

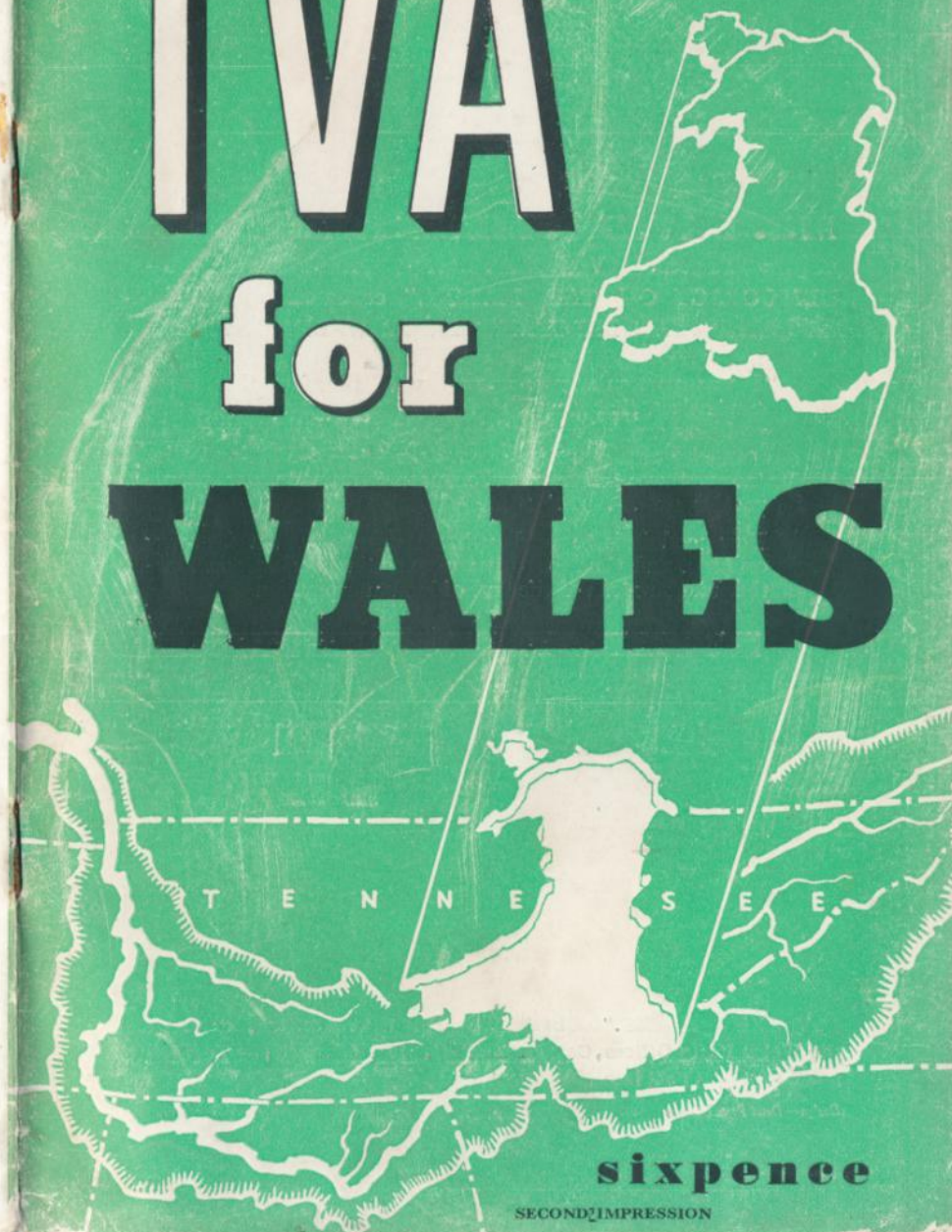
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# TVA for WALES



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SECOND IMPRESSION

**MR. DAVID E. LILIENTHAL**, Chairman of the Tennessee Valley Authority, author of "TVA—DEMOCRACY ON THE MARCH," commenting on the pamphlet "PLAN ELECTRICITY FOR WALES," has said:

"I was particularly impressed with the fact that it is emphasized that 'in Wales too, electrical and economic problems are *indivisible*,' that the life of the Welsh people 'cannot be split up into compartments . . . , and that 'no venture . . . can be successful unless our people participate . . . .'"

How good it is to read such statements from a far-away country, and thus to realise once again how *universal* are the fundamentals of life and of human aspiration.

"TVA FOR WALES." Obtainable through booksellers, or from the Welsh Party Offices, Caernarfon (Tel. 217). 6d. each; by Post 7d. per dozen 4/6, post free

Design—Dauel Prys Thomas

# TVA FOR WALES

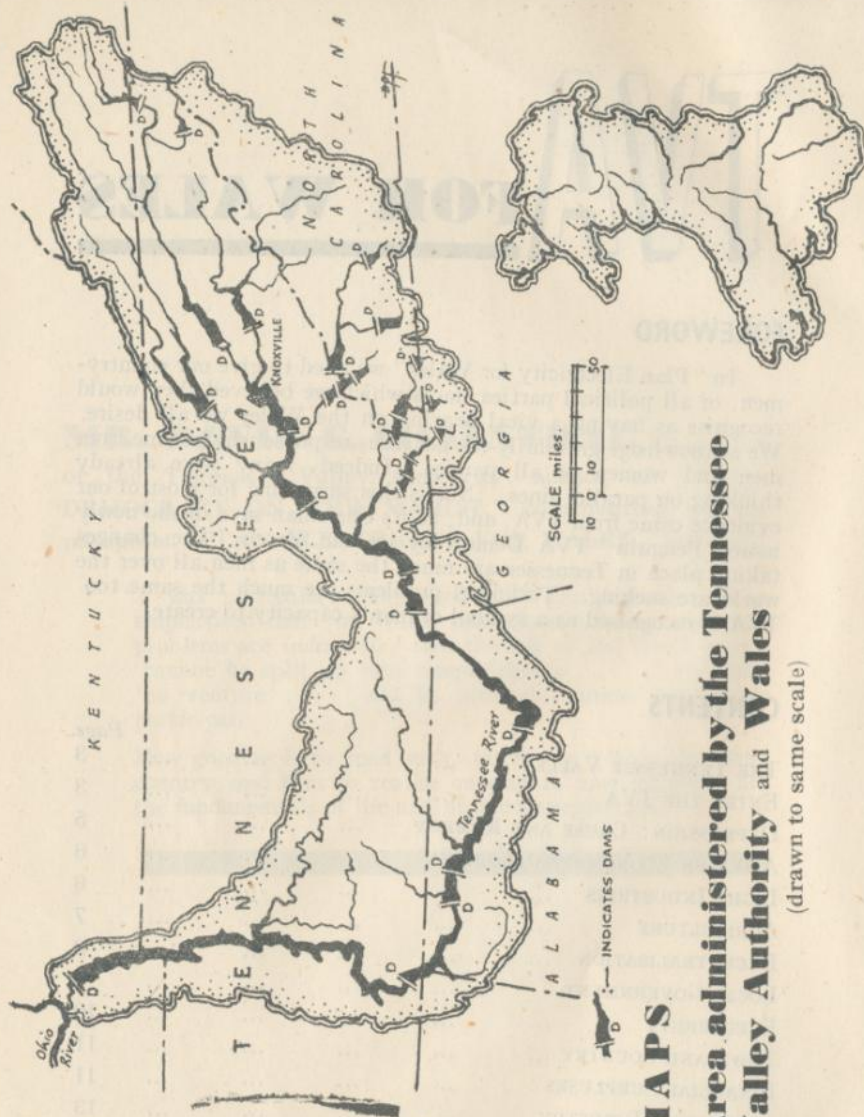
## FOREWORD

In "Plan Electricity for Wales" we tried to give our countrymen, of all political parties, facts which we believed they would recognise as having a vital bearing on the Wales we all desire. We acknowledge gratefully the generous response which came from men and women of all parties. Indeed, many were already thinking on parallel lines. Nor is this surprising for most of our evidence came from TVA, and, as its Chairman says in the newly issued Penguin "TVA Democracy on the March," the changes taking place in Tennessee are much the same as men all over the world are seeking. Technical problems are much the same too. TVA is recognised as a symbol of man's capacity to create.

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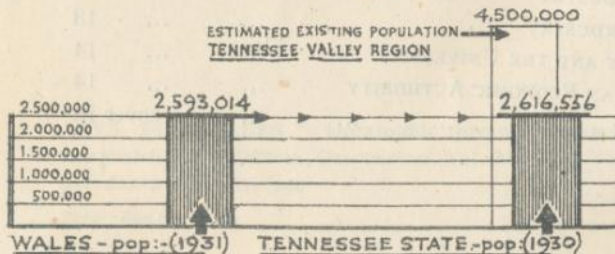




## MAPS

Area administered by the Tennessee Valley Authority and Wales

(drawn to same scale)



POPULATION COMPARISONS

# TVA FOR WALES

## THE TENNESSEE VALLEY

"You of the Tennessee Valley are living today as you will not be living 25 years hence. Your lives are going to be changed, first of all by electricity. Then you are going to be changed by the responsibilities of operating this electricity. This will make you co-operative, forward-looking, and hopeful of the future where now your only hope lies in the beyond."

So wrote E. A. Woods in 1935, two years after U.S. Congress created TVA. But only 8 years later, in 1943, a Tennessee editor could say:

"we can write of great dams . . . of the building of home grown industry, and of electricity at last coming to the farms and the Valley. Yet the significant advance has been made in the thinking of the people. They are no longer afraid. They can stand now . . . and say if industry doesn't come into the Valley, then we'll build our own industry. This they are doing today."

Tennessee of 1933 was a depressed region: rich enough in natural resources, but impoverished by wasteful exploitation and lack of foresight. Copper, for instance, was mined and refined in a way which ruined large tracts of agricultural land. Coal and iron industries, among the most important developments of the region, were stagnant. Timber was destroyed. Farms were becoming derelict. And accompanying and aggravating the agricultural and industrial collapse came soil erosion and flood.

## ENTER THE TVA

Even before spectacular flooding of the Valley drew attention to its deterioration, the U.S.A. Congress had, as far back as 1899, considered a combined scheme of a canal and power station. "That the receipts from power should be made to cover the costs of the improvements so far as practicable, was stated in clear terms."\*

This, and several later schemes, failed to materialise, and it was the need for finding a use for two war-time nitrate plants which brought the matter to a head.

After several unsuccessful attempts it was realised that a satisfactory solution meant co-ordinating power, water control, and activities for stimulating trade and agriculture in one general programme, and, in 1933, President Roosevelt emphasised this as a necessity for a better distribution and diversification of industry, and for a revitalised agriculture.

\*Report of Joint Committee Investigating TVA, 1939.



"I therefore suggest to Congress," he said, "legislation to create a Tennessee Valley Authority . . . charged with the broadest duty of planning for the proper use, conservation, and development of the natural resources of the Tennessee basin, and its adjoining territory, for the general social and economic welfare of the nation."

As D. E. Lilienthal put it: *"For the first time a President and Congress viewed the problem of a region as a 'seamless web' recognising that one strand cannot be torn without affecting every other strand. The problems of the Tennessee Valley were viewed as a single problem of many parts, rather than dissected into separate bits in order to fit the pigeon holes of existing Government Departments."*

Thus was born an Authority to operate in a territory with over four million inhabitants, later described by Congress Committee as being "a regional planning agency, decentralised from Washington, devoted to the improvement of the economy of the region, which has stimulated regional planning and awakened consciousness of common problems and a desire to solve them."

The TVA is under a Board of three paid officials, a chairman and two others. These men, who are forbidden to undertake any other occupation, are appointed by the President of U.S.A. with the advice of Congress. They must guide the activities of the authority on the lines, and for the specific purposes, clearly defined in the TVA Act. These purposes are water control, the provision of cheap electricity with special attention to agriculture, local industry, and domestic users; the cheapening of fertilizers; research and demonstrations for assisting industry and agriculture research which suggests new industrial developments in the region; and advisory assistance to local authorities, agriculture, and industry.

To carry this out it is expected to work with local authorities and bodies already in existence. For instance, certain research work is undertaken by the TVA and universities working together, or in other instances, the whole investigation may be carried out at TVA expense by the university on problems set by TVA. Farmers and TVA thrash out agricultural problems; industrialists and TVA keep in constant touch; but probably its closest collaboration is with local authorities.

When the new TVA came into being, water control organisations, already in existence, were passed over to it, and today its assets consist mainly of structures connected with power, stations, navigation, flood control, and 'grid' electricity lines. The power stations are mainly hydro-electric. In 1939 there was little steam power, but in 1941 over one-fifth of the power was from steam plant and the proportion varies. During slack hours steam plant is used extensively, thus saving water. Here, we must warn readers against having exaggerated ideas on the relative cost of steam generation and hydro-electricity.

Power from the hydro-electric and steam stations, with added

purchases of power from external sources, is passed on to local undertakings at low bulk supply prices, with preferential treatment to local authorities and non-profit bodies, as laid down by TVA Act. Its interest in the disposal of electricity does not, however, end with the sale of local distributors. By far the greater proportion of electricity costs occurred, as they do in Wales today, between bulk supply and consumers' meters; and it is to the TVA's insistence on the low retail prices that the electrical programme owes its success.

Increased consumption of electricity, stimulated by TVA policy, benefits the region generally, increases the financial strength of local undertakings, promotes industrial activity, improves home life, and fosters new agricultural developments. The cheapness of power guarantees its extensive use, but guidance into methods of applying it most effectively is an added contribution of TVA to prosperity, and not the least of its contributions.

Its research and advisory facilities enable the small manufacturer and farmer to obtain specialised advice which hitherto had only been open to great combines. These facilities are also operated jointly with local bodies and existing institutions.

A striking thing about TVA is **"the way its successful co-operation with local authorities has strengthened the confidence of the people in their own institutions."**\*

It is in similar voluntary co-operation with Welsh local authorities and institutions that a Welsh Economic Authority, modelled on comparable lines, could find an outlet for effective action in bringing prosperity to Wales.

## DEPRESSION: CAUSE AND REMEDY

That the depressions which swept both Tennessee and Wales sprang from the same roots can be judged from TVA Chairman's analysis of both cause and remedy. *"When a people,"* he says, *"rely almost exclusively for their living on the extraction of raw materials, wheat or coal, and depend little on the processing by manufacture of those raw materials, these resources are under a severe drain to support a growing population."* However, he goes on to say: *"The pressure to deplete resources can be lessened by the growth of industries which electric power encourages."*

But resources must be developed in unity and *"resources cannot be developed in unity until a region and its problems are seen in its entirety."*

That is to say, new industries are needed in Wales which do more than use the resources of the region; they must, themselves, or through subsidiary industries which they make possible, build

\*Report of Joint Committee Investigating TVA 1939.



its tangible wealth so that there is compensation, and more, for the loss of these raw materials. It is a necessary duty of the people of Wales to insist that our physical wealth is maintained and wisely used. External and sectional interests cannot be expected to have this at heart.

## WELSH ECONOMIC AUTHORITY AND PROSPEROUS INDUSTRY

The Welsh Economic Authority would enable local electricity distributors to provide the cheap electricity which encourages industries.

More than that, its powerful resources of research and expertness would discover and publish methods of establishing the industries most helpful to the region. The TVA's fertilizer programme, for instance, deliberately cheapens fertilizer most beneficial to soil and farmer, whilst withholding its interest from those which deplete the soil.

Cheap electric power in Tennessee is opening up an extensive field for new uses of coal and iron. Electro-metallurgical methods promise a bright future for iron alloys. New techniques are making use of mined and quarried material hitherto of no commercial value. Chemical industrialists are encouraged to consider the raw materials of the region.

Pointers to profitable new enterprises are periodically passing out of TVA laboratories, and its surveys of mineral resources, transport facilities, and local characteristics are of particular value.

As regards transport, the TVA has done excellent service in placing before President Roosevelt a scheme for overcoming the disparity of costs between undeveloped localities and the more fortunate ones. High transport costs are a great drag on parts of Wales too.

## LIGHT INDUSTRIES

This question of transport cost is most serious in Welsh areas which need light industry, and the matter is one which needs immediate consideration by a Welsh Economic Authority. **Light industry when built up can have much effect in warding off the depressions to which Wales has been subject in recent years.** The TVA has shown this. In 1939, the Tennessee Valley had 721 more manufacturing plants than in 1933, and 40,952 more industrial wage earners.

The report of the Congress Committee makes an interesting comment on electricity's part in attracting these light industries. Excluding the two largest towns, the sales of electricity for

industrial use increased 43.6% in 1938 as compared with 1937. These increases, the report says, "*may be considered as representative of the inducement effect of the TVA industrial rate on small local industry.*"

This need for light industry in Wales needs no emphasis, but it is sometimes overlooked that the most prosperous industries are often those which cater for entirely new requirements, and that these are the very industries which, if they are to be established in Wales will need far-seeing preparatory work within the region by experts who have their fingers on modern developments and trends.

The prosperity of these new industries would benefit existing occupations and encourage subsidiary industries. It would probably devolve on the Authority, however, to see that there were adequate facilities for the servicing of industry. One of the reasons why manufacturers sometimes shun remoter areas is the fear of plant breakdown of long duration.

It is of interest to note, here, that a large number of local industries have come into being in Tennessee as a direct result of the new and simplified apparatus which TVA has produced for local agriculture, as this apparatus is designed for local construction, and blue prints are available on request.

## AGRICULTURE

Apparatus for use in agriculture is not limited to existing activities of Tennessee mountain farmers, but is also designed to make new income-producing crops a commercial proposition. Thus new quick freezing apparatus enables strawberries and other fruits to be delivered in fresh condition after a considerable lapse of time. The process must not be confused with refrigeration storage.

This quick freezing of fruit preserves the flavour. The method is to pass fruit or vegetables, such as strawberries and peas through a refrigerant liquid which, in the case of strawberries is a sugar solution at 5°F. Strawberries take six minutes: peas 30 to 50 seconds. Such vegetables as asparagus are also dealt with in this manner.

The operation costs one-eighth of a penny per pound, but profits to the grower have been doubled owing to better marketing possibilities and the prevention of gluts. Four million pounds of blackberries, which would otherwise have been wasted, were marketed in 1943 by the Tennessee Extension Service who organised the harvesting, etc., whilst the TVA assisted in the technical details. Thousands of pounds worth of strawberries preserved by TVA methods have come to Britain under Lend-Lease.

TVA interest in agriculture has proved of immense benefit to the region. Working with Government Departments, colleges,



local bodies, and the farmer himself, it has produced some remarkable results. Increases in yield have been phenomenal.

The TVA Act permits fertilizers manufactured by TVA to be sold or given away to demonstration farms. The latter alternative has been adopted, and 28,000 tons of phosphate were given away in 1941.

These "demonstration farms" are not show places, but farms of ordinary farmers, who, in return for the fertilizer, agree to adopt a programme conforming to good farm practice, and agree to an inventory of results being kept. In this they are assisted by agricultural organisations and colleges by arrangement with TVA. Twenty thousand farmers have volunteered and the methods have been adopted by their neighbours, too, for the tendency has been for neighbouring farmers to act together in 'weighing up' results.

In some communities beef and dairy cattle have been doubled since 1937, and head of sheep have increased by a quarter. The increasing fertility of the land has resulted in heavier and more nutritious crops, and, in consequence, there has been a corresponding stimulus in private fertilizer industry, and in the light industries which cater for agriculture.

A study of results on demonstration farms showed that farm incomes had risen by over one-third in three years and that these ordinary farmers had increased their holdings of live stock, feed, machinery, equipment and buildings, by sixteen times as much as they had three years previously.

Increases in live stock efficiency in the Ohio portion of TVA territory was as follows:—

	per cent. increase.
Butter sales per cow ... ..	38
Pigs raised per sow ... ..	30
Lambs raised per 100 ewes ... ..	11
Eggs sold per hen ... ..	12
Milk and cream sales per cow ... ..	66
Returns per £1 worth of feed ... ..	12

The new prosperity in the region enabled the products to be readily absorbed, with consequent benefit to farmer and general health.

In Wales we have agricultural experts second to none. Our farmers are highly capable. If they are given wider opportunities, which collaboration with a Welsh Economic Authority can supply, the results cannot but be satisfactory.

## DECENTRALISATION

In some of the most beneficial developments, however, the TVA's part is an indirect, if vital, one.

The Congress Committee reported:

*"The Authority has recognised that planning can but suggest and that any development in the future, as it has been in the past, will be in the hands of local communities. The presence of this regional planning agency, decentralised from Washington, has stimulated the desire to solve the problems of the region."*

The TVA Chairman further emphasised this point, thus—

*"In calling upon local agency to share responsibility instead of setting up a TVA organisation to do a specific job alone, we have deliberately tried to start something that local forces might later carry on, on their own. We have tried to put every new activity in the stream of the region's life."*

The value of ensuring that all planning springs from the people concerned is emphasised by British writers too. Cole points out that under absentee control "a people neither feels nor has responsibility for its own improvement. It is hard under such circumstances to generate the enthusiastic will to progress which is needed to lift a nation out of poverty and stagnation."

On the same subject Laski has this to say—"The evidence is too strong on all hands; I willingly and gladly acknowledge that a nation that is given the responsibility for its own destiny, by that means gains a breadth of outlook which it cannot achieve in any other way. Self-respect, vigour and creative energy; all these definitely emanate from self-government."

## LOCAL GOVERNMENT

In Wales decisions of far-reaching effect on her development are impending. The future of local government, too, is under review. Evidence may be brought to show that many local authorities work under handicap of limited resources.\*

There is no evidence, however, that Welsh local authorities, given suitable conditions, cannot surmount the problems which modern developments will present. Nor does this proviso "suitable conditions" involve changes in their present democratic form. To contrary opinion, we would point out the vigour of local authorities, the strength of local community life, and the social and financial gains which have accrued in the Tennessee Valley.

In a decade TVA, working, as the Act of Congress directs, through local authorities and established bodies and institutions, has dispelled despair and generated an atmosphere of confidence a spirit of resourcefulness, and a healthy financial background, whose outward symbols are new industries, prosperous farms, and a people who "have caught the vision of their own powers."

Similarly, the Welsh remedy lies not in centralisation but in a public agency to work with Welsh Authorities, a focal

\*We write before publication of the White Paper on this subject.



point to mobilise their resources for uses beneficial to the region. This would apply to projects beyond the ability of individual authorities. In other words, the agency would supplement and not supplant existing functionaries.

## ELECTRICITY

A good example of the implications is found in electricity. "Plan Electricity for Wales" showed how increasing consumption by lowering tariffs was economically sound, as well as of immense benefit to the community. "*The new way of looking at electricity.*" Lilienthal now calls it in "TVA DEMOCRACY ON THE MARCH."

We suggested bulk supply passing through, and generation and 'grid' lines together with rural lines, supervised and co-ordinated by the Welsh Economic Authority, with local distributors retaining full control of their undertakings, but contracting with the Authority to pass on to their consumers the benefits of pre-arranged low tariffs.

This means that all purchases of bulk supply would be from the Authority, which would arrange that generation programmes and 'grid' lines were adequate. But in each contract for bulk supply made with local distributors, a clause would be inserted specifying the retail tariff. This is the secret of TVA cheap electricity. It is in this way that it provides cheap bulk supply and ensures that there is no subsequent bottleneck in distribution.

This method, besides providing local distributors with the services of a team of specialists on call, has proved in the case of Tennessee to have increased the earning capacity of individual distributors; or to quote Lilienthal, once more,

"the financial and operating results have been good; many remarkable successes with high earnings and low operating costs . . . Bringing electricity to the people in this way has tapped resources of local pride and friendly rivalry which may mean as much to the Tennessee Valley, a decade hence, as a billion units."

That is to say, cheap electricity, operated by local undertakings, has given local communities wider opportunities, a feeling of getting somewhere, feeling that their own efforts to improve conditions are effective, and are being rewarded.

The TVA supplies 129 local distributors in this way, and the method is in direct contrast to the consolidation which the McGowan Report once considered essential in this island. There are still adherents to this Victorian idea "the bigger the better." TVA evidence on this point is valuable, for consolidation would mean the disappearance of many Welsh undertakings. It would also destroy the opportunity for the people to share responsibilities, upon which TVA lays such stress.

## TOWN AND COUNTRY

Distribution of electricity in *rural* areas is often the responsibility of a *co-operative* organisation formed by the inhabitants of the area. The North Georgia co-operative, for instance, is one whose owners and consumers are almost entirely farmers. According to the 1941 TVA Annual Report, co-operatives showed a combined net income of £6,950. The 1943 Annual Report showed an increase of £31,400.

The average cost of units sold by these co-operatives in 1943 was 1.10d. This is only slightly higher than the municipalities' average of 0.95d. per unit.

The co-operatives are financially self-reliant, but technically they may be fathered by TVA until their experience is adequate. The success of these co-operatives may remind many readers of the suggestion of Public Utility Boards to undertake rural development, made by the Welsh National Party in 1938 and supported by the Electricity Commissioners.

In Wales, outside the confines of local authority undertakings, special responsibility would devolve on the Economic Authority to see that rural developments were adequate. The "*new way of looking at electricity*" must, however, be supplemented by promotional activities such as the Economic Authority can provide.

Present high prices and low usage in Welsh towns do not mean inefficiency, but they do show the need for tariffs which stimulate use, to be coupled with activities which stimulate trade.

A purely electrical body, even with the means of overcoming the present bottleneck between generation and consumer, is inadequate.

An Economic Authority, which, like TVA, can produce financial surpluses from power, and can use these surpluses for trade promotion, further increases use and consequently decreases the price of electricity still further, thereby, keeping the spiral of prosperity going. (The appendix gives statistics for price and consumption of domestic electricity in Welsh towns).

## FINANCIAL SURPLUSES

As electricity is a key to, and measure of, new wealth, it is of vital importance that it should be controlled from within Wales and for the benefit of Wales. A Welsh Economic Authority would be useless without, at the bulk supply stage, having the handling of electrical power. Not only is it the chief instrument of the TVA but it is also the one activity which can provide profit.

Taking a normal year, 1941, the last before Pearl Harbour



affected U.S.A. and Tennessee, we quote the following from the Annual Report:

"In addition to its power business, the Authority is engaged in fertilizer research and production, public health activities, development of improved forest and farm products and practices, flood control, and river development.

"The net cost of these and other functions performed by the Authority totalled 6,190,000 dollars in the fiscal year 1941.

"These functions of Government, like many others, are not expected to pay for themselves except in terms of public convenience, security, and wellbeing. However, it is interesting to note that the return on the investment in power facilities, exceeded the cost of operating all TVA programmes, developmental as well as water control."

The detailed figures are as follows:—

	Year ended June 30th, 1941
Income: surplus on power	£1,398,155
Expenses:	
Navigation	198,623
Flood Control	118,862
Fertilizer	450,043
Property	190,590
Developmental Activities	279,689
	1,237,807
Surplus	£160,348

The only other money needed, the Report states, was for work of construction, such as new dams which increased the value of the undertaking.

The 1943 earnings on power investments, before interest, were £2,760,000, or 5% on electricity investments, despite a colossal construction programme, as yet not fully utilised in the power market.

In 1943, too, the local distributors earned an average of 8.7% on electricity investments, and one municipality paid a dividend to consumers, in War Bonds, equivalent to four months free service, thereby bringing average residential price per unit to  $\frac{1}{2}$ d.

References to health in the Report are largely to mosquito control. Flood control and navigation figure largely in Tennessee. Wales will of course have other needs, but the developmental (or trade-stimulating) activities are equally vital here as in Tennessee. A Welsh Economic Authority would, for instance, solve the problem of slate waste utilisation; perhaps on the lines which, in other countries, the problem of marble quarrying waste has been solved.

The important point, however, is that electricity and developmental activities must go together. For this reason, it is necessary to have an authority which has an interest in the fullest use and the lowest costs of electricity, as well as in the greatest social good.

## ATTRACTING INDUSTRY

Individual local authorities are zealous in their efforts to attract industry to their own localities; but individual efforts can prove inadequate. The problem is one of marketing rather than production. The TVA electrical policy is successful because it solves the problem of absorption.

Similarly, to ensure the most successful production, whether of manufactured goods or agricultural products, prosperous markets are necessary. Here again, it is necessary to see the region as a whole; otherwise towns will be trying to lift themselves by their own boot tabs.

Better conditions and standards for workers connected with industries ancillary to coal production will, for instance, help Welsh agriculture. A more prosperous agriculture will make greater demands on trade. **Markets as well as industries can be built up by the Welsh body we are advocating.**

We know that this applies as well to wider fields than our own nation, but just as a prosperous China may affect Wales favourably, so will a prosperous Wales help the world in some measure. We must not, on a larger scale, emulate the man who abuses the Town Council for neglect, whilst himself neglecting his own family.

Wales is woefully ignorant of her own economic life. Nothing is more vital than knowledge such as can be obtained from reliable statistics. Collection of such statistics and results of investigations would be no small part of the Authority's work. To take a typical instance, a great deal of investigation is needed into communications, and into the speed and cost of goods transit in Wales. The wealth lost through poor facilities would, if known, surprise many.

## ECONOMIC AUTHORITY AND TOURIST INDUSTRY

An important Welsh industry, which is exercising the minds of many just now, is the Tourist Industry. It is well worth noting that constructional work undertaken by the Welsh Economic Authority in connection with power, water, or other needs, could be zoned to provide look-out buildings, car parks, picnicking and camping reservations, which would fit in with the requirements of the Welsh Tourist trade.

The beauty of TVA dams has opened up new recreational possibilities, and the thoughtful arrangements for visitors has greatly enhanced the drawing power of the region. By 1942 over 11,000,000 people had visited the dams.

In Wales, some large scale coastal and mountain development needs to be undertaken by a public body which can place emphasis



on development and not on exploitation. The present scramble for coast line among profiteers is deplorable.

The Authority could also issue publications on scenic resources, historical and legendary features of the countryside, and arrange for overseas propaganda in collaboration with interested bodies.

## THE AUTHORITY AND THE UNIVERSITY

Much of the research work of the Welsh Economic Authority could be undertaken through the University of Wales, to the great benefit of that institution.

Not only would the experience gained in the University be enriched, but more important still, it would provide a steady flow of men and women with a knowledge of Welsh problems, who would have full opportunities through the Authority of putting this knowledge to use **within Wales**.

It would bring the University closer to the people, and stop the forced export of some of our best youth. Post-graduate work would be enriched by organised team work on investigations which the Authority could put to immediate and practical use. Some of the quick freezing apparatus and home dehydrators, already mentioned, were the combined work of the TVA and the Universities of Tennessee and Georgia.

## ESSENTIALS OF AN ECONOMIC AUTHORITY

Mr. Lloyd George, who often has the knack of getting to the root of the problem, once said that if Parliament were compelled to sit in turn in each of the distressed areas, rather than in the most wealthy city in Britain (Westminster), unemployment would soon be tackled.

An Act forming a Welsh Economic Authority should, like the TVA Act of 1933, provide for the chief offices being in the badly hit parts of the country, with the chief officers living in contact with the people of Wales. In this way only can they be in touch with the day-to-day needs. On this point Mr. Lilienthal says:

*"Unless specialists work together, and live together, they will not unify their conclusions so that they make sense to the layman. The education of the technicians by the people is second only to the education of the layman by the technician. It is not possible in an atmosphere of remoteness, formal reports, and memoranda of absentee government and business."*

This only repeats the words of the Welsh Advisory Council: **"Planning should not be dissociated from the life of the people affected by entrusting the whole task to any remote central body of experts."**

The creation of an Economic Authority does not imply the neglect of spiritual and cultural values. The cultural awakening in Tennessee is more than a little due to economic improvement, and an important contribution of TVA is the new hope and purpose imparted to the every-day outlook of the people, the feeling that they are important to the life of the region. Libraries have been established and cultural interests directly supported. A Welsh Authority would doubtless be even more conscious of cultural values. It would find a potent ally in the national spirit, and it would realize that its plans were meant not for a region, but for a nation.

The Act for the Welsh Authority would provide for its autonomy, but, pending the formation of a Welsh Parliament, it would present its published annual report and budget to Westminster, and to the public. The report should be in a highly readable form so that it may be readily understood by the man in the street.

The Act would provide for a paid Board of three, chosen by the Government, in consultation with a representative Welsh Advisory Council, from competent men who are true democrats and lovers of Wales. These men could hold no other office; and the office of each would expire at the end of different periods to ensure continuity of policy. Lower officials would be chosen by the Board, and if TVA precedent were followed, all salaries would be published in the Annual Report.

It is important that the Act should ensure that the Authority's work is carried out through these local authorities and institutions, for this ensures that, at each stage of its operations, the people of Wales are active participants.

Finance would be raised on bonds guaranteed by the Government, and the issue and interest of these bonds would be regulated by Act. That is to say, interest would be the same as on Government issues and new loans would be subject to Government approval. In fact there is no obstacle to immediate effect being given to the scheme.

The resulting Authority, which we think necessary, would have the essential features of a decentralised administration, which were summed up very ably by Dr. Huxley in his recent book *"TVA Adventure in Planning,"* as follows:—

- (1) It is "one in which the greatest number of decisions is made on the spot."
- (2) It must develop as far as possible the active participation of the people themselves.
- (3) It must co-ordinate the work of other bodies concerned, and "co-ordinate in the field." (i.e. the co-ordination must be done where the work will be carried out).
- (4) Its planning must become part of public opinion.



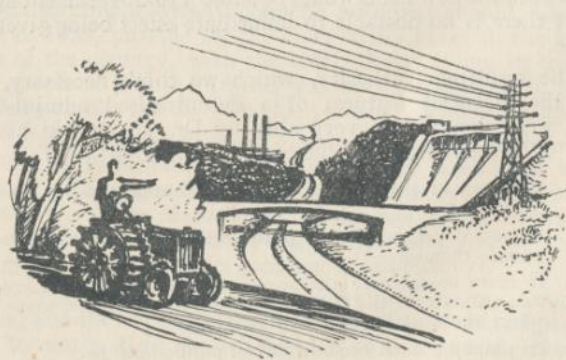
The life principle of democratic planning, says the Chairman of TVA, is

*"an awakening in the whole people of a sense of common moral purpose. Not one goal, but a direction. Not one plan, once and for all, but the conscious selection by the people of successive plans."*

The need for a Welsh Economic Authority in the vital post-war years will be pressing, and the people of Wales should lose no time in demanding an Act of Parliament **now**. The matter is one which fortunately has support in all parties, and the necessity is generally realized by Welsh M.P's, local authorities, and public bodies, as well as by a strong public opinion. The scheme also falls in line with the proposals of the Welsh Advisory Council for a Welsh Economic Planning Authority. We have referred to Tennessee's experience; but Wales has even more at stake. Long continued depression, accompanied by transference and the break-up of family life, can rot the moral fibre of any people, but the tragedy is deepened when it involves the slow strangling of a nation.

Urgency was the key-note in Tennessee: "a sense of urgency, a sense that this is the day on which to turn the first shovel."

OUR faith shall be as strong, OUR resolve no less determined; for upon our efforts TODAY will depend the very existence of our nation. As Nationalists we aim at full responsibility, but FIRST and NOW we must ensure the continuity of our nation. In this we march with all our countrymen.



## APPENDIX I.

The following statistics are the weighted averages of price per unit, and consumption per head of population per year, for Welsh municipal undertakings, as extracted from the Electricity Commissioners' Report 1937, and refer to domestic units. This year is taken as a fairly normal pre-war one. Monmouthshire is included.

	Price per Unit.	Units per head of population per year.
South Wales, excluding Cardiff and Swansea	...2.83d.	50
South Wales, including Cardiff and Swansea	...2.13d.	85
North Wales	...2.5d.	123
North and South Wales together	...2.2d.	90

The low absorptions and high prices of the majority of South Wales municipalities were aggravated by unemployment, further proving that, for best results, developmental activities should be associated with electricity.

## APPENDIX II.

Cheap electricity has a direct effect on the manufacture and sales of electrical apparatus, and also benefits the authorities and contractors who sell such apparatus. The effect in Tennessee is given in the following table of sales growth:—

Fiscal Year.	Value of sales of electricity Appliances: domestic retail price.		
	£		
1938	...	...	323,000
1939	...	...	738,000
1940	...	...	2,500,000
1941	...	...	3,700,000

The above is a measure, too, of improving standards of living.