire history, despite the fact that we have in our midst the greatest potential reserve of water power in all this Nation. Those interests, mostly private power companies, who are now "crying the loudest" for power, and unjustly blaming the Bonneville Power Administration for this shortage, are the very interests who just a few years ago opposed most of the necessary appropriations for the Bonneville Power Administration. Oh, what foolish, foolish people.

It is our candid opinion that under a Federal system modeled after the Tennessee Valley Authority, that most of this opposition to progress would soon dissipate itself and disappear, to the vast benefit of our wonderful region.

The only redeeming feature in this long and bitter struggle for human progress, in the development of the greatest of all our natural resources in this Pacific Northwest—our water power—has been the small measure of cooperation which we have from time to time been grudgingly given from certain factions of our press. However, may we add, that most of the powerful papers in this State have always been against our Bonneville Power Administration and public power in general, while some of them have assisted in this crusade from time to time.

#### CONCLUSIONS FROM LONG EXPERIENCES

In conclusion we wish to say that we are proud to have played a part in creating legislation which has enabled the creation of our public power projects, from the humblest municipal light plant up to the wonderful Bonneville power project, and which still would be only in the "dream stage" if these powerful, retarding opposition interests had not been overcome. Most of the pioneers of these projects are now gone to their reward or retired, but others among us have tried to carry forward the banner of progress which these pioneers have so boldly outlined for us.

It is our opinion that these potential water-power resources of this region are the greatest "gold mines" that a kind providence has given to this region. It is therefore hoped that at least the Federal Government will have vision and foresight enough to preserve and develop them for the benefit of all the people of this region, and to a lesser extent for the Nation as a whole.

We regret to say that too many of our own State of Washington so-called leaders have not had such vision. This is why we still have devastating floods, power shortages, and other evils, which better leadership might long ago have remedied.

#### THANKS FOR HEARING

We thank the Army engineers for having given us this opportunity of expressing to them, and through them, to other Federal officials, our brief opinion of the needs of this region, if these wonderful natural resources are to be developed to serve all our people, rather than to merely enrich a few special-interest groups or individuals. Thus we serve posterity. Thus is real progress made.

Respectfully submitted,

PUBLIC POWER COMMITTEE, PUGET SOUND REGION,  
J. C. UNGER, *Chairman*.  
TILLMAN K. GARRISON,  
*Assistant to the President, Washington State Federation of Labor*.  
ROY W. ATKINSON,  
*Regional Director, Congress of Industrial Organizations*.

Mr. HUMPHREY. Mr. President, I rise today to address the Senate for the first time. I am especially honored that I have been asked—and I gratefully accepted—to join the great and courageous senior Senator from Montana and the honorable junior Senator from Iowa in introducing this bill. This is a fitting issue and an appropriate moment for my first address on the floor of the Senate of the United States.

I rise today to speak for the Missouri Valley Administration—an integrated, soundly conceived and carefully planned program for the prosperity of the Nation and the development of the basin of the Missouri River.

I feel that this is the right time to speak out; it is an essential issue to speak for. The Missouri Valley Administration is vital to the Midwest. It is vital to my birthplace in South Dakota. It is essential for the progress of my present home, Minneapolis.

Our people in the Midwest have been looking at the miracle of the Tennessee Valley. They have seen cheap electric power created from the river's flow; they have seen industries grow up near the cheap power and they have watched the great atom plant working in the Tennessee Valley for the progress and peace of the world. They have seen irrigation and soil conservation, flood control, and navigation improve constantly in the Tennessee Basin. They have wondered, and they have every right to ask, Why cannot the same be done for our valley, for the Missouri Valley?

The Missouri Valley can prosper. As the Tennessee Valley grew under TVA, the Missouri can grow under MVA.

I speak now for my friends and neighbors in Missouri, the Dakotas, Iowa, Nebraska, Kansas, Colorado, Montana, Wyoming, and Minnesota. I speak for our citizens who live amidst great potential wealth, surrounded by wealth that is

locked up and going unused. This is the story, the fable of Croesus who had all the wealth he might want, who instead was destroyed by his wealth. So it is with the Missouri. Wealth is locked in its stream, unused; and every year that potential wealth flows over its banks and destroys and does not build.

The issue of a Missouri Valley Administration is not a sectional issue alone. The MVA is a vital program for the entire Nation. It is a national issue; it is a liberal issue. MVA will mean more and cheaper production from more and cheaper electricity. It means more diversified agriculture, providing crops in demand rather than crops in surplus. It means cheaper finished products because it will bring cheaper transportation of raw materials out of the valley. MVA can make a great contribution to food security for the world, because its soil-conservation provisions will improve and extend the conservation practices of the basin. MVA can strike a blow for free enterprise against monopoly in such fields as light metals and fertilizer where big business controls supply and controls price. New business growing from MVA's cheaper electric power can break the monopoly control.

Politically, MVA is a symbol, a symbol of liberalism to the large majority of Americans who voted liberal last November and in other Novembers. It is a symbol of progress and prosperity to the valley; a symbol of cheaper production and better distribution to the whole Nation.

In the debate which has arisen over the Missouri Valley, the same forces that have lined up in the other battles over liberal legislation are lined up again. On the one hand we have high-priced lobbyists for special interests, sniping constantly behind the scenes, lobbyists who have beaten MVA for several years. We have the large power companies, the railroads, the water-rights attorneys, and the general dissenters who want reaction at any cost.

On the other hand there is a familiar line-up, too. First, we have the inhabitants of the valley itself, people who every day are losing the wealth that can be created from the now destructive Missouri. On this side we also have the consumers of the whole country, looking always for cheaper and better goods. And on this side of the picture we have the same spokesmen for the interests of the people who have constantly, throughout their long and statesmanlike service, represented honestly what all the people want and deserve. I am humble and I am honored to join these great statesmen in support of this bill—in particular, to join the fearless, stalwart, and great liberal, the Senator from Montana [Mr. MURRAY], and his equally distinguished colleague the Senator from Iowa [Mr. GILLETTE].

The Missouri Valley Authority to me is just another section of the same battle that liberals have been waging throughout our generation. It is a fight for the rights of the people of the Missouri to the natural resources God has granted to all of them. MVA stands against the

monopolistic control of those resources by a few. MVA is economic liberty. It is individual rights. These are the goals for which I shall always fight.

Now let us look a little more closely at the line-up on this bill. Let us look at the opposition, at those who are fighting MVA.

First is the power lobby, whose rates in and near the Tennessee River were cut drastically by TVA.

Behind the power lobby, comes a fake development association formed of the contractors to the Army and the Bureau of Reclamation who now are engaged in a hodge-podge of contrary maneuvers in the Missouri Valley today.

Next come the railroads, who no longer believe in the competitive system. Last spring the Eightieth Congress eliminated any vestige of competitive action in the railroad industry with the Reed-Bulwinkle bill. Now the railroads are out to prevent MVA from opening up the ways to healthy competition from river transportation.

Finally come the water-rights attorneys who stand to lose their constant, sterile litigation over ownership of the resources of all the people, namely, water.

Monopolists are holding their breath all over the country. They are fighting MVA because MVA would successfully fight them. Besides the railroads and electric-power monopolies, MVA will challenge the Big Nine of the fertilizer industry and squeeze out monopoly profits and lower the price of fertilizer to our farmers. Financiers whose capital is tied up in eastern industries, have a big stake in keeping the Midwest from its most prosperous development—a development that would mean a higher standard of living for the entire Nation. Finally, light-metals industries could grow up around the new generators, to challenge the nearly complete one-firm monopoly in that field.

What we are asking, Mr. President, is not a subsidy or gift for the Missouri Valley. We are asking, rather, for a loan. That money will come back to the people in many ways. One way is cheaper electric power. Let me compare the rates that REA cooperatives were paying in the Missouri Valley in the fiscal year 1947 with what they would have paid under the TVA rates the same year. While TVA electric rates are not the lowest in the Nation, TVA's price of 5.53 mills per kilowatt-hour is 3 to 8 mills lower than the rates in the Missouri Valley.

I shall send to the desk a table showing the difference in electric rates for Missouri Valley electric consumers had they lived under the TVA. The Federal Power Commission reports show that in total electricity used in the MVA States, consumers pay \$100,000,000 a year more than they would have paid for the same electric service in the TVA area.

It is little wonder, then, that the electric-power lobbies are fighting MVA, just as they fought TVA some years ago. Let us look for a moment at the fight MVA's opponents are waging.

Public pressure for development of the valley is too great for the power interests to flatly oppose any development. While the sons and daughters of valley residents continue to move out of the valley, seeking greater opportunities, the power lobby cannot expect to speak against any and all development programs for the Missouri. So they support a totally inadequate development plan. They could not defend do-nothingism when floods alternate with drought, and power shortages plague the valley.

The plan they champion is called the Pick-Sloan plan, named for a general in the Army engineers and an employee in the Bureau of Reclamation.

The engineer's part of the plan is a great, flowing navigation channel from Sioux City, Iowa, to the mouth of the Missouri on the Mississippi. The channel is wide open. It will never generate any electricity for the unlighted sections of the valley. The Federal Power Commission has pointed out that there is a potential of 10- to 15-billion kilowatt-hours of electricity a year in the lower river. In technical terms, the river from Gavins Point, near Sioux City, to the mouth of the Missouri has a fall of 770 feet. The engineers are digging a navigation channel, and the electric power potential is overlooked. But the power potential is there, and MVA can produce electricity for the people of the valley. This potential is now being wasted.

That is the picture in the lower Missouri Valley. We have the words of Mr. Lester C. Walker, engineer of the Federal Power Commission, describing power development under the Pick-Sloan plan. Mr. Walker made the following remarks at a meeting of the Missouri Basin Interagency Committee at Cheyenne, Wyo., on January 14, 1947:

In our examination into the ultimate hydroelectric potentialities of the Missouri River Basin, we find with our as yet unfinished investigation that the 1,600,000 kilowatts provided by the Pick-Sloan plan of development is less than one-half of the total potential power of the basin. We consider 5,000,000 kilowatts with an average annual potential generation of 25,000,000,000 kilowatt-hours a somewhat conservative estimate of the potential hydroelectric power of the basin.

What about the upper Missouri Valley? We have Mr. Walker's words as to it, also:

The Bureau of Reclamation has approved sites in the Yellowstone Basin which will provide a total of 2,620,000 acre-feet of usable storage. The aggregate gross power head available at the project is 5,630 feet and it is proposed to install 315,000 kilowatts of generating capacity which will be capable of producing on the basis of estimated stream flow about 1,740,000,000 kilowatt-hours of energy per year.

In addition to these approved projects, the Army engineers have investigated storage sites in the Yellowstone Basin as reported in published 308 report capable of storing approximately 2,000,000 acre-feet. The aggregate gross power head at these sites investigated by the Army engineers is about 315,000 kilowatt-hours of installed capacity which could generate about 1,390,000,000 kilowatt-hours per year on the basis of present estimates. In addition to the proj-



ects approved for construction by the Bureau of Reclamation, and the storage site investigated by the Army engineers, the Federal Power Commission staff has given consideration to 16 additional sites with storage possibilities of about 4,000,000 acre-feet, combined power heads of 10,000 feet, installed capacity of 1,400,000 kilowatt-hours, and a possible average output of 7,000,000,000 kilowatt-hours. The staff recognizes that if the potential head between Billings, Mont., and Glendive were developed it would provide about 1,000,000 kilowatt-hours of installation and approximately 5,000,000,000 kilowatt-hours of average annual energy.

Mr. President, the meaning of Mr. Walker's remarks is that more than 60 percent of the electric potential of the Yellowstone River, a tributary of the Missouri, is being ignored. Mr. Walker's remarks further show that present plans overlook the real possibilities of the Yellowstone. His remarks show that neither the Army engineers nor the Bureau of Reclamation have even made a full study of the Yellowstone and do not have anything like a full plan for that tributary. The present plans for power plants on the Missouri show that there are no over-all plans.

W. Glenn Sloan, Administrator of the Bureau of Reclamation's work in the valley, testified at a congressional hearing in 1944 that the enormous Garrison Dam, estimated to cost \$130,000,000 in 1940 and now probably costing \$200,000,000, was unnecessary and not worth the expenditure. In regard to Gavins Point Dam, he testified:

As a power proposition, the cost per kilowatt-hour for development there is some 30 to 40 times the cost of power at any of these other dams.

We might ask them then why those particular dams were built at all, and why the power lobby, usually concerned about Government economy, is pleased as Punch with the Pick-Sloan plan that built these wasteful projects. The only answer we can gather is that the private-power monopolies want public power to fail. Electricity at Gavins Point will cost several cents a kilowatt-hour, many times what it should. We have that on the record and on the word of Mr. Sloan himself.

We can say then at the outset, without fear of contradiction, that the present Pick-Sloan plan is not what the proposed Missouri Valley Administration will be—an all-purpose, integrated program for democratic planning and democratic use of all the resources of Missouri. One of the most needed and most prevalent of the Missouri's resources, electricity, is not being tapped to any degree. Where it is planned, it is planned so poorly as to discredit the whole project. The Pick-Sloan plan as a producer of needed, cheap electricity is failing. A healthy Missouri Valley Administration must replace it.

This is not to say that Pick-Sloan is a deliberate failure, that it is a careful plan by the power monopoly to maintain the electric shortage and the sellers' market in power. The failure of Pick-Sloan is rather a demonstration of the impossibility of planning for the best use

of the Missouri Valley through two separate agencies. One agency is a necessity, and the answer obviously is the MVA.

Standing shoulder to shoulder with the power lobby against MVA, and against a sane plan for using the Missouri to its fullest extent for the benefit for all, are half a dozen other lobbies. About 4 years ago 31 organizations, supposedly interested in land and water development, were joined together in a coordinating committee, dedicated to the defeat of the Missouri Valley Authority. The National Reclamation Association, a lobby representing a variety of vested interests, joined with the so-called water councils and development associations, including the Propeller Club, the Pittsburgh Coal Exchange, and the American Power Boat Association, to see that MVA should not pass Congress. This group distributed 60,000 copies of a propaganda pamphlet by Mr. Clifford Stone, director of the Colorado State Water Conservation Board and vice president of the National Reclamation Association. Mr. Stone goes unregistered as a lobbyist because he is a Colorado public official. It was this coalition of "anti" lobbies that bore the real fight for an undeveloped and underdeveloped Missouri Valley.

While this coalition tried to pass itself off as an unbiased civic-minded group, those who know the National Reclamation Association were not fooled. About 50 of the association's members are private power company representatives. At least another 50 are railroad people. The West knows the National Reclamation Association for its constant fronting for special interests.

I cannot imagine what the Propeller Club and the American Power Boat Association are or what their interest in MVA might be. Nor am I acquainted with the Pittsburgh Coal Exchange, though I do know of a few towns in the 10 valley States that are named Pittsburgh. None of them seems to have a coal association, however, so I must assume the anti-MVA lobby is from Pittsburgh, Pa., a thousand miles from the nearest bank of the Missouri. I should further suspect from the organization's title that the group has coal to sell. In their opposition to MVA lies a magnificent argument for an MVA. Obviously a pressure group outside the valley, especially one with coal for sale, is interested in the kind of development of the valley which would result in the least amount of water power. That is not MVA. MVA will produce cheap water power and will compete with expensive coal. It will make possible constructive industries and will compete with vested industries of the East who have cheaper coal than the Midwest can get. I rather welcome the Pittsburgh Coal Exchange into the fold of our opposition on this issue. They make our case for us.

While this small group of Pennsylvanians on the Pittsburgh Coal Exchange is opposed to MVA, their grass roots are planted somewhat outside the valley. What seems to be more important is that the grass roots in the Missouri Valley are for MVA. I suppose it still is not too

safe to talk about public-opinion polls, but I think we can rely on this one because of the large majority that MVA had in its favor in a Roper poll of last November. At that time 76 percent thought TVA and similar projects were good; only 6 percent opposed them. As to the valley itself, I cannot speak for all its people, but I can say the overwhelming majority of the men and women I know in the valley favor MVA without a doubt. I am supported in that opinion by one of the few successful public-opinion polls of last November, the Minnesota poll that actually predicted Minnesota would carry for President Truman. In November 1947 the Minnesota poll showed that three out of every four Minnesotans who had heard of the MVA proposal were in favor of it.

But the handful of willful men who have financial interests in the electric power industry, or who have coal interests or eastern industrial interests or railroad interests, have fought to a standstill the overwhelming majority of Missouri Valley residents and the best interests of the entire Nation. The water lobby coordinating committee has constantly fought the interests of western development. While these lobbyists have attempted to appear innocent of any evil intent toward the West, the National Reclamation Association let its position against sound reclamation come out in the open after it succeeded in defeating the first MVA bill.

Mr. LANGER. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator yield for Minnesota?

Mr. HUMPHREY. I yield for a question.

Mr. LANGER. Is the Senator familiar with the poll taken by the Farmers Union, covering 8 States?

Mr. HUMPHREY. No; I am not.

Mr. LANGER. That poll showed the vote in favor of MVA to be over 90 percent among the members and among others living in the 8 States.

Mr. HUMPHREY. I am very grateful to the Senator from North Dakota for his remarks, because the families of the men who represent the Farmers Union, are living on the family-sized farms. They are desperately in need of electrical power and of the benefits which MVA could provide for the people of the Midwest.

Mr. MAGNUSON. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator yield for Minnesota?

Mr. HUMPHREY. I yield for a question.

Mr. MAGNUSON. I was very much interested in what the Senator had to say. I cannot refrain from remarking that the people in the Senator's area seem to be having the same trouble we had in the Pacific Northwest. I hope they will continue their fight. We did, and as a result of doing the very thing the Senator from Minnesota is attempting to do, we succeeded in obtaining cheap electric power.



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