January 1933 was one of the darkest months of the Great Depression. President-elect Roosevelt was busy organizing his cabinet to tackle the despair of the economy. For example, ideas he had formulated from his experiences with Georgia farmers helped him to create the Agricultural Adjustment Act (AAA).

As he saw bank after bank close in Georgia, with farmers losing their homes and lands, he thought of ways to re-organize our financial system. Result: The creation of the FDIC. He also established the Farm Mortgage Relief Act to aid displaced farmers. These are just a couple examples. But one of the greatest New Deal programs came about because of a “field trip” to Muscle Shoals, Alabama.

When President-Elect Franklin D. Roosevelt went to Muscle Shoals that January to view the Wilson Dam, senators George Norris, Kenneth McKellar, Clarence Dill, Tennessee Governor Hill McAlister, Alabama Governor Benjamin M. Miller, and Roosevelt’s daughter accompanied him.

FDR’s main interest was flood control of the region, but that quickly evolved into hydro-electric power, commerce through navigable waterways, and all the jobs that would be created by building dams, locks, and power plants. Thousands of other jobs would be created on the periphery. Everything from suppliers to diners, schools to garages and shopkeepers. It would help against the Great Depression.

(continued)
When FDR and his team returned to the Little White House in Warm Springs, they began planning what would be a major program of the New Deal: The Tennessee Valley Authority (TVA). On May 1933, the TVA came into existence to provide navigation, flood control, electricity generation, fertilizer manufacturing, and economic development in the Tennessee Valley, a region particularly affected by the Great Depression. Its service area covers most of Tennessee, portions of Alabama, Mississippi, and Kentucky, and small slices of Georgia, North Carolina, and Virginia and soon became a boon for the people of the region.

Controversy arose when Republican leaders questioned whether or not the TVA was a business and that government ought not be in the business of electrical power generation. This eventually landed in the Supreme Court that ruled TVA to be constitutional. The Court noted that regulating commerce among the states includes regulation of streams and that controlling floods is required for keeping streams navigable. The war powers also authorized the project. The argument before the court was that electricity generation was a by-product of navigation and flood control and therefore could be considered constitutional.

At the outbreak of World War II, TVA's power system was the largest in the South and one of the 10 largest in the country. Were it not for TVA, we could not have delivered the needed phosphorus required for bombs, bullets and shells. TVA electricity provided the electricity to generate aluminum manufacturing for planes and also provided much of the electricity needed for uranium enrichment at Oak Ridge, Tennessee, as required for the Manhattan Project and the making of the atomic bomb. TVA's system of locks and channels enabled federal ship-building efforts to construct ocean-going vessels such as Liberty ships and patrol torpedo boats at inland shipyards. At war's end, the TVA system was producing nearly 12 billion kilowatt hours of electricity annually, with 8 billion kilowatts devoted to war-related industries.
So, how did the Little White House help win the Second World War? Back in 1934, a year after the TVA had been created, President Roosevelt was at his Warm Springs cottage where he held a press conference.

Reporters asked the President at a press conference:

PRESS: “Do you mind telling us what your ideas are regarding the private power companies?”

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

MR. STORM: I was here.

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

TVA not only provided affordable electricity to rural areas of the south, it brought our farmers into the twentieth century. Wages were raised, unskilled laborers obtained new jobs, construction and engineering jobs increased, schools were constructed and literacy levels increased. Outdated farming practices, causing poor erosion and poor logging practices that had denuded the forests were updated for better production levels. The success of the TVA ultimately led FDR to consider how to electrify the country. As only 1 in 10 farm homes in the US had power, most were still living in the nineteenth century. This led to the creation of the Rural Electrification Administration (REA). With that, the modernization of rural America began.

FDR directly credited his cottage in Warm Springs, Georgia’s first power bill with the creation of the REA. Although our entry into the Second World War was six years away, were it not for programs like the TVA and the REA, we could not have generated the electricity needed to unleash the power of the atom, the aluminum for planes, the steel for Liberty ships, the nitrates used for munitions of war, or the food needed for our fighting forces.

If Warm Springs had not occurred in the life of Franklin D. Roosevelt, we may not have had the TVA, CCC, REA, FDIC or any of the New Deal programs that would modernize our nation. Germany was modernizing their economy with road construction, military buildup, nuclear research, rocketry, jet airplanes and other tools of war. The world was headed toward war, whether or not the United States was ready. If FDR had not gone to Muscle Shoals, come back to his Little White House and outline the TVA project, we may not have been ready for what was to come.
For more information about Roosevelt's Little White House, scheduling tours and hours of operation, please visit our website: www.GeorgiaStateParks.org or like us at www.Facebook.com/littlewhitehouse