

Chapter 16

The Harvey affair

In late September 1951, daily newspapers were reporting that the Defense Production Administration and the Department of the Interior had called a halt to negotiations with the Harvey Machine Co. for a federal loan to build an aluminum smelter in the Flathead Valley in Northwest Montana. To complicate things for Harvey, a power shortage in the Pacific Northwest forced the Bonneville Power Administration to shut off interruptible power to Kaiser's Mead smelter in Spokane, causing 500 men to be laid off. The power shortage was cited as one reason for the Interior Department's decision to oppose the Harvey loan. Another complication facing Harvey were broadcasts by radio personality Drew Pearson claiming that he had inside information showing why the government should not approve Harvey's loan application.¹

As problems began to appear in the Harvey Machine Co.'s application for a \$46 million Reconstruction Finance Corporation loan, Rep. Mike Mansfield grew concerned and began to keep a record of the evolving affair, collecting letters, telegrams, phone transcriptions, legal documents and newspaper clippings about Harvey. Some documents dated back to 1948. Taken as a whole, the collection seemed to indicate that Mansfield believed Harvey was a good company to back and that he did so despite political attacks in the press and by fellow Congressmen.² Mansfield went one step further on Sept. 19, 1951, when he introduced House Resolution 5410 to establish a clearing house of information so the Justice Department could screen companies which wanted to do work for the federal government.³ While Mansfield continued to back Harvey for the federal loan and a favorable power contract, he exercised caution and made it clear that his ultimate goal was to keep Montana water power in Montana and to promote industrial development near the new Hungry Horse Dam in the Flathead.

Power shortages and scandal

The issue of Pacific Northwest power shortages linked to Harvey's plans for a new aluminum plant in the Flathead went public on Sept. 18, 1951, when remarks by Rep. John Saylor of Pennsylvania were entered into the Congressional Record. The eight-page entry was titled, "Secretary Chapman engineers another great RFC scandal for Harvey Machine Co." Saylor claimed "a vicious new scandal, involving another great RFC loan and perpetrated by high officials and politicians of the administration, is spreading its unhealthy tentacles throughout the United States." The scandal, Saylor said, involved "Leo – or Lawrence – Harvey, president of the firm, of Russian descent, whose name may not be Harvey" and "an attempt by the Interior Department and Bureau of

Reclamation to create a great power shortage in Idaho, Montana, Washington and Oregon for the purpose of getting control of power and water in those states and establishing new authority for Secretary Chapman and Reclamation Commissioner Michael Straus.”⁴ The comments were personal and conspiratorial in tone, but Saylor apparently didn’t know that Lawrence Harvey was Leo Harvey’s son.

Saylor went on to make some personal comments about Leo Harvey. “Like many other foreigners, including the Russians, the United States gave the Harvey brothers a golden opportunity,” Saylor said. “They worked and schemed and prospered. Their machine company in Los Angeles grew, and when the war came along, they received lucrative contracts.” Saylor claimed that a report by the California Committee on Un-American Activities “might be interesting reading to any of my colleagues.” Saylor also called for an investigation into Harvey’s support by Flathead resident Don Treloar, a “good friend of Democratic incumbents” who didn’t like Republicans.⁵ Saylor claimed Leo Harvey nearly got the \$46 million federal loan “with little or no security” – RFC had initially requested that Harvey put up \$7 million or \$8 million, but then Interior Secretary Oscar Chapman said Harvey only needed to put up \$3.5 million – and that could be in cash, land and engineering, according to Chapman’s offer. Saylor also claimed the loan was actually intended to worsen the power shortage in the Pacific Northwest. “They are doing all they can to make the power shortage worse,” he said. “If it gets bad enough, they have a chance of getting the projects they want, and the control they crave, under the stress of the defense emergency.”⁶ Saylor claimed the loan would help make Harvey the No. 4 aluminum producer in the U.S., but all Leo Harvey knew about making aluminum “could be put in a small aluminum thimble.”⁷ Saylor was joined by Rep. Hamer Budge of Idaho, who publicly stated that the \$46 million loan should never have been approved because the company planned to build an aluminum plant in Northwest Montana when there was a power shortage in the Pacific Northwest.⁸

A spokesman for the Harvey Machine Co. responded in the press two days later about the power-shortages allegations. Harvey’s proposed plant would be “completely in the public interest” by providing critical raw materials in a time of shortage, and that “it will effectively protect the public from monopolistic control of aluminum by two or three companies and make real future progress in the field of light metal,” the Harvey spokesman said. Conditions for the \$46 million loan Harvey sought were “extremely strict,” the spokesman said, adding, “This is in no sense a ‘political’ loan.”⁹ That same day, Don Treloar, KGEZ broadcaster and president of the Flathead Valley Citizens Committee, reported that BPA Administrator Paul Raver had explained why the Interior Department withdrew support for the loan. The Interior Department needed to investigate the power shortage situation in the Pacific Northwest before there was another brownout, Raver said. According to Treloar, Raver had also noted that Harvey’s

aluminum plant in the Flathead Valley would not start operating until 1952, by which time the Hungry Horse Dam would be producing electricity, so Harvey could not possibly affect the Pacific Northwest power situation.¹⁰

Reaction in Washington to Saylor's comments also came on Sept. 20, 1951, when Mansfield and Sen. Murray joined Sen. Warren Magnuson and Rep. Henry Jackson of Washington to call for an investigation into whether the Big 3 aluminum producers, Alcoa, Reynolds and Kaiser, were holding back the Harvey Machine Co.'s \$46 million Reconstruction Finance Corporation loan. "If this is a fight among industrial giants in the aluminum field, Montana should not be the victim of their warring activities," Murray said.¹¹ Two days later, S.I. Rapson, chairman of the Flathead County Republican Committee, sent a telegram to U.S. Attorney General Howard McGrath; Sen. Stuart Symington of Missouri, who headed up the Reconstruction Finance Corporation; Interior Secretary Chapman; Manly Fleischmann, who headed the Defense Production Administration; Sen. Zales Ecton of Montana; Rep. Wesley D'Ewart of Montana; and Rep. John Murdock of Arizona regarding Saylor's claim that the Harvey loan was politically influenced. "Republicans and Democrats joined together to encourage Harvey Company's aluminum plant, as it would provide critically needed winter payroll and bring balance into a heretofore purely agricultural economy," Rapson said.¹² On Sept. 25, 1951, Symington wrote to Mansfield to report that RFC had no position on the Harvey Machine Co.'s request for a federal loan, and that RFC was "merely acting as a fiscal agent."¹³

Fears of a power shortage in the Pacific Northwest, as the Korean War developed overseas, led to concerns greater than simply Harvey's plans for the Flathead. On Sept. 23, 1951, Mansfield sent a four-page letter to Charles Wilson, head of the Office of Defense Mobilization, protesting a proposal to move aluminum smelters from the Pacific Northwest to other locations in the U.S. because of a purported power shortage. The letter was also signed by Sen. Magnuson, Rep. Jackson and Rep. Hugh Mitchell, all from Washington. They requested a meeting with Wilson to discuss the matter. "We are deeply concerned with your suggestion that it may be necessary to move existing aluminum potlines from the Pacific Northwest to other areas," the letter said. "This suggestion has created a great deal of furor and confusion in the Pacific Northwest. The furor results from the possibility of losing an industry important to the economy, and the confusion results from lack of knowledge as to the motives behind such a proposal." The letter suggested that the motives behind the idea were "to prevent an independent aluminum producer from coming into the area and becoming a competitor to any one, or all, of the 'Big 3' producers," "to prevent one of the present big producers from obtaining a continuous and low-cost source of power for its expansion program," "to generate strife between the public and private power agencies serving the Northwest

area,” “to retard or half the further development of hydroelectric power resources in the Pacific Northwest,” or “to create the impression that there is not, and never will be, electric power in the Northwest for further expansion of the aluminum industry.”¹⁴

The four conceded in their letter that “we have no evidence that these alleged motives are true,” but they noted that if the objective of the Defense Production Act was to maximize mobilization for defense, then the proposed removal was the wrong way to accomplish that goal. The letter went on to argue that the facts didn’t warrant removing the potlines, that hidden motives were possibly behind the idea, that the cost of moving the potlines would be about \$30 million, that no electric power would be available elsewhere in the U.S. to run the potlines, and that the loss of aluminum production because of power shortages would be about 62,500 tons, while the loss during the 18-month long move would be about 204,000 tons. The letter also suggested that water shortages for power generation were seasonal and that rainfall should pick up from Sept. 15 through Oct. 15. The letter referred to an earlier drought in 1948 when aluminum smelters were shut down for 30 days. “The odds are 20 to 1 against the Northwest experiencing ‘most adverse conditions’ this year,” the letter said, based on evidence that minimum flows had occurred in the past only once every 20 years. The letter also noted that new power plants expected to be online soon in the Pacific Northwest included the Albeni Falls, Hungry Horse and Cabinet Gorge dams in 1952 and 1953, the Detroit, Meridian and McNary dams in 1954, and the Chief Joseph, Dalles and Ice Harbor dams in 1955.¹⁵ That same day, Mansfield issued a press release describing the letter the four Congressmen had sent to Wilson, saying they had requested a meeting with Wilson to discuss the matter.¹⁶ Jackson told the press he wanted to look into why Harvey’s loan was delayed for so long. He suggested that the delay and the claims about a power shortage “are tied together in some way.”¹⁷

Treloar wrote to Wilson about the power shortage concerns on Sept. 24, 1951. “We cannot help but feel that efforts are being made at present to divert future Hungry Horse power out of Montana,” Treloar said. He urged Wilson to help move the Harvey Machine Co.’s loan application forward.¹⁸ That same day, Treloar announced on his KGEZ radio station that Montana Gov. John Bonner had accused Henry Kaiser of planning to take power from Montana for his aluminum plants in the Pacific Northwest. In a sharply worded telegram that Bonner sent to Wilson, the governor claimed Kaiser had asked Wilson to call a meeting of all aluminum producers to discuss power shortages in the Pacific Northwest. “I believe that the application of the Harvey Company is used merely as a pretext by those who want to sap Montana of her water facilities and resources,” Bonner said. “I wish to point out, although a power shortage is claimed, not one kilowatt of power from the Hungry Horse Dam is involved.”¹⁹ The next day, Treloar issued a press release responding to statements by Rep. Saylor and Rep.

Budge about Harvey's plans for the Flathead. Saylor's comments in the Congressional Record tried to make Harvey's loan look like a political plot, Treloar said. He also pointed out that Montana and Idaho had competed over the location of a new atomic energy plant, and when the decision was made to put it in Arco, Idaho, Montana didn't try to stifle that plan.²⁰ On Sept. 26, 1951, Treloar sent a three-page letter to Saylor presenting seven arguments against Saylor's claims about Harvey's plans. Two of Treloar's points were that Montanans were entitled to use power from the Hungry Horse Dam, and that the Harvey plant in the Flathead Valley would be a permanent plant, not strictly a war plant.²¹

On Sept. 26, 1951, Gov. Bonner wrote to Mansfield about Wilson's proposal to build up electrical power generation in the Ohio Valley. Bonner said he was concerned this meant moving industry out of the Pacific Northwest to the Ohio Valley. He referred to reports in the press about an Idaho Congressman saying Montana should not get new industries because of power shortages in the Pacific Northwest. Emphasizing that he wanted to protect Montana's water rights for power generation, Bonner pointed out that he opposed building a transmission line to ship Pacific Northwest power to California. "I believe that the time has arrived when we must all act together and assert that the state of Montana has some rights to her waters, and that Montana has a right to run her own business without the interference of those who wish to bleed her of her great water resources," he told Mansfield. "This is the greatest fight we have ever had in Montana, and its outcome means everything to the future of this state and to the generations yet unborn."²²

The Drew Pearson factor

Harvey's uphill struggle in Washington took a sharp turn when the company's loan application was taken up as a cause by renowned radio commentator Drew Pearson. Born in Evanston, Ill., Pearson attended Phillips Exeter Academy and Swarthmore College. After assisting in the post-World War I rebuilding effort in Europe, he lectured in geography at the University of Pennsylvania. He became a Washington correspondent for the Baltimore Sun in 1929, and he collaborated with Robert Allen to anonymously publish a book called "Washington Merry-Go-Round" in 1931-1932. Pearson and Allen then secured a contract with Scripps-Howard in 1932 for a syndicated column called "Washington Merry-Go-Round." The two began a twice-weekly radio show in 1935, and Pearson continued on alone from 1941 to 1953. According to his one-time partner Jack Anderson, Pearson saw journalism as a weapon to be used against anyone he thought was working against the public interest. Anderson said Pearson sometimes combined factual or corroborated leaked news items with fabricated or unsubstantiated details. The latter were intended to emphasize or sensationalize an otherwise basic story.

Pearson's sources could include bribed waiters or chauffeurs eavesdropping on people – he allegedly once bribed a Navy clerk to reveal classified information, and in another case ordered a subordinate to break into the desk of a prominent Washington attorney. During World War II, Pearson's column revealed embarrassing news items that included criticizing the Roosevelt administration's conduct of the war. Pearson later went after Sen. Joseph McCarthy of Wisconsin during the 1950s Red Scare.²³

On Sept. 19, 1951, M.E. Darkenwald, Leo Harvey's assistant, called Mansfield's office for information on why Harvey's loan wasn't moving forward. Darkenwald brought up allegations Pearson had made about the Harvey Machine Co.'s business dealings in World War II. "We assume from the statement of Drew Pearson that they are trying to dig up some stuff about a disgruntled inspector of World War II who tried to get us for a bribe," Darkenwald said. "We would not stand for it, and we finally had to report it to the FBI. It was all investigated, and we were completely exonerated." Darkenwald wanted Mansfield to contact U.S. Attorney Ernest Tolin in Los Angeles, who had a complete file on the matter. Darkenwald noted that Harvey continued to manufacture the same product cited in the allegations – shell casings for the Navy. The company made 16 million of them in the past and was going to make 30 million more, Darkenwald said. "We wouldn't be making these if we had a bad record in the past," he said. "We have the biggest contract in the United States."²⁴

Treloar wrote to Gov. Bonner on Sept. 24, 1951, about an ABC radio broadcast in which Pearson linked Harvey's loan request to power shortages, and about Rep. Saylor's comments about the Harvey loan. Treloar characterized the comments as "part of the current smear campaign of Republican leaders." He noted that it was hard to believe Harvey was a disreputable company if they received so many government contracts during World War II. Bonner wired Treloar two days later, noting how hard the governor had fought to get the Fort Peck Dam built in Montana. Bonner said he would likewise fight to get an aluminum plant built in the Flathead.²⁵

The entire Harvey affair moved to the official investigative level on Sept. 26, 1951, when Rep. Porter Hardy of Virginia, chairman of the House Government Operations Subcommittee, announced that his subcommittee would immediately start investigating the circumstances surrounding Harvey's \$46 million loan. Hardy said Mansfield had requested the investigation. The circumstances included allegations of fraud by Harvey during World War II, allegations of political influence, and why an aluminum plant was approved for the Flathead Valley when the Pacific Northwest had power shortages. A spokesman for Harvey said the company welcomed the probe, saying, "One of the things that will be certain to be aired is the fact that this is not, as was charged, a political loan."²⁶ On Sept. 28, 1951, Treloar wrote to the House subcommittee and

explained how long community leaders in the Flathead Valley had worked to bring Harvey to the Flathead. It was not political but strictly business, he said.²⁷

Mansfield took steps to ensure the entire matter was handled in a reasonable and factual manner. On Sept. 27, 1951, he wrote to Interior Secretary Chapman about Pearson's Sept. 16, 1951, radio broadcast, reminding him of a meeting in Chapman's office with Interior Undersecretary R.D. Searles, Sen. Murray, Reps. Jackson and King, and Don Treloar on July 31, 1951. During that meeting, it was made known that any agreement between the government and Harvey "should be on a strictly business basis; that all the cards be laid on the table; and that any agreement made must be able to withstand the light of any Congressional investigation or scrutiny. In other words, any agreement should be able to stand on its own feet with the government's interests fully protected." Mansfield also noted that Chapman had said at the July meeting that if Harvey didn't go into Montana, then other aluminum companies might. That meant, Mansfield said, that power from the Hungry Horse Dam was to be used in Montana to develop industry in Montana. Mansfield also noted that he and the people of Montana were relying on promises made by Chapman and BPA Administrator Raver that this was still true.²⁸ Attorney General McGrath responded to Mansfield that same day. The Justice Department "conducted an extensive investigation in 1943" about claims against Harvey during the war and concluded "that there were no violations of the federal criminal statutes," McGrath said. He noted that he didn't want to provide details about a federal investigation. As to allegations made by Rep. Saylor in the Congressional Record, "those remarks reach areas of controversy into which the department believes it inappropriate to intrude," McGrath said.²⁹

On Sept. 28, 1951, Pearson's "Washington Merry-Go-Round" column moved from federal loans and power shortages to basic politicking when he criticized the Harvey family for contributing heavily to both Democrats and Republicans. Pearson claimed Lawrence Harvey sought to get on the Democratic National Committee from California, that he had donated \$1,000 at the last two Jackson Day Dinners, and that he had served on the committee for the \$100-per-plate welcoming event when President Truman visited Los Angeles.³⁰ By late September 1951, daily newspapers across the U.S. carried headlines about a federal investigation into the Harvey Machine Co. and its federal loan request. The controversy had led to Mansfield calling for a congressional investigation of the company's past, present and anticipated performance. Meanwhile, Pearson had broadcast claims charging Harvey with sabotage during World War II in the manufacture of naval artillery shells and accused Harvey of using lobbyists in Washington in its attempt to win the \$46 million loan.³¹ On Sept. 29, 1951, Mansfield drafted a memo claiming that Defense Mobilizer Charles Wilson had met with representatives from

Alcoa, Reynolds and Kaiser one day earlier. From what he had heard, “They claim that Harvey was ‘knocked out’ at that conference,” Mansfield wrote.³²

The aluminum problem

Preparing himself for the worst, Mansfield drafted a memo on Sept. 29, 1951, titled “Here is what will happen on the aluminum problem.” First on the list – Manly Fleischmann, administrator of the Defense Production Administration, would likely settle the Harvey contract by the following week after clearing it with Wilson but before Rep. Hardy’s subcommittee concluded its investigation of allegations that Harvey had committed fraud during World War II. Fleischmann would either uphold Harvey’s request or deny it, but it was unlikely Fleischmann would approve Harvey’s request while a Congressional investigation was ongoing, Mansfield noted – unless Fleischmann had a clear case in defense of Harvey. Mansfield noted that Pearson had claimed the Navy was hiding the file on Harvey’s World War II case, and that no government agency had ever seen the truth on Harvey, so it was unlikely that Fleischmann or Wilson would support Harvey’s loan request. Second, with Harvey out of the way, Wilson was likely to direct the BPA to build a transmission line from the Hungry Horse Dam to the Spokane area to supply new aluminum plants there or to firm up power for Kaiser’s existing plants or to firm up power for Alcoa. Mansfield thought Wilson might be willing to provide \$10 million to \$20 million for that transmission line.³³

Third, Mansfield noted that BPA Administrator Raver had said he wanted power from the Hungry Horse Dam to stay in Montana, in accordance to long-range plans by the BPA. He noted that Raver wanted to use steam-powered generation to firm up power in Washington State but that the Munitions Board was opposed, saying the coal was needed elsewhere for the defense effort. Mansfield noted that the Munitions Board was allied with a group of private utilities that were fighting the BPA. Four, with Harvey out of the way and power from the Hungry Horse Dam available in the Spokane area, thereby “licking the ‘phony’ power shortage” in the Pacific Northwest, Wilson could take over the war-surplus smelter equipment that Harvey had wanted to buy. He noted that Harvey had poor finances and Westinghouse wouldn’t work with them. Mansfield figured Wilson would give the smelter equipment to Kennecott Copper for a smelter in Texas. He noted that Kennecott Copper was well financed and was interested in getting an aluminum smelter if the Justice Department’s anti-trust division approved of it. But Wilson and Fleischmann had made one big error, Mansfield concluded in his fifth point. The authorizing act for the Hungry Horse Dam specifically stated that most of the power from the Hungry Horse Dam must be used in Montana. “Someone has slipped up and not told Wilson this fact,” Mansfield wrote.³⁴

Mansfield and Raver were soon dragged into allegations of improper political influence in the Harvey matter made by John Corbett, a newspaper man in Idaho, in September. The allegations were later published in the Sept. 30, 1951, Boise Idaho Statesman and cited in the Congressional Record by Sen. Herman Welker of Idaho. Corbett claimed former Assistant Secretary of the Interior C. Girard Davidson had lobbied for Harvey and worked as their legal counsel, and that Mansfield had tried to “extricate himself from any inference that he was a party to an ‘inside’ deal in getting the Harvey loan.” Corbett also claimed BPA Administrator Raver was influenced by Harvey. Corbett cited a Pearson column that claimed the “Harvey brothers” had “bulldozed” their way to the top rungs of the Democratic Party. Corbett claimed that when Harvey could not line up the \$7 million needed to secure the \$46 million Reconstruction Finance Corporation loan, Interior Secretary Chapman cut the \$7 million condition in half and then said part of that half could be put up in equipment, land and engineering. Corbett called for a congressional investigation.³⁵

Kalispell Chamber of Commerce President Jim Murphy wrote to Gov. Bonner on Sept. 29, 1951, about the allegations against Harvey made in the Congressional Record by Rep. Saylor. Murphy wanted Bonner to ask Saylor a number of questions, including, “What was the chain of circumstances that caused you, a Congressman from Pennsylvania, to obtain from John Corbett, a newspaperman in the state of Idaho, hundreds of miles from your state, the information contained in your statement in the Congressional Record relative to the Harvey loan?” Murphy also wanted Bonner to ask Saylor to provide evidence for other allegations, including whether Harvey had manufactured bad artillery shells during World War II, whether Harvey had been investigated by an Un-American Activities committee, and whether the Department of the Interior had created a power shortage in the Pacific Northwest.³⁶ Two days later, Mansfield wrote to Defense Mobilizer Wilson about Pearson’s Sept. 16, 1951 broadcast, which later ran in national newspapers, and Rep. Saylor’s allegations about Harvey published in the Congressional Record. Mansfield told Wilson that he had requested an investigation by the U.S. Attorney General and the House Subcommittee on Government Operations and noted that he had sent letters about the matter to Chapman and Symington asking for an explanation. Mansfield also told Wilson about his concerns that power from the Hungry Horse Dam might end up in the Spokane area.³⁷

The Harvey affair made the pages of Time on Oct. 1, 1951, where the magazine reported the “real reason” why Harvey had not received the federal loan. Interior Secretary Chapman had notified the Reconstruction Finance Corporation and Defense Production Administration that he was withdrawing his approval of the loan because of power shortages in the Pacific Northwest, the magazine said, but the real reason was that Pearson had showed Chapman “reports of skullduggery” by Harvey during World War II.

The reports Pearson had shown Chapman allegedly came from Navy Intelligence and showed that Harvey had manufactured oversized 20 mm antiaircraft shells for the Navy that could jam and blow up. The matter of the oversized shells was then covered up, Pearson's reports said, when Leo Harvey's brother, Herbert Harvey, approved incorrect gauges. Pearson claimed that the Navy had recommended criminal prosecution, but the Justice Department said the evidence was insufficient. Pearson's revelations, the Time story said, caused Sen. Murray, Rep. Mansfield and Rep. Jackson to call for a Justice Department investigation of Harvey's loan application. The Time story cited Rep. Saylor, who called the matter "a vicious new scandal... perpetrated by high officials and politicians of the administration." Saylor accused Harvey of using influence in the Interior Department through former Assistant Secretary Girard Davidson, and claimed the Harvey family wielded political influence through large contributions to the Democratic Party. Time also claimed that Harvey had purchased a large failed building in Los Angeles but made money by filling it with federal offices. When Time asked Leo Harvey for a response, he called it a smear campaign by "the vested interests (who) fear competition."³⁸

Despite the decision against the loan and the attacks in the press, the Harveys had not given up. On Oct. 5, 1951, it was reported that Leo Harvey had said he intended to renew his request for the \$46 million Reconstruction Finance Corporation loan. The loan application had been suspended on Sept. 14, 1951. Harvey blamed the failure of the loan to go forward on bad public information, including alleged power shortages in the Pacific Northwest, and "false and unfounded statements charging irregularities in the company's World War II operations made by a radio commentator and columnist." As for the power shortage story, Harvey cited Raver as saying that the power shortage was on the West Coast and not in Montana. As to the columnist's charges, Harvey said Attorney General McGrath had written to Mansfield stating that the Justice Department had conducted "an extensive investigation in 1943" of Harvey and found no violations.³⁹

One week later, Leo Harvey sent a long telegram to Mansfield, referencing a statement Mansfield had made to a joint Senate-House select committee that same day, that "the aluminum monopoly has retarded increased U.S. aluminum production, and that the government has tried unsuccessfully to find small business men that had \$100 million to start new plants and get aluminum production out of the hands of the monopoly." Harvey said his company was prepared to build and run an aluminum plant. It had ordered millions of dollars worth of necessary equipment and raw materials to be delivered or manufactured, as required in a Dec. 19, 1950, letter of intent for the government, and it had the minimum equity capital required by the government. Harvey noted that one Defense Production Administration official called Harvey's loan "the tightest ever offered a private company by the government." But the loan had

been held up by an investigation into a possible power shortage in the Pacific Northwest. He urged Mansfield to help get the loan released so Harvey could get going with its plans.⁴⁰

On Oct. 13, 1951, Darkenwald wired Mansfield about an earlier telegram he had sent to Interior Secretary Chapman responding to claims that Harvey's loan had been held up by labor organizations. The claims were false, Darkenwald said – the Steelworkers had endorsed Harvey's plans to build an aluminum plant in the Flathead Valley and supported Harvey's loan.⁴¹ While not publicized at the time, the Harvey Machine Co.'s plans finally had come to an end between Oct. 15 and Nov. 9, 1951, when the company entered into serious negotiations with the Anaconda Copper Mining Co. – with hopes of getting an aluminum smelter built and retaining a stake in the plant's output.⁴²

Meanwhile, looking further down the road past Harvey, but unaware of the company's talks with the Anaconda Company, Mansfield continued to promote protection of Montana's water. On Oct. 5, 1951, Mansfield wrote to General Services Administration Administrator Jess Larson expressing his concern about Montana's rights to water and hydroelectricity. "A rumor had come to my attention that there may be an attempt to divert practically all the power from the Hungry Horse Dam in Northwest Montana to the state of Washington, and specifically the Spokane area," he wrote. Referring to the bill which authorized construction of the Hungry Horse Dam, Mansfield noted that the bill specifically said that beneficial uses of the dam were to be "primarily in the state of Montana." He also provided a little Montana history. "Montana has been mined and milked of its great resources for the past fifty years, and we have contributed greatly to the welfare and security of people and industries outside of our borders," he wrote. "It is high time that Montana is developed for the benefit of Montana and its people."⁴³

Wrapping up the affair

The Interior Department wrapped up the Harvey affair with an 18-page summary that Undersecretary Searles sent to Mansfield on Oct. 17, 1951. Searles noted that the Interior Department had talked with the Justice Department and the Navy about their past experience with Harvey, and that the Interior Department had spoken about Harvey with Symington, Larson, Fleischmann, Assistant Attorney General James McInerney, and E.E. Wilcox from the Navy Secretary's office. A final determination about the Harvey loan was expected soon, Searles told Mansfield. Searles noted that the Interior Department had in fact told Mansfield on July 31, 1951, that it would recommend approval of Harvey's loan request, and Searles provided a chronology to explain that decision. Harvey had shown interest in building an aluminum smelter in Montana in spring 1950 before the Korean War began and had spoken with the

Bonneville Power Administration about a two-potline plant. Then the war broke out, need for aluminum increased, and Harvey increased plans to three or four potlines. In December 1950, Harvey received certification from the federal government for production of 72,000 tons of aluminum per year, and Harvey negotiated with the General Services Administration for a procurement contract.⁴⁴

But several months later, Harvey told the Interior Department it was unable to obtain private financing for the federal loan, Searles explained. On May 31, 1951, Harvey applied for a \$70,274,861 federal loan to build a four-potline plant in the Flathead Valley and an alumina refinery near Tacoma, Wash. On June 14, 1951, the Interior Department told Harvey it was impossible to consider the loan on the basis of the amount of equity capital Harvey proposed to put into the deal, but the Interior Department would consider a three-potline plant. On June 15, 1951, Harvey said they wanted to modify their loan request to \$50 million for a three-potline plant, and that they would put \$6 million into the new plant in exchange for stock in the new company. On July 10, 1951, James Boyd, at that time the administrator of the Defense Minerals Administration, recommended a \$45 million loan for a three-potline 54,000 ton-per-year smelter and an alumina refinery but not for bauxite facilities, with Harvey contributing \$6 million in equity capital. "I believe we have delayed a decision in this case too long, changing our minds so frequently that we are duty bound to give them the chance to finish up their deal, as they are already far advanced and a new company coming in at scratch will delay the program further," Boyd said.⁴⁵

Following additional meetings, however, Harvey told the Interior Department it was unable to come up with the \$6 million in equity capital from New York financial interests, Searles explained. On Aug. 1, 1951, Harvey proposed to the Interior Department that it would create a new company called Harvey Machine Co. Inc. of Montana and requested a \$46 million loan. They said Harvey Machine Co. of California would provide \$3.5 million in equity capital in the form of "cash, equipment and land" and another \$3.5 million in cash from selling stock to investors, particularly fabricators who wanted ingot aluminum and who needed an assured supply. After further discussions, the Interior Department recommended to the Defense Production Administration a \$46 million loan to Harvey for a three-potline 54,000 ton-per year smelter, a 108,000 ton-per-year alumina refinery and ships to transport bauxite from South America. The Interior Department sent this recommendation to the Defense Production Administration on Aug. 6, 1951, including Harvey's suggestion for how the \$7 million in equity capital would be provided, and with Harvey guaranteeing the sale of stock within 18 months. If Harvey was unable to raise the \$3.5 million in stock within 18 months, it would have to sell the aluminum smelter to another company. Harvey would be reimbursed for the cost of construction as determined by the government.⁴⁶

That last deal went into negotiations between Harvey and the Defense Production Administration for 10 days, Searles explained in his chronology, and several more conditions were added, including that Leo Harvey would put up a \$1 million bond to guarantee that the \$3.5 million would be paid within 18 months. Searles noted that the \$7 million in equity capital would be credited against the overall loan, so in effect the government would be loaning \$39 million. The Interior Department's recommendation that the Harvey loan be approved was based on a determination that the Harvey Machine Co. "was in a position to construct this plant in as short or shorter time than any other company that was interested or available to build the plant." The Interior Department noted that Harvey had placed orders for \$20 million worth of equipment after getting the procurement contract with General Services Administration in December 1950. Searles noted that the Big 3 aluminum producers were too occupied with their own expansion projects to be able to do anything in Montana.⁴⁷

The Interior Department expected Harvey could complete construction of the Flathead plant within 18 months, but power from the Hungry Horse Dam would not be available for another year, Searles continued. "Regardless of statements to the contrary, (the deal) had no effect whatsoever on the current shortage of power in the Pacific Northwest," Searles said. "It is my understanding that this power has been allocated to the state of Montana by law, and even if it were available at the present time, which it is not, its use would be restricted to Montana." As for allegations in the press about the Harvey Machine Co.'s work during World War II, Searles noted that the Interior Department assumed any company doing business with agencies for the defense effort "has been cleared as to ability, integrity and loyalty." Furthermore, Searles said, "Considering the country's urgent need for the production of aluminum, I still feel that this is a satisfactory financial risk for the government. The terms and conditions are certainly as tight as they could possibly be, and the government's interests are surely well protected." Lastly and of great importance, Searles noted, Alcoa, Reynolds and Kaiser had contracts guaranteeing the government would purchase their aluminum capacity for up to five years, which was a very important advantage that neither the Defense Production Administration or the Office of Defense Mobilization had recommended for Harvey.⁴⁸

On Nov. 2, 1951, the Wall Street Journal reported that inside sources expected Defense Mobilizer Charles Wilson to appoint a "czar" to oversee the expansion of the U.S. aluminum industry. Sources said Samuel Anderson would be chosen to help speed up expansion of aluminum production to meet defense needs, lining up companies, machinery and equipment for new plants and rushing power development. The Wall Street Journal noted that problems with the Harvey Machine Co.'s application for a federal loan had become a "hot potato," passing from one agency to another, and

Wilson's appointment of an aluminum czar might be delayed until the Harvey case was over.⁴⁹

Rep. Porter Hardy wrote to Mansfield on Feb. 11, 1952, to report on his subcommittee's investigation of Harvey's \$46 million loan application. Mansfield had written to Porter in September 1951 about allegations made in the press and in the Congressional Record about how the loan application was handled. Hardy said his subcommittee staff had examined documents, interviewed people and prepared a memo on the matter, but there were new developments. "Apparently an arrangement has been worked out whereby the Anaconda Copper Mining Co. has acquired or will acquire all but a small percentage of the stock of the Harvey Machine Co. of Montana," Hardy wrote. Anaconda would build a new aluminum plant in the Flathead Valley using private capital, the Interior Department had announced it would negotiate a long-term power contract for Anaconda, and the only government assistance that Anaconda would receive for the new plant would be "a certificate of necessity authorizing accelerated tax amortization on a basis similar to that extended other companies expanding their facilities," Hardy wrote.⁵⁰

The loan certificate originally granted to Harvey under the Defense Production Act had been withdrawn, Hardy continued. As a result, it was the judgment of the subcommittee to take no further action on the Harvey investigation, he said. The only government concern had been the government loan, Hardy said, but Anaconda would be using private capital to build the new aluminum plant. The subcommittee's staff had "found no evidence of undue political influence or of improper conduct on the part of any of the government officials involved," Hardy added.⁵¹ Three days later, the Congressional Record contained portions of a letter from Hardy to Mansfield regarding potential tax advantages for Anaconda's new aluminum plant. Anaconda had acquired all but a small percentage of Harvey's stock and thereby acquired any tax advantages Harvey once held. Hardy said his committee saw no grounds for changing that position since Anaconda would be using its own money to build the plant.⁵² In 1951, the Montana Legislature had passed a bill, introduced by delegates from Flathead County at the request of the Harvey Machine Co., which provided that new industrial property would be taxed at 7% of its assessed valuation for the first three years and at the regular rate of 30% thereafter.⁵³

Harvey moves on

Harvey prospered after leaving Montana – its Torrance, Calif., fabrication plant was expanded 10 times and became the nucleus of the Harvey Aluminum Co., which eventually owned plants across the U.S. and in the Virgin Islands, Europe and Africa. The

company's research laboratories developed new metal alloys that were used by the space industry.⁵⁴ In 1952, the company formed Harvey Aluminum Sales Inc. for general business and Harvey Aluminum Inc. for its new business involving mining bauxite in British Guiana. The Harvey Machine Co. also purchased a manufacturing plant in California and a chemical research plant in Oregon, and built an aluminum smelter in Oregon on the Columbia River at The Dalles.⁵⁵

Much of Harvey's business went into the building sector, which by 1949 was the fastest growing area for aluminum consumption. Alcoa, Reynolds and Kaiser concentrated more than 22% of their production in the building sector, which included siding, roofing, window frames, doors and thresholds, garage doors, gutters and downspouts, kitchen cabinets, wall tile, light fixtures, furnace ducts, shower doors, weather stripping, hardware and venetian blinds, among other things. Whereas the military used 90% of U.S. aluminum production during World War II, by 1949 only 9% went into aircraft, which accounted for about half of the military requirement. Comparing the two peacetime years 1939 and 1949, aluminum use in the building sector had increased 6.5 times to 130,000 tons, aluminum use in electric transmission lines had increased 2.5 times to 50,000 tons, and aluminum use in machinery and appliances had increased about 2.6 times to 80,000 tons.⁵⁶

On Dec. 5, 1952, just two months after losing the federal loan for a smelter in the Flathead, Harvey Aluminum filed suit against American Cyanamid Co. over a deal involving bauxite in British Guiana. Harvey alleged American Cyanamid had failed to abide with a contract to sell its subsidiary, Berbice Co. Ltd., to Harvey. Berbice owned bauxite mining and processing facilities in British Guiana. Harvey's motion for a preliminary injunction was denied during a district court hearing after the judge ruled that Harvey's chances of prevailing at trial were "remote, if not completely nil." Harvey amended its complaint to add Reynolds Metals Co. as a defendant and filed a notice of appeal. Harvey's application for a stay pending the appeal was denied, and the Berbice assets were transferred to Reynolds on Dec. 20, 1952. The case went to the U.S. Court of Appeals for the Second Circuit, which ruled on the defendants' claim that a case filed in British Guiana could cause them irreparable harm by requiring them to send corporate officers to British Guiana. The court noted that Berbice and Reynolds had already initiated proceedings in a British Guiana court to obtain the consent of the British government to transfer certain leases. The appellate court overruled the district court's denial of the defendants' application for a preliminary injunction and sent the case back to district court.⁵⁷

On Sept. 13, 1955, less than a month after the Anaconda Aluminum Co. smelter in Columbia Falls started making metal, the Harvey Machine Co. signed a contract with the

General Service Administration's Emergency Procurement Division calling for prompt construction of a \$65 million aluminum smelter on the Columbia River at The Dalles in Oregon. Under the contract, the company would be obligated to sell 270,000 tons to the federal defense stockpile by June 30, 1963. Harvey had received a letter of intent to build the plant from the GSA in 1953. With the new smelter in operation, Harvey would become the fifth aluminum producer in the U.S. Financing for Harvey's project would come from private sources "with such assistance as is necessary being given under the Defense Production Act by means of loan guarantees and advance payments for aluminum production," according to the contract. The government would have first call on aluminum production from the plant. The contract was signed immediately after Harvey entered into an agreement with the BPA for transmission lines and power. Harvey would provide more than \$2 million in material and equipment in lieu of cash to cover the cost of the transmission lines.⁵⁸

Columnist Drew Pearson took note of Harvey's newest venture. Soon after receiving a letter of intent from the General Service Administration in 1953, Harvey purchased 500 acres at the site, but a problem quickly arose over who would pay the \$2 million cost of a transmission line from the BPA to the smelter, Pearson reported. The deal was shelved until 1955 when Harvey agreed to pay the cost of the transmission line. In return, the General Service Administration agreed to provide Harvey with financial assistance in the form of federal loan guarantees, fast tax-write-offs and a government promise to pay in advance for up to 156,000 tons of aluminum.⁵⁹ Harvey began construction of the new plant in 1956. The company obtained a loan of more than \$40 million through three banks to finance the cost of building the plant. Entering the aluminum field was a difficult process for any company – cost estimates ran as high as \$80 million for construction of a new aluminum smelting plant.⁶⁰

The U.S. government guaranteed Harvey's \$40 million loan and agreed to buy up to 54,000 tons of Harvey's annual aluminum output for the strategic stockpile for five years beginning in 1959. The completed plant had a 60,000 ton-per-year capacity, so according to the deal the U.S. could take nearly all of Harvey's production. In 1959, Harvey offered the U.S. government only 19,500 tons, and in 1960 it offered only 12,000 tons. In its first years, Harvey set out to prove new uses for aluminum, including building all-aluminum truck beds. In summer 1959, Harvey Aluminum sold its first public stock issue of 750,000 shares and raised \$15 million to expand its reduction capacity by 25% and to double its fabrication capacity to 60,000 tons.⁶¹ Harvey owned the smelter at The Dalles from 1958 through 1971.⁶² By 1963, the plant employed 550 people and had a gross annual payroll of \$3.5 million.⁶³

The Harvey Aluminum Co. managed to work through the recessions of 1958-1960, and by September 1960 the company had cleared \$5 million on sales of \$60 million. With a rated capacity of 75,000 tons per year, the company had moved up to fourth place, passing Anaconda. The success of the Harvey Aluminum Co. was attributed to several factors: 1) the Big 3 U.S. aluminum producers, Alcoa, Reynolds and Kaiser, bore the cost of market development, not Harvey; 2) its new modern plant at The Dalles was very competitive; 3) the company was well-integrated and used most of the primary aluminum it produced in its own fabrication plants; and 4) Harvey had a government contract wherein the government was obligated to purchase up to 54,000 tons of primary aluminum per year until 1963, so Harvey was protected from the ups and downs of the volatile aluminum market.⁶⁴ By 1960, Harvey Aluminum accounted for 2% of U.S. aluminum output. While Alcoa, Kaiser and Reynolds plants were operating at 84% capacity in 1960, Harvey was operating at 100% with one of the most efficient plants in the U.S. With sales slipping 1.1% to \$59.7 million, the company still reported a record \$5 million profit for the fiscal year.⁶⁵ At its peak in 1969, the company reached No. 421 in the Fortune 500 list.⁶⁶

By 1961, Harvey Aluminum was among the top-six primary aluminum producers in the U.S. Its fabrication plant in Torrance fabricated aluminum products for construction, aircraft, automobiles, electrical wire and cables, appliances and home equipment, packaging, irrigation pipe, components for food and chemical processing, and parts for ships and recreational boats. Harvey Aluminum had recently developed the world's longest aluminum railroad car, featuring six 82-foot by 25-inch aluminum extrusions for the frame and four 20-foot aluminum panels for the roof. The use of aluminum in automobiles had increased with the advent of the compact car, increasing from an average of 12 pounds of aluminum per vehicle in 1948 to 63 pounds in 1961, with a projected 300 pounds by 1970.⁶⁷ In November 1962, Sen. Mansfield expressed concerns over plans by the federal government to release 158,000 tons of stockpiled aluminum to the open market. Harvey Aluminum was the only company that continued to sell aluminum to the stockpile, and its contract would expire in 1963. Mansfield was concerned that if the federal government released that much aluminum in the open market, when aluminum was officially selling for 24 cents per pound but actually selling at lower prices, Pacific Northwest aluminum producers might be forced to curtail production. The BPA supported his efforts to stop the stockpile sales.⁶⁸

Harvey's expansion

Harvey invested in a number of far-flung bauxite and alumina projects in foreign countries. In 1961, the Harvey Aluminum Co. began investigating bauxite deposits in Jamaica. The company held a prospecting license on 48.6 square miles with options to

buy several thousand acres. The company was also studying bauxite deposits in British Guiana and sites in the Caribbean for construction of an alumina refinery. The company's aluminum smelter at The Dalles was using alumina shipped from Japan.⁶⁹ In 1962, Harvey Aluminum and Hess Oil teamed up to build an alumina refinery and oil refinery on 1,400 acres of former sugar cane fields on St. Croix in the U.S. Virgin Islands. The Virgin Islands legislature approved the deal.⁷⁰ Harvey's construction crews blasted a channel and created a port that extended one mile out into the ocean, one of the most hurricane-proof ports in the Caribbean. Over the next 40 years, the site was acquired by different owners, including Martin-Marietta, the Virgin Islands Alumina Corp. and Alcoa. In the late 1990s, Alcoa invested more than \$20 million upgrading the port and its coal-fired power plant, but the alumina market collapsed after that and Alcoa closed the facility in 2000.⁷¹ On Sept. 18, 1968, Harvey entered into a financial deal for a bauxite mine in the Boko region of Guinea, West Africa. Harvey Aluminum, operating under the name Halco Mining, joined with Alcoa, Alcan, Aluminium Canada and Compagnie des Bauxites de Guinee to finance the deal. The government of the Republic of Guinea participated by taking out loans from the World Bank and the Agency for International Development to construct infrastructure.⁷²

Harvey also invested in a smelter project on the island of Karmoy in Norway, which was first announced by Norsk Hydro on June 11, 1963. The local economy had been hit hard by the first failure of the herring fishery in 50 years, and more than 1,000 local workers needed jobs. Once the decision was made not to produce fertilizer or plastic at the site, Norsk Hydro began to look for a partner in the aluminum business. They contacted Pechiney, Alcan and Alcoa, who were interested, but in the end turned to Harvey Aluminum. The advantages to Norsk Hydro were that Harvey was independent, not too large and able to supply sound technology for building up an integrated aluminum operation such as Norsk Hydro had in mind. Norsk Hydro struck a deal with Harvey to create a new company, Alnor Aluminium Norway A/S, with Norsk Hydro holding 51% and Harvey holding 49%. The partnership lasted 10 years, at which time Harvey was acquired by Martin Marietta, which eventually sold the Karmoy facilities to Norsk Hydro for \$20 million in 1973 – a very low price. Norsk Hydro earned back the \$20 million in two years.⁷³

The original plan for Karmoy was to begin with an extrusion plant that would use purchased metal and then later to build a smelter, casthouse and rolling mill. Harvey had good experience with extrusion plants. The potroom and rolling mill, however, were built first and were running by June 17, 1968. The extrusion plant was operating by Jan. 14, 1969. While the rolling mill was small by European standards, it was the first to use metal produced in an adjacent potroom. The rolling mill employed Harvey's strip cast method, which saw good results in the first years but was later a victim of business

cycles. The first shipment of metal from Karmoy went to China, but the plant's biggest success came from selling to European markets. By 1982, the Karmoy smelter increased capacity from 110,000 tons per year to 162,000. The smelter's capacity was increased again to 220,000 tons per year in 1987, making the Karmoy smelter the largest in Europe at the time.⁷⁴

Harvey also built a new smelter in Washington State, not far from The Dalles. Construction of the \$96.6 million 100,000 ton-per-year aluminum plant in Goldendale began in 1970. Alumina used by the plant came from Harvey's St. Croix plant.⁷⁵ The 7,000-acre site on the north side of the Columbia River was located beside the John Day Dam. Martin Marietta purchased the plant in 1971 and operated it until 1985. The facility was then purchased by Commonwealth Aluminum, which operated the plant until 1987. The plant was idle for 1 1/2 years after that before being purchased and restarted by Columbia Aluminum. The plant was then sold to a private party which operated the plant under the name Goldendale Aluminum Co. The 178,000 ton-per-year smelter facility consisted of a carbon paste plant, four pot lines, a casthouse, a laboratory, administrative offices and a sewage treatment plant.⁷⁶

Harvey invested in two large fabrication plants in addition to its main facility in Torrance. The 750,000-square-foot aluminum fabrication plant in Adrian, Mich., originally was built for the Defense Production Corporation in April 1942 and was run during World War II by Bohn Aluminum. The Adrian plant produced aluminum products for aircraft during the war, and some plant workers were German prisoners of war. Several different companies operated the plant after the war under federal contracts. Bohn Aluminum came back to run the plant during the Korean War, and the Bridgeport Brass Co. ran the plant until 1961, producing uranium rods for the federal government. When Bridgeport Brass decided in 1961 to no longer run the facility, national attention was drawn to the plant, and on March 17, 1961, President John Kennedy pledged at a press conference that a solution would be found to keep the plant operating. Kennedy put pressure on the General Services Administration to only consider bids by companies that planned to put the plant back in production, and Harvey eventually gained control of the facility and put 400 people to work.⁷⁷

In 1963, the city of Lewisport, Ky., offered Harvey Aluminum \$50 million in industrial revenue bonds to build a 110,000 ton-per-year aluminum rolling mill there.⁷⁸ It was described as the largest industrial development bond offer ever made. Once the mill was built, the facility would be rented out to Harvey at a rate sufficient to meet all the costs of development within 25 years. The town's inhabitants would assume a debt equal to about \$71,000 per person, but they hoped to draw 1,000 new workers to the area to work in the plant.⁷⁹ The rolling mill became the largest Harvey operation in the

U.S. When Martin-Marietta bought Harvey Aluminum in 1972 and eventually closed many of its West Coast operations, the company left the Lewisport plant as the center of its operations.⁸⁰ Martin Marietta invested \$33 million in a recycling facility in Lewisport and in expanding the mill. In 1985, Martin Marietta sold off its primary aluminum production to Comalco of Australia, but the Lewisport plant produced 170,000 tons that year. By 1995, production had grown to nearly 300,000 tons per year. As Comalco decided to divest itself of certain assets, the Lewisport plant's management put together an initial public offering and created a new independent company called Commonwealth Aluminum Corporation.⁸¹

Harvey ran into labor problems at both The Dalles and Torrance in the early 1960s. On Aug. 5, 1964, the U.S. Court of Appeals for the Ninth Circuit issued a ruling in a case that involved alleged spying by a hired detective agency. Harvey Aluminum brought the case against the National Labor Relations Board after the Board filed a complaint alleging Harvey Aluminum and General Engineering Inc. had hired the Wallace Detective and Security Agency to maintain surveillance of union activities at The Dalles. Harvey and General Engineering admitted to the surveillance but maintained it was targeting theft of company property. The National Labor Relations Board provided two witnesses, a former Wallace salesman and his wife, who testified that Wallace was employed to investigate pro-union employees, but managers at Harvey and Wallace testified to the contrary. Three agents for Wallace testified that they were instructed to conduct union espionage at Harvey plants, while seven other Wallace agents testified that they were employed solely to secure information about theft of company property and denied spying on union activities. The three Wallace agents said they had given statements to the National Labor Relations Board and the Labor Department about the purpose of their investigation, and one said he had given a similar statement to the FBI. Harvey attorneys were unable to obtain the statements provided to the Labor Department and FBI and argued in their appeal that they were improperly denied access to documents in the National Labor Relations Board's possession. The appellate court ruled that the Board erred in denying the requested documents, including those in its possession. The case was remanded to the Board for further proceedings consistent with the appellate court's ruling.⁸²

On Dec. 2, 1964, workers at the Harvey Aluminum plant in Torrance voted to form a union under the AFL-CIO United Steelworkers of America. The company had tried to stop workers from organizing since 1951. Workers claimed Harvey paid less in wages and benefits than competing companies. Harvey fought the union effort in court, eventually leading to a strike by 1,500 Harvey employees on April 4, 1965. The two sides failed to reach an agreement, leading to violence on the picket lines on July 27, 1965. Rocks and bottles were thrown when some workers crossed the picket lines. The

violence continued for several more days, as 800 plant workers fought outside workers and a battalion of police and sheriff's deputies on July 28, 1965. Injuries were minor, but a melee on July 30, 1965 led to 14 arrests and a court order barring strikers from gathering near the plant. On Aug. 22, 1965, the union's members voted 660-60 to accept an interim agreement with Harvey, and employees went back to work the next day.⁸³

The Harvey Aluminum Co. lost the family name when it was acquired by Martin-Marietta, an aerospace company that expanded in the 1960s beyond Titan missile production to paints, dyes, metallurgical products, construction materials and other goods. The Glenn L. Martin Co. had merged with American-Marietta in the early 1960s to form the Martin-Marietta Corporation, which purchased a 40% interest in Harvey Aluminum in 1968. Martin-Marietta owned 100% of Harvey Aluminum by 1974 and changed the name to Martin-Marietta Aluminum. In 1980, the company began a major expansion at its smelter plant in Goldendale. By 1980, the company operated a 120,000 ton-per-year smelter in Goldendale and a 90,000 ton-per-year smelter at The Dalles, as well as bauxite mines in Guinea and an alumina refinery in St. Croix.⁸⁴ In November 1984, facing higher power prices, Martin Marietta announced that it would begin closing down its aluminum smelter at The Dalles. The company said it had tried to sell the plant without success. The company's smelter in Goldendale was sold to Comalco Ltd. of Australia in December 1984.⁸⁵ The EPA proposed listing the smelter at The Dalles on the Superfund's National Priority List on Oct. 15 1984. The 350-acre Superfund site was located within an 800-acre area primarily used for heavy industry. The site was deleted from the list on July 5, 1996, but the EPA continued with a five-year review process through 2010.⁸⁶

The Harvey Aluminum Co. developed a reputation in the racing industry, starting in 1962 when an aluminum race car sponsored by Leo Harvey was entered in the Indianapolis 500. The car was built by race car driver Mickey Thompson in his California shop and driven by Dan Gurney. The car had an aluminum Buick V-8 engine and qualified for seventh place. Engine problems prevented a win. Another Harvey aluminum race car entered the Indianapolis 500 in 1963.⁸⁷ Thompson's 1962 Harvey Aluminum Special had 70 horsepower less than other race cars but was made of special aluminum alloys and finished ninth in the race. The Thompson race team received the Mechanical Achievement Award for its breakthrough design.⁸⁸ Harvey Aluminum also supported high speed records on both land and water with aluminum vehicles. The Hustler was a jet speedboat that crashed on the Colorado River in 1964 after reaching nearly 300 mph. Harvey Aluminum also provided aluminum structural materials for the Goldenrod, which set a land-speed record of 409.277 mph on the Bonneville Salt Flats in 1965. The Goldenrod was powered by four Chrysler Hemi V-8 engines with a total of 2,400

horsepower. "Racing is a practical research laboratory for engineering and metallurgical advancements in aluminum and in other light metals," Harvey Aluminum president Lawrence Harvey explained.⁸⁹

In 1950, a modern, round-shaped 6,788-square-foot house was completed in Los Angeles for Leo and Lena Harvey that later became known as the Harvey Aluminum House. It was designed by renowned architect John Lautner, who had worked for Frank Lloyd Wright and had supervised construction of the famous Fallingwater house in Pennsylvania. Lautner, who built modern homes around Los Angeles, was the architect selected for the 1984 Los Angeles Summer Olympics. By the late 1990s, the Harvey Aluminum House was offered for sale as a tear-down but was purchased by Hollywood actress Kelly Lynch and producer Mitch Glazer in 1998 and restored over the next three years.⁹⁰ By 2016, the Harvey Aluminum House had been nominated for placement on the National Register of Historical Places. The house was considered eligible at the local significance level as an excellent example of the Organic-influenced Mid-century Modern style. Lautner had collaborated with former ship builder John de la Vaux with the goal of making the house seem to float on the hilltop.⁹¹

As a pioneer industrialist and inventor and a good friend of Israel, Leo Harvey gave his support to the Technion-Israel Institute of Technology, where he served on the board of governors. The institute's Harvey Prize – named for him – was awarded to prominent scientists and scholars around the world.⁹² By 2011, the Harvey Prize had been awarded to 13 people who went on to win a Nobel Prize. Leo Harvey died in 1974.⁹³ Lawrence Harvey became chairman of the board of Harvey Aluminum when his father stepped down in 1969. At that time, Harvey Aluminum was among the seven largest aluminum producers in the U.S.⁹⁴ As other members of his family before him, Lawrence used his affluence to support numerous philanthropic organizations, including the Cedars-Sinai Medical Center, the Anti-Defamation League of B'nai B'rith, where he was the honorary national vice chairman, and the Technion-Israel Institute in Haifa, which was Israel's counterpart to Caltech. Lawrence Harvey died in 1987.⁹⁵

¹ Mel Ruder, "In again out again," *Hungry Horse News*, Sept. 21, 1951 [AL2598]

² Guide to the Mike Mansfield Papers 1903-1990, University of Montana Mansfield Library, April 20, 2014 [AL4475]

³ Mike Mansfield, 82d Congress, First Session, H.R. 5410, In The House of Representatives, Mansfield Collection, Sept. 19, 1951 [AL4509]

⁴ Remarks of Hon John P. Saylor, of Pennsylvania, in the House of Representatives, "Secretary Chapman engineers another great RFC scandal for Harvey Machine Co.," Mansfield Collection, Sept. 18, 1951 [AL4467]

⁵ Saylor, Sept. 18, 1951 [AL4467]

⁶ "Montana aluminum plant, 'power shortage,' termed incompatible," *Billings Gazette*, Sept. 20, 1951 [AL4452]

-
- ⁷ "Rep. Mansfield requests federal probe of proposed RFC loan to Harvey Co.," Great Falls Tribune, Sept. 20, 1951 [AL4450]
- ⁸ "Proposed Kalispell aluminum plant, declares Idahoan, never should have been considered," Great Falls Tribune, Sept. 25, 1951 [AL4447]
- ⁹ Billings Gazette, Sept. 20, 1951 [AL4452]
- ¹⁰ "Latest obstacle to Harvey loan draws demand for investigation," Flathead Monitor, Sept. 20, 1951 [AL4451]
- ¹¹ Great Falls Tribune, Sept. 20, 1951 [AL4450]
- ¹² Telegram from S.I. Rapson to federal officials, Mansfield Collection, Sept. 22, 1951 [AL4458]
- ¹³ Letter from Stuart Symington, administrator, Reconstruction Finance Corporation, to Rep. Mike Mansfield, Mansfield Collection, Sept. 25, 1951 [AL4506]
- ¹⁴ Letter from Rep. Mike Mansfield et.al. to Charles Wilson, Office of Defense Mobilization, Mansfield Collection, Sept. 23, 1951 [AL4499]
- ¹⁵ Mansfield Collection, Sept. 23, 1951 [AL4499]
- ¹⁶ Telegram from Rep. Mike Mansfield to United Press in Montana, Mansfield Collection, Sept. 23, 1951 [AL4498]
- ¹⁷ Great Falls Tribune, Sept. 25, 1951 [AL4447]
- ¹⁸ Letter from Don Treloar to Charles E. Wilson, Mansfield Collection, Sept. 23, 1951 [AL4459]
- ¹⁹ Don Treloar, United Press Release, Mansfield Collection, Sept. 24, 1951 [AL4457]
- ²⁰ Press release by Don Treloar about allegations against Harvey, Mansfield Collection, Sept. 25, 1951 [AL4460]
- ²¹ Letter from Don Treloar to Rep. John Saylor, Mansfield Collection, Sept. 26, 1951 [AL4461]
- ²² Letter from Montana Gov. John Bonner to Charles Wilson, Office of Defense Mobilization, Mansfield Collection, Sept. 26, 1951 [AL4500]
- ²³ For more information, see "Washington Merry-Go-Round: The Drew Pearson Diaries, 1960-1969," Peter Hannaford Peter, editor, University of Nebraska Press, 2015
- ²⁴ Phone call from M.E. Darkenwald to the Washington, D.C. office of Rep. Mike Mansfield, Mansfield Collection, Sept. 19, 1951 [AL4532]
- ²⁵ Letter from Don Treloar to Montana Gov. John Bonner, Mansfield Collection, Sept. 24, 1951 [AL4463]
- ²⁶ "Solons to probe Harvey Co. loan," Great Falls Tribune, Sept. 26, 1951 [AL4446]
- ²⁷ Letter from Don Treloar to House subcommittee investigating Harvey Co. loan, Mansfield Collection, Sept. 28, 1951 [AL4462]
- ²⁸ Letter from Rep. Mike Mansfield to Department of Interior Secretary Oscar Chapman, Mansfield Collection, Sept. 27, 1951 [AL4507]
- ²⁹ Letter from U.S. Attorney General Howard McGrath to Rep. Mike Mansfield, Mansfield Collection, Sept. 27, 1951 [AL4508]
- ³⁰ Drew Pearson, "Washington Merry-go-round, Campaign gifts create nausea," Washington Post, Sept. 28, 1951 [AL4445]
- ³¹ Mel Ruder, "Let's have it," Hungry Horse News, Sept. 28, 1951 [AL2599]
- ³² Mike Mansfield, "Memo, Here is what will happen on the aluminum problem," Mansfield Collection, Sept. 29, 1951 [AL4503]
- ³³ Mansfield, Sept. 29, 1951 [AL4503]
- ³⁴ Mansfield, Sept. 29, 1951 [AL4503]
- ³⁵ John Corbett, "The water shortage in the Columbia River Basin," Boise Idaho Statesman, Sept. 30, 1951 [AL4442]
- ³⁶ Letter from Jim Murphy, president Kalispell Chamber of Commerce, to Montana Gov. John Bonner, Mansfield Collection, Sept. 29, 1951 [AL4510]

-
- ³⁷ Letter from Rep. Mike Mansfield to Charles Wilson, Office of Defense Mobilization, Mansfield Collection, Oct. 1, 1951 [AL4502]
- ³⁸ "Aluminum, thumbs down for Harvey," Time magazine, Oct. 1, 1951 [AL4444]
- ³⁹ "Harvey firm renews plea on RFC loan," Washington Post, Oct. 5, 1951 [AL4443]
- ⁴⁰ Telegram from Leo Harvey to Rep. Mike Mansfield, Mansfield Collection, Oct. 12, 1951 [AL4455]
- ⁴¹ Telegram from M.E. Darkenwald to Rep. Mike Mansfield, Mansfield Collection, Oct. 13, 1951 [AL4456]
- ⁴² "Plant clearing last hurdles," Hungry Horse News, Nov. 9, 1951 [AL1422]
- ⁴³ Letter from Rep. Mike Mansfield to Jess Larson, administrator of General Services Administration, Mansfield Collection, Oct. 5, 1951 [AL4501]
- ⁴⁴ Letter from Department of Interior Under Secretary R.D. Searles to Rep. Mike Mansfield, "Re: Harvey Machine Co.," Mansfield Collection, Oct. 17, 1951 [AL4504]
- ⁴⁵ Searles, Oct. 17, 1951 [AL4504]
- ⁴⁶ Searles, Oct. 17, 1951 [AL4504]
- ⁴⁷ Searles, Oct. 17, 1951 [AL4504]
- ⁴⁸ Searles, Oct. 17, 1951 [AL4504]
- ⁴⁹ W.C. Bryant and Merle Gulick, "Aluminum program, 'Czar' will be named to speed expansion of metal facilities," Wall Street Journal, Nov. 2, 1951 [AL4515]
- ⁵⁰ "ACM not to be influenced on site," Hungry Horse News, Feb. 22, 1952 [AL1438]
- ⁵¹ Letter from Rep. Porter Hardy to Rep. Mike Mansfield, Mansfield Collection, Feb. 11, 1952 [AL4436]
- ⁵² Hungry Horse News, Feb. 22, 1952 [AL1438]
- ⁵³ Maxine Johnson, "The effects of the Anaconda Aluminum Company plant on Flathead County, Montana," Montana State University publication, January 1960 [AL0277]
- ⁵⁴ "Harvey Aluminum (Incorporated)," Harvard Business School Library, 2008 [AL4090]
- ⁵⁵ Harvey Mach. V. Harvey Aluminum, New York County Supreme Court, May 23, 1957 [AL4491]
- ⁵⁶ Carleton Green, "The Impact of the Aluminum Industry on the Economy of the Pacific Northwest," June 1954 [AL1477]
- ⁵⁷ Harvey Aluminum Inc. et.al. v. American Cyanamid Co., Second Circuit Court of Appeals, May 25, 1953 [AL5010]
- ⁵⁸ "Harvey to build aluminum plant, \$65,000,000 Oregon project will make company fifth primary U.S. producer," New York Times, Sept. 14, 1955 [AL1207]
- ⁵⁹ "Time archive, 1923 to the present, Business, Aluminum's No. 5," Time magazine, May 1, 2005 [AL3908]
- ⁶⁰ Peter Bart, "Newcomer paces aluminum field, Harvey Company is setting brisk rate as rest of the industry cuts output," New York Times, Dec. 1, 1960 [AL1236]
- ⁶¹ "Corporations, aluminum bright spot," Time magazine, Dec. 26, 1960 [AL4309]
- ⁶² "Northwest Aluminum Company brief history," Northwest Aluminum Co. online, May 5, 1998 [AL0659]
- ⁶³ Judge John Kilkenny, Renken v. Harvey Aluminum Inc., Opinion of the Court, U.S. District Court of Oregon, 1963 [AL5004]
- ⁶⁴ Bart, Dec. 1, 1960 [AL1236]
- ⁶⁵ Time magazine, Dec. 26, 1960 [AL4309]
- ⁶⁶ "Harvey Aluminum (Los Angeles)," Health online, April 16, 2014 [AL4472]
- ⁶⁷ "Harvey Aluminum is a major producer," Torrance Press, Feb. 26, 1961 [AL5007]
- ⁶⁸ "Re: Aluminum sales, Mansfield asks stockpile hold," Hungry Horse News, Nov. 2, 1962 [AL2135]

-
- ⁶⁹ Kenneth S. Smith, "Jamaica bauxite spurs interest, Aluminum company reports signs of a long-term supply," *New York Times*, Jan. 15, 1962 [AL1241]
- ⁷⁰ "Alcoa to clean up contaminated land in St. Croix USVI," *Green Antilles* online, Dec. 13, 2011 [AL4313]
- ⁷¹ "Site history" *St. Croix Renaissance* online, Dec. 11, 2015 [AL5011]
- ⁷² "Halco (Mining) Inc.," *Harvard Business School Library*, 2008 [AL4089]
- ⁷³ "History, 1947, Ardal: Light at the end of the tunnel; 1963: Work for fishermen on land; 1986: Hydro + ASV = a strong alloy; 2002: VAW – a dream comes true; 2007: Just aluminium, 105 years on," *Norsk Hydro* online, Aug. 11, 2015 [AL4919]
- ⁷⁴ *Norsk Hydro* online, Aug. 11, 2015 [AL4919]
- ⁷⁵ "Harvey Aluminum (Incorporated)," *Harvard Business School Library*, 2008 [AL4090]
- ⁷⁶ "Aluminum facilities," *Washington State Department of Ecology* online, Feb. 23, 2004 [AL3537]
- ⁷⁷ Bill Roberts, "President Kennedy knew what value was: A history of the Adrian Delphi plant," *Executive Intelligence Review* online, May 12, 2006 [AL5012]
- ⁷⁸ Robert Schoenberger, "Aleris International prepares to go public," *blog.cleveland.com/business*, April 27, 2011 [AL5006]
- ⁷⁹ "Guest editorial, Kentucky town makes bold business move," *Hungry Horse News*, May 24, 1963 [AL2170]
- ⁸⁰ Schoenberger, April 27, 2011 [AL5006]
- ⁸¹ "Inside CII, Corporate history," *Commonwealth Industries* online, 1999 [AL1982]
- ⁸² Judge James R. Browning, *Harvey Aluminum Inc., General Engineering Inc., Wallace A. Ummel dba Wallace Detective and Security Agency, petitioners v. National Labor Relations Board, respondent*, U.S. Court of Appeals, Ninth Circuit, Aug. 5, 1964 [AL5020]
- ⁸³ Sam Gnerre, "South Bay History, Harvey Aluminum in Harbor Gateway had a long, sometimes turbulent history," *Daily Breeze*, April 18, 2015 [AL5005]
- ⁸⁴ Rhea Berk, Howard Lax, William Prast and Jack Scott, "Aluminum: Profile of the Industry," 1982 [AL1290]
- ⁸⁵ "Oregon aluminum plant closes, 222 out of work," *Hungry Horse News*, Dec. 13, 1984 [AL2577]
- ⁸⁶ "Martin Marietta Aluminum Co., Oregon, EPA ID #ORD052221025, Site description," *EPA Region 10* online, September 2007 [AL5009]
- ⁸⁷ Gnerre, April 18, 2015 [AL5005]
- ⁸⁸ "All about aluminum, Aluminum history," *Aluminium Leader* online, Oct. 16, 2015 [AL4975]
- ⁸⁹ "U.S. readies jet boat assaults this year on water speed record (1965)," *Boating News*, August 1965 [AL5014]
- ⁹⁰ "John Edward Lautner Jr. FAIA (1911-1994)," *North Carolina Modernist Houses* online, Dec. 11, 2015 [AL5008]
- ⁹¹ "National Register of Historic Places Registration Form, Draft, Harvey Aluminum Home," *California State Parks Office of Historic Preservation* online, April 29, 2016 [AL5160]
- ⁹² "Harvey Prize, Mr. Harvey," *Technion Israel* online, Feb. 1, 2013 [AL4318]
- ⁹³ "Harvey Prize ceremony," *Harvey Prize facebook page*, March 15, 2011 [AL4319]
- ⁹⁴ Gnerre, April 18, 2015 [AL5005]
- ⁹⁵ "Industrialist, philanthropist L. Harvey dies," *Los Angeles Times*, Sept. 5, 1987 [AL4492]