

# California HOMEOOWNER

September 1967

twenty cents

## Better Cities for Better Schools

by Harold Howe II  
U.S. Commissioner  
of Education

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\$4 Billion Budget

Trouble Ahead for CALIFORNIA

by John Nagy

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**California Homeowners Magazine**

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# Better Cities for Better Schools

Excerpts from An Address by Harold Howe II, U.S. Commissioner of Education, Department of Health, Education, and Welfare, before "The Schoolhouse in the City," a conference on Urban School Planning, Stanford University, Stanford, California, Monday, July 10, 1967.



*Harold Howe II,  
U.S. Commissioner of Education*

The power of the cities to solve or even to ameliorate their problems has decreased. The source of these opposing pressures--increasing responsibility, decreasing ability--is not so much population growth as it is population shift.

Chicago offers a good illustration of the distinction. Between 1940 and 1965, the Chicago metropolitan area population increased about 44 percent, from 4.5 million people to 6.5 million. However, only about 3 percent of that increase took place within the city limits; the rest occurred in the suburbs.

## CITY PROBLEMS ARE SCHOOL PROBLEMS

Normally a major city would find little difficulty in accommodating a 3 percent population growth. It is the nature of that growth which heightened Chicago's problems--the problems of the city and of its schools.

The experience of Chicago can be duplicated in greater or less degree in every major American city. The facts and statistics of ur-

ban blight, of large racially isolated minorities, of inadequate services to improve the opportunities of Americans who have missed the American dream are all too familiar.

The facts show that better-educated, higher-income families are leaving the city and being replaced by white and Negro families--a high percentage of them immigrants from the rural South--with poor educations and low incomes... in some cases, with no education or income of their own at all. More importantly they mean that schools and hospitals, welfare departments and recreation agencies, job training enterprises and employment offices must rethink their purposes and their programs. Since the basic opportunity for change lies in preventing the coming generation from being trapped in the ghetto, the great hope for the future of the American city lies in the city's public schools.

## HOMES MOST INFLUENTIAL

It is only in the last few years we have come to realize that the home does much more

educating, for better or worse, than any number of teachers can do in six hours a day, five days a week...with three months out for a vacation spent in the summer school of the streets.

A psychological gap reveals itself in a number of ways. One is in a high drop-out rate, stemming in large part from the inability of many students to see any connection between their studies and their lives. The most dramatic effect of this psychological distance, however, is the violence we have come to fear and expect in our cities. Usually it has been an arrest or shooting that has triggered days of rioting or looting, but the apparent cause is so trivial in comparison with the appalling result--in such places as Watts, Chicago, Atlanta, Buffalo, Cleveland, Detroit, Newark and others--that we must seek explanations elsewhere.

#### SERIOUS COMMUNICATION GAP

Schooling which results in not learning to read, in not mastering a saleable skill, and in not learning the habits which will lead to job success is certainly one of these causes. I suspect that much of this violence really amounts to a ghetto version of a PTA meeting. Poorly educated parents and poorly educated teen-agers who do not know how to reach a city hierarchy separated from them by a host of cultural differences seize the only means of communication readily available to them. Riots are an expensive way to talk, but white people are finally listening after decades of ignoring the quieter voices from the ghetto. Officials in City Hall and in the Board of Education offices are now seeking to respond to needs which have been pointed out so forcibly that they cannot be ignored. Surely many of them must feel inadequate to the task, just as Federal officials like myself do. This feeling of inadequacy stems not from any intention of public officials to do as little as they can get away with, but from our genuine inability to understand what has gone wrong and what is needed to make things right. Those in government and those who are supposed to benefit from government have not understood each other.

#### NOT ONLY A SCHOOL PROBLEM

But school officials by themselves cannot alone solve the problem of the city schools, for this problem is not simply educational in nature. It is civic. If we are ever to have fine city schools drawing their strength from the cities themselves, rather than from desperate experiments financed by foundations and Federal programs, we must restore to the cities the financial and political power to solve the problems thrust upon them. And we must restore the city neighborhood.

#### CITIES MUST BE REVITALIZED

In part, that means attracting back to the cities large numbers of the middle-income families who have moved to the suburbs in the last decade. Many of them, I suspect, would be happy to return. They don't enjoy driving two hours a day to work and back; they don't enjoy struggling to find a parking-place and paying a high price for it when they do. Many of them, I suspect, don't enjoy contributing a large portion of their weekend hours to stamping out crab grass and replacing the furnace-filter. And above all, many of them miss the variety which is pre-eminently the gift of the cities. Suburbs, after all, draw their major reason for being from the city; take away the city with its jobs and its attractions and all you have in the suburbs is a lot of land that might better be put to farming.

#### UGLINESS IS PRESENTLY SUBSIDIZED

The fact is that the cities have sapped their own political power by driving away middle-income families, and eroded their own financial power through poor land use, unplanned development, and subsidized ugliness. The fact is that a man with two or three children, an annual income of \$10,000, and a normal desire for decent housing cannot afford to live anywhere but the suburbs. More and more, the only people who can afford city living are the rich, the poor, and the childless.

In the meantime, our cities blanket some of the most desirable land in the United States--land close to the center of the city--with slum

buildings and tracts reserved for automobiles. I understand that fully 50 percent of the Los Angeles downtown area is monopolized by streets and parking lots; in Atlanta, 54 percent, in Boston, 40 percent, and in Denver, 44 percent.

What has this kind of thing to do with the city schools?

First of all, it suggests that the cities--especially the older ones, which are prohibited from further expansion by suburban boundaries--have in the past wasted the most valuable financial resource they have: their land. By making better use of it, they can not only make the city a more attractive place to live, but can generate the extra tax revenues needed to provide first-rate education for all their citizens. It suggests that they can make of themselves genuinely integrated societies with a good, healthy cross-section of economic and social classes, each person choosing the kind of housing he wants.

#### CITIES THEMSELVES CAN DO MUCH

*It suggests, too, the feasibility of a new partnership between the cities and private business. Not even the local, State, and Federal governments put together can provide the huge sums needed to renovate all of our cities and all of city education. But the cities themselves could do a major share of the job if they harnessed the profit motive to their own goals.*

#### THE SUBSIDIZED SLUMS ARE VERY COSTLY

The city pays in several ways: through the loss of the tax revenue that good housing or commercial construction on that site would bring; through the loss of middle-income families who might both live and work there; and finally, through the excessive prices cities must pay for underassessed slum land to convert it to better use. To quote from the report of a conference of 33 urban experts as published in the April 1967 issue of *Nation's Cities*, "Nearly a third of all the people of Manhattan still live in railroad flats that were banned before 1900, and these slums are so

underassessed and undertaxed that it has cost an average of \$486,000 an acre to buy them up for demolition!"

#### CITIES ARE EDUCATORS BUSINESS

Perhaps my remarks amount to saying that it's time educators realize that the cities are their business, and that we will never have first-rate city schools unless we have first-rate cities.

Educators must start paying attention to some matters we have neglected in the past: to tax policy, to site selection, to the multiple use of land and buildings. We should, now and then, forget computer-assisted instruction and team-teaching and nongraded classes and dream a little bit, not about what kind of city school we want, but about what kind of city we want. And a school, moreover, receiving the benefits of an enlightened tax policy--a policy which would tax central city land in such a way that high income business properties would replace low income slums.

#### EDUCATORS MUST CONSIDER THE WHOLE COMMUNITY

Educators must think about buildings and transportation and air pollution while they forge new alliances with city planners, architects, politicians and precinct captains, industrialists and chain-store operators and all the people who make a city go. We must, in brief, form a new integration of specialties.

We have allowed expressways, urban growth, and suburban sprawl to distribute our lives into cubicles separated from each other by concrete, dirty air, dirty water, and political boundaries that encourage apathy. Our schools and offices, busy while the sun shines, become blacked-out warehouses when work is over. Our theaters, our imposing monuments to culture, don't come alive until dark. And our downtown areas, comprising billions of dollars of physical and spiritual investment, millions of humans working with an imagination and energy that have amazed the world, are ghost towns from five at night 'til nine in the morning, and all day Saturday and Sunday. END

# FACTS and FALLACIES about FARMING

by Dr. Ben Yellen  
Councilman, City of Brawley

The biggest industry in the United States is farming and in California it has created many millionaires and a power complex which reaches into every level of government. Eight counties of California (in the San Joaquin Valley) have a yearly agricultural production greater than 46 states of the United States.

Farming is so powerful nationally that the giant American Farm Bureau Federation, which operates several insurance companies, gasoline filling stations, automobile accessory stores and spends millions on lobbying activities, has seven of its members on the House Agriculture Committee, voting on farm bills. Not only do they see nothing wrong in this conflict of interest, but they fight to keep the tax free status for the big farming co-op.

In the Imperial Valley we have a similar organization, the Imperial Valley Irrigation District. This district was organized to bring water to the ranches and cities, it is supposed to be a public agency serving all citizens equally, but it favors the big ranchers with low rates for water and electricity and charges city dwellers more. This agency was continually in the red because it charged the ranchers such low rates for water and it tried to make up by charging the city dwellers more. This writer exposed this trick six years ago in one of my Newsletters and the agency was forced to charge the ranchers more.

The main swindle by the irrigation district is to charge the ranchers one-fourth the price for water which they should pay. The ranchers use 99½ percent of the water in the district while the towns use the rest. The towns use 95 percent of the electricity sold by the Imperial district and are charged three times the correct price so the I.I.D. can continue to sell irrigation water to the big farms at one-fourth the correct price.

Who are these big farmers? Seventy percent of them live in the city and have agents

run their farming operations. One fellow I met in Palm Springs went down occasionally to look at his operations, in his Rolls Royce. Another man boasted that he had made \$200,000 on onions and never saw an onion. He never went near his ranching operation. All the "ranchers" are in violation of the United States Reclamation Law which limits farmers to 160 acres (320 for man and wife) and they must be resident owners in order to qualify for irrigation water.

You remember reading about the Texas scandals on cotton allotments and the government farm agents who lost their jobs because of lax treatment of a certain Billie Sol Estes. These allotments are also a favorite device of California ranchers. One hundred and fifteen ranchers filled out fraudulent claims on beet sugar allotments (the government spends about \$6 billion yearly on price supports and allotment money for about 60 different products.) These same farmers also get cotton allotments. When it was learned that each of these farmers tried to swindle the government out of \$25,000, there was a move to withhold their cotton allotments. These farmers got Congressman John Tunney to tell Under-Secretary of Agriculture John Schnittker that there was a "tight money" situation and the farmers needed the allotment money desperately to save their farming operations. The Agricultural Stabilization and Conservation Committee of Imperial County was told to make the cotton allotment payments and to say nothing further about the sugar beet fraud. These 115 farmers got away with \$2.8 million fraud, but in the same county 5 workers were heavily fined and jailed for a total of \$574 unemployment fraud. If you want to get ahead be a big swindler, not a little one.

There is another type of handout which

is called land diversion. The farmer is paid for not growing a certain crop on certain land. He collects for this and then grows some other crop on the land and makes money on that too. If you will look in the Congressional Record S8413, and S8416 you will see a list of farm program and subsidy payments. Stated Senator Williams of Delaware, "It is obvious that the small family-type farmer is not the beneficiary of our present farm program, but rather the Government through these large payments is in reality subsidizing an expansion of the corporate type farming. The time is long past when these programs should be curtailed and these payments restricted to an amount not to exceed \$10,000 for any one farming operation."

If you look, in the list of 1966 payments of \$50,000 and over under the various farm programs you will find the following:

Elmore Co.           \$287,026.

Jack Elmore       197,219.

Stephen H. Elmore 126,243.

Total   \$610,488

This is a father and 2 sons getting a total of \$610,488 for land diversion. The same family also received \$250,000 in price supports. You will notice on this list the Irvine ranch received \$179,737 for not growing cotton and the Kern County Land Company received \$652,052 for various programs including land diversion and price supports. Also on the list, the Griffen company of Fresno county received \$2,397,073. and South Lake Farms of Fresno county received \$1,468,696. The Boswell company of Kings county received \$1,014,355. This explains why these big ranchers have publicity and advertising firms grinding out material on the reasons why small farms are not practical and only big farming operations can deliver produce at low prices. If you give me two million dollars I'll grow onions very cheaply too. I'll even throw in some cheap sugar and cotton.

One million of the big farmers receive 80 percent of the \$6 billions handed out by the Federal Government. Money which comes from your income tax, and other federal taxes. The other 2.5 million farmers make do with 20 percent of the support money. These are

not farming operations, they are millionaire moochers, high class welfare.

The United States Bureau of Reclamation has built more dams, more reclamation projects and put more land into cultivation in the Southwest than in any other area. Most of this reclaimed land is immediately put into cotton, a product which the government is paying farmers to keep 7,000,000 acres out of production and is paying price supports and buying surplus to store in warehouses all over the country. We do not have a cotton mill in California because taxes are too high on inventory and equipment. So the cotton is shipped to other states or to Japan and we have to buy it back as finished products. Now the Bureau of Reclamation wants to build more dams and aqueducts on the Colorado River. This will do nothing but supply more cheap irrigation water to ranchers.

There is a current project to build an Atomic Desalinization Plant in Orange county at a cost of \$444 million. This plant will supply a city of 750,000 persons or irrigate 30,000 acres of land. The Irvine Ranch, adjacent to this plant, owns 90,000 acres of land and is building a city on part of it. To persuade the people to pay for this project (\$60 million from the Federal Government, the rest from local agencies) the agencies involved have flooded the news media with the cry of WATER SHORTAGE. THERE IS NO WATER SHORTAGE IN THE SOUTHWEST! New York city uses 1.5 million acre feet of water annually for 7.5 million people. Allegedly, Imperial County uses 2.8 million acre feet of water yearly for 75,000 people. Actually, about 70 percent of the water is used for irrigation of 460,000 acres of mostly absentee owned land. If we charged the ranchers the proper amount for water they would use far less and we would not have a water shortage for a hundred years.

The Metropolitan Water District, which is to share in the Orange County project, will sell electricity derived from the plant. Because this plant will pay no taxes, the M.W.D. can sell power to private companies at cheaper rates than they would get if they built the plant themselves. That puts the M.W.D. in

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# BUTTON, BUTTON

by WILBUR E. PEREIRA

So long as the State stands as an impersonal mechanism which can confer an economic advantage at the mere touch of a button, men will seek by all sorts of ways to get at that button, because law-made property is acquired with less exertion than labor-made property. It is easier to push the button and get some form of State-created monopoly, like a land title, a tariff concession, or franchise, and pocket the proceeds, than to accumulate the same amount by work.

As to Abraham Lincoln: As a politician he was candid and always ready to say, as he did say, that the way of a politician is "a long step removed from common honesty."

Albert Jay Nock

A Copley News Service item, published in the News Advertiser Group on January 22, 1967, started a whole series of interesting reports about the Del Mar Race Track lease situation.

The headline was, "Assemblyman Has Questions On Turf Deal." It was filed in Sacramento, California.

"Assemblyman Alan G. Pattee, R-Salinas, has asked Attorney General Thomas C. Lynch to investigate the action of the 22nd District Agricultural Association in awarding a lease of the Del Mar race track to the second highest bidder. Pattee said he had been unable to receive satisfactory answers to a number of questions concerning the lease. The lease must be approved by the departments of general services and agriculture and the state horse racing board.

Charles E. Chapel, Assemblyman, 46th district, now deceased, opposed the lease in several articles published in December.

"Pattee charged action in considering the lease was taken at a series of secret meetings of the association board of directors, before giving it to Del Mar Associates, at an estimated loss to the state of 20 million dollars over a period of years.

"Pattee said he understood a member of the executive committee of the agricultural association was an employee of the public relations department of a San Diego bank. He said the chairman of the board of the bank has a daughter who is vice president, one of the directors, and a shareholder in Del Mar Associates."

## L.A. TIMES EDITORIAL

By March, 1967, more and more information began to appear in the press about the Del Mar situation. The Los Angeles Times editorialized, on March 6th, 1967:

"Clearing the Track at Del Mar. A majority of the board members of the 22nd Agricultural District Assn.



seem to have the curious notion that they--and not the people of California--own the Del Mar race track.

"The Del Mar track is the property of the state of California, and the district and its board are charged with operating it in the best interests of the state.

"Last week, however, the board defied the Legislature, the Attorney General and the State Departments of Agriculture and General Services by again approving the lease of the track to the second highest bidder.

"...A higher bid was received, but the board said that Del Mar Associates, a group headed by John Alessio, operator of Caliente race track, was more experienced in running race tracks.

"Questions were raised as to the propriety of leasing a state-owned track to a man who operated a bookmaking concession in Mexico, even though such activities are legal there.

"The immediate concern of the Legislature and state agencies, however, was the board's arbitrary action of not leasing the track to the highest bidder. Both the General Services Department and the Agriculture Department disapproved of the board action, and the Assembly and State Senate passed resolutions insisting the award go to the high bidder.

"The district board then permitted Del Mar Associates to increase its bid, a decision that led to strong criticism by Atty. Gen. Thomas C. Lynch, and his withdrawal as counsel for the district.

"The warning had no serious effect upon the board. The next day the award to Del Mar Associates was reaffirmed by a vote of 6-3, with the two appointees of Gov. Reagan joining Robert Curran, the sole dissenter last fall.

"Board members, however, pushed their luck too far. 'The Legislature has had a nose thumbed at it,' declared Assemblyman John P. Quimby (D-Rialto), and his colleagues thereupon voted unanimously to suspend the rules so as to give immediate consideration to bills aimed at curbing or eliminating the district's powers.

"When racing finally resumes at Del Mar it may well be under entirely new management--and the district's board will have only itself to blame."

### \$15 MILLION GIFT BLOCKED

Herein, it seems, might be found positive and well-oiled relationships between the keepers of the buttons, and those who were so successful in finding ways to get at those buttons.

McCormick, chairman of the 22nd Agricultural Assn. said board member Lew Lipton,

an executive of U. S. NATIONAL BANK in San Diego, is aware that conflict-of-interest allegations have been made against him. McCormick said the daughter of the bank's board chairman "owns a few shares of stock in Del Mar Associates."

Legislators contended that the state would receive \$15 million more from the lease if it were to go to the San Diego County Turf Club rather than Alessio's group. The lease would begin in 1970.

Assemblyman Alan Pattee (R-Salinas) raised the question of conflict-of-interest in a letter to the Attorney General: "Is it not a violation of Section 1090 and 1091 of the Government code for a member of the executive committee to vote to award the lease to a group in which his boss's daughter is a prominent member?"

Copley News Service filed, in Sacramento, on June 4, 1967, a story telling that Governor Reagan approved a Legislative study of Del Mar track. He signed into law AB755, by Assemblyman Leroy F. Green, (D-Sacramento) which requires a delay until December 31 in the leasing of the Del Mar track.

### FEDERAL AGENTS MAKE ARRESTS

A Los Angeles Times report filed in San Diego on July 6, 1967, tells about IRS agents' claims that new arrests have "virtually wiped out major San Diego operations." Arrests were a result of a two-year investigation by the Internal Revenue Service of major bookmaking operations in the city. "The IRS investigation last month resulted in the arrest of Russell Alessio, 62, manager of the Caliente race track foreign bookmaking concession, and two other men they accused of working for a bookmaking system they said Alessio operated in San Diego."

This report seems to have quite a bit of significance: "Arrests have been made under federal law requiring a \$50 annual tax and a 10% gross revenue tax on all gambling operations. State law forbids bookmaking, but state and local authorities have filed no charges against the suspects."

Mr. Russell Alessio is Mr. John Alessio's brother.

## SUCCESS STORY

In an L.A. Times article dated April 20, Mr. Charles Maher writes: "In the 1920's, near the corner of 5th and E in San Diego, a junior high school dropout worked at a shoe-shine stand. Today, he is back on San Diego's 5th Avenue but hardly at the same old stand. His offices are in the 5th Avenue Financial Centre. He owns the joint."

Maher continues: "But the 12-story Financial Centre is only a piece of a multi-million dollar empire. Alessio also is in banking, insurance, real estate, hotels, restaurants, tuna fish, salad dressing, cat food, taxi companies, bus lines and horse and greyhound racing."

"Alessio's real love is finance and he prefers to be known as a banker. He is a director of three banks in Mexico. He is also a director and major stockholder of the Westgate-California Corp. whose board chairman, C. Arnholt Smith, once was a customer at John's shoe-shine stand."

"The corporation owns the, Yellow Cab companies of Los Angeles, San Francisco and Oakland, and an airport bus in Los Angeles;

The Breast-o'-Chicken tuna company;

Carnation and Rose Bowl fish products;

Girard salad dressing; Purr cat foods;

Los Altos Shopping Center in Long Beach;

Redlands Plaza in Redlands;

14,000 acres in the San Joaquin Valley;

The bulk of the properties on which the 44 Southern California offices of the U. S. NATIONAL BANK are located.

Will soon begin construction of a 26-story hotel in downtown San Diego.

"Take away these holdings," Mr. Maher continues, "and Alessio would be virtually impoverished—except that he is also board

chairman of the Alessio Corp. which operates the Southland Insurance Co., Southland Financial Corp., International Leasing Corp., Alessio Investment Co., the Financial Centre, and the Kona Kai Properties on San Diego's Shelter Island. The Alessio Corp. also has extensive property holdings in San Diego, and elsewhere."

In connection with a case in San Francisco in which the district attorney's office was involved, in 1950, Alessio met Edmund G. Brown, the then D. A. "He and Alessio became good friends," Mr. Maher reports.

"Last year Gov. Brown went to San Diego for the dedication of Alessio's Financial Centre."

Even then the Del Mar situation was "looming." Reported in the article: "Things could be going better for Alessio at yet another track, Del Mar. On April 7 (1966) Boys, Inc., a Texas-operated charitable corporation, sold its lease on Del Mar to Hollywood Park for more than \$2 million. The lease runs through 1969. This disturbed Alessio because he is a member of Del Mar Associates, a San Diego group that also bid for the lease. Publicist Bojens said Del Mar Associates submitted a bid in excess of \$2 million, and did so before Hollywood Park made its offer. For some reason, Bojens said, Boys, Inc. didn't want to deal with Del Mar Associates and rejected the bid—only to accept the offer from Hollywood Park."

"It seems evident," Bojens said, "that somebody in Boys, Inc. turned the Del Mar Associates bid over to Hollywood Park."

"Alessio said his group is proceeding with plans to acquire the Del Mar lease beginning in 1970. 'We firmly believe that, as a San Diego activity, it should be operated by San Diegans,' Alessio said."

More than a year ago the stage was set for the search, BUTTON, BUTTON--WHO'S GOT THE BUTTON. It seems evident, too, that the keepers of the button were known, found and that they motivated favorably in a keeper-seeker relationship now occupying the time of our Legislators and the top representatives of law and order in our state.

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# conservation



A proposition on last November's ballot was a bill entered in the legislature by Senator Fred S. Farr of Monterey. This measure purported to conserve land and asked that assessment practices be so designed as to accomplish conservation of open space lands.

## LARGE LANDOWNERS BENEFIT

Supporters of this bill were mostly large landowners who stood to benefit from it, but these people never asked if the tax structure would make more land available or allow for better use of the land, they were only interested in holding it for later development while paying low taxes in the interim.

Reading the list of donations to the campaign committee which was listed as Californians for Open Space Conservation and Recreation at 202 S. Hamilton Drive in Beverly Hills, (the office of a public relations firm) we find the Kern County Land Company listed for \$2500 and the Southern Pacific Railroad listed for \$1500. The Kern County Land Company owns 356,000 prime agricultural acres, and naturally would want to pay less taxes. Recently, when the Kern County land stock was bid up to \$85. the company bidding it up stated that the Kern County land was greatly undervalued on the books and it was worth much more than the \$58. the stock was then selling for. Evidently the Southern Pacific Railroad is more interested in land speculation than in the transportation business as anyone who has ridden trains lately can testify. They own 201,851 acres of prime Calif. land. What is surprising is that they didn't give more to Prop. 3, but we note their friends, Santa Fe Railroad down for \$1000. Just a token of sympathy.

We also note the Union Oil Company down for \$500. which is probably because this

Proposition forgot to include any mention of mineral rights in this land held for conservation. So the oil companies and the mining companies can hold on to valuable land and pay little taxes until they are ready to start drilling for oil.

## TEJON RANCH - MERE 285,000 ACRES

We note the illustrious publishers of the Los Angeles Times who came out in their paper with an editorial against Prop. 3, but their ranch property, Tejon Ranch in Lebec, a mere 285,000 acres, donated \$1000 to the campaign to conserve tax dodging. Also in the paper business, the Crown-Zellerbach company with hundreds of acres of forest land, donated \$1000 to this campaign.

A total of \$37,686 was accounted for by just this one campaign office, and there must have been others throughout California. (Campaign management fees were \$19,308.25.)

## TAX SHELTER KILLS FARMING

What they didn't tell the people is that low taxes on land is the primary reason for land being taken out of farming. If land carries a low tax burden, speculators will outbid farmers for the land. It will be much more profitable for them as a tax shelter than for farming to a farmer. Instead of green belts we will have waste belts. Land speculation is the worst thing that could happen if California wants to conserve its land, and low taxes will bring even more speculation than we already have.

## WILLIAMSON ACT

If farmers are serious about wanting to farm, and want low taxes so they can farm, we have in California the Williamson Act passed in 1965 which will charge taxes based on farm use. But, they must sign a contract for 10 years, to show their good faith in wanting to farm. It seems that the big boys don't like the 'good faith' bit, must be that 10 years conservation is conserving too long. They only want conservation till they are ready to harvest their profits.

END

# letter from HAWAII

In California there has been much agitation for some form of relief for elderly homeowners on fixed incomes. A bill was entered in the Senate by Sen. James Q. Wedworth (D. Inglewood). The Senate Revenue and Taxation Committee tabled all similar bills and rewrote the Wedworth bill to contain the following provisions; An applicant for the exemption must occupy his dwelling, it must have an assessed valuation below \$7,500. and the combined income (with spouse) \$5,000 or less. All taxes thus postponed, plus a 6 percent annual interest, would become a lien upon the property, due when the property was sold or when the property owners die. The Finance Department estimated that if all eligible persons used the exemption, revenue deferred would be \$120 million. However, using the figures from a similar law in Connecticut, it was estimated that only a small percentage of those eligible would apply.

Because we had heard that Hawaii was having the same problem and was considering some reform of the Graded Tax Law adopted by the Hawaiian Legislature in 1963 (see Calif. Homeowner April 1965) we wrote to Governor Burns and asked for information on the subject. His reply was so helpful and informative we decided to print it verbatim.



EXECUTIVE CHAMBERS  
HONOLULU

June 16, 1967

JOHN A. BURNS  
GOVERNOR

Dear Mrs. Greenhill:

In your May 17, 1967, letter to me you related that you had heard "the problems of elderly homeowners on fixed incomes was about to cause repeal of the (graded tax) law."

Your information was incorrect. The Fact is that upon receipt of documented information from the Department of Taxation that a ten percent decrease in the building tax factor, scheduled by statute to be effective January 1, 1967, would increase the burden of property taxes on owners of older residential properties, I set the decrease aside as provided by the law. In doing this I pointed up the need for legislative review and an amendment to eliminate the adverse and unfair impact of the graded tax factor law on owners of older homes. In many instances such owners, usually older persons on retirement, would have suffered a 3.5 percent increase in their property taxes, assuming that assessments and rates were constant.

Neither this Administration nor the Legislature took a

posture in this situation which could possibly be misinterpreted as calling for repeal of the law.

The following additional information is furnished you concerning your other suggestions and comments.

This Administration has considered use of property tax liens as a method of securing future tax payments where the present financial situation of elderly owners-occupants make it impossible for them to keep current with such taxes. Many problems are unresolved in this area including the development of standards for the uniform treatment of persons affected and how the problem of revenue loss to the counties can be overcome without increasing taxes of other property owners.

As to equalization of property assessments, this Administration instituted such a program during the first year of its first term, in 1963. The 1964 assessment increases of from 100 to 1200 percent on large landholdings on Oahu with urban potential totalling close to 20,000 acres, evidenced this program. It has been continued each year throughout the four counties of the State without abatement.

Your information is also incorrect that the Maui Pineapple Company had dropped its plans to build a new city development on some prime beach frontage on Maui. The area you referred to is most probably the Honolulu area owned by the pineapple company which has some excellent beach frontages including well known "Flemings Beach."

In 1966, the State Land Use Commission rezoned practically this entire 350 acres into urban use for a resort development upon petition of the landowners. Residential, recreational, commercial and resort areas are planned for the acreage. We understand feasibility studies to provide for financing are underway.

Prior to 1965, most of this area was agricultural zoned and assessed as such at \$304 average per acre. In 1965, based on potential highest and best use determinations the Maui property assessor increased the total assessment for the 350 acres to \$594,527. In 1966 and for 1967, with the land use re-districting first imminent and, a year later an actuality, the assessment was upped to \$1,041,600 for those two years. This type of assessment policy based on highest and best use--and fair market value concepts, is carried on throughout the State under this administration. Equalization is a fact in Hawaii, not a word.

It is the considered opinion of this Administration that competent administration of our property assessment laws is much more important to obtaining a free market in land than anything else that can be done. Substantial increases in offerings of fee simple residential lands on Oahu in the past three years is abundant proof of the wisdom of this policy.

Thank you for your interest in our problems.

Kind regards. May the Almighty be with you and yours always.

Sincerely,

*James A. Burnell*

Progress in

## SAN FRANCISCO

In its long fight for assessment reforms, SCRAPP, San Francisco Committee to Reform Assessments of Private Property, has finally made some progress. The group headed by E. Robert Scrofani, civic leader and school teacher, has been arguing for tax relief to people who make improvements to their homes, as well as tax relief which would make California desirable for industry to locate here. The committee has been a leading force in the Bay Area behind a shift in the property tax structure which would exempt for taxation all improvement (homes, buildings, factories, trees, vines, fences, patios, swimming pools etc.) and personal property (inventories, household furnishings, machinery, cattle, fixtures etc.),

The reasoning behind the proposal is that if local property taxes were based on the value of the land only, slums and choice vacant lots would pay the same taxes as if they were used to their highest and best use. Slums are spreading in spite of the billions spent on Federal Urban Renewal. With the tax on land only, slums would become unprofitable, a complete change from the highly profitable status they now hold.

Instead of the Federal Government being the major force behind Urban Renewal, private enterprise would come in play with the profit motive as the driving force.

Aside from the benefits from urban development, industry will no longer consider California a BAD TAX STATE. By the same shift, homeowners would also pay less taxes than they now do.

The San Francisco Assesor and the Finance Committee of the Board of Supervisors issued the following list of repairs and improvements which could be made by San Francisco householders without a tax increase.

### EXTERIOR OF A BUILDING

1. Aluminum siding
2. Asbestos siding
3. Aluminum windows
4. New stairs and handrail
5. Dry rot damage
6. Termite damage
7. New concrete patio
8. New concrete foundation or retaining walls
9. Replacement of roofing
10. Replacement of fences
11. Replacement of sheds and garages
12. Raising of foundations

13. Installation of ratproofing
14. New garage doors, doors widened
15. Exterior and interior painting and patching walls
16. Install picture windows
17. Extension of garage
18. New fire exits
19. New roof
20. Weatherstripping and weatherproofing
21. Homeowner connection to underground wiring
22. Outdoor lights

### INTERIOR OF A BUILDING

#### 1. Kitchen modernization

- a) New counter tops
- b) New cabinets
- c) New sink
- d) New stove and oven
- e) New garbage disposer
- f) New dishwasher
- g) New flooring

### Electric kitchen:

Circuits for electric range and/or built-in ovens, dishwasher, disposal and ventilating hood.

### 2. Bathroom modernization

- a) New fixtures
- b) New wall tile
- c) New floor tile

### 3. Rooms

- a) Wall paneling
- b) Remodeling of closets or minor built-ins
- c) Remodeling of fireplace
- d) Repairing of old plaster walls
- e) Placing gypsum wallboard over old walls
- f) Removal of interior partitions
- g) Lower ceilings
- h) Additional plug receptacles in all rooms

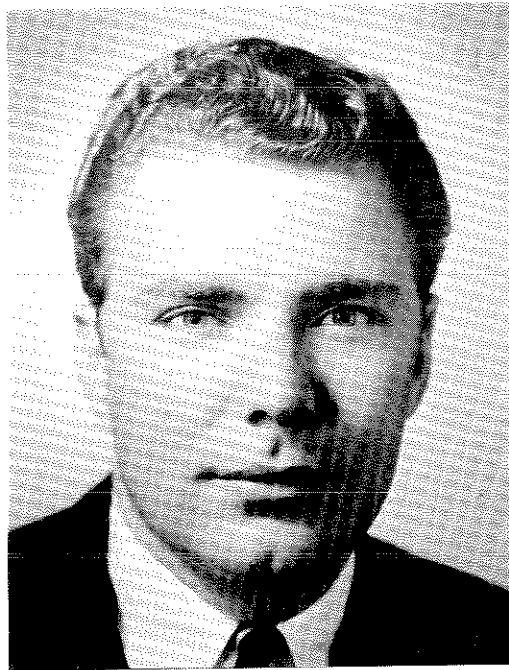
### 4. Basement

- a) Remove basement column-install beam
- b) Replace furnace
- c) Install new furnace and ductwork
- d) Repipe old water piping with new copper or galvanized water piping
- e) Repair or replacement of water lines with copper piping
- f) Repair or replacement of soil and waste lines
- g) Laundry - circuits for clothes dryer, washer and blower furnace
- h) 100 Ampere No. 2 conductors in 1-1/2" conduit with new circuit breaker panel
- i) Replace hot water heater

### OTHER BENEFITS ASKED

SCRAPP leaders also asked that Home-owners be entitled to deduct improvements and additions from their state and federal tax bills. Income property owners may now take such a deduction but house holders are discriminated against in this regard.

It was pointed out that increased spending for maintenance, improvements and repairs means increased jobs, increased purchases of materials and a healthier economy. It is estimated that such additions and improvements can match the dollar outlay for new buildings-giving the construction industry a boost greatly needed at present.



*E. Robert Scrofani,....SCRAPP leader*

Tax policy can create slums and reward the holders of them with lower tax bills, or it can penalize the man who builds with higher tax bills. A creative tax policy for a city would recognize the economic effects of the realty tax, and that it is really two taxes, the land tax and the improvements tax. By taxing improvements cities discourage rebuilding and encourage the growth of slums. In San Francisco the trend has been the other way, as evidenced by the Arthur D. Little Report which says: "land valuation as a percentage of the total ad valorem roll has declined from 30 to 25%. Thus the burden of taxation is falling more heavily on the improvements on the land than the land itself.

With this trend and the threat of a higher tax rate, owners will be reluctant to improve their property, least the increase in taxes nullify the benefits of the improvements... particularly important in connection with sub-standard property..."

**End**

# TROUBLE AHEAD for CALIFORNIA ?

by JOHN NAGY

Now that the budget for the State has been finalized, and the sources of revenue established, homeowners can "read-em n weep". All the bally-hoo about cutting the fat out of the state budget, reducing state taxes, more local control, incentives for industry and 'common sense' approach to state government was nothing more than terms dreamed up by high priced public relations men.

## SLOGANS WILL SOUND LIKE 'WOLF WOLF'

To a point, people have rallied behind slogans, in fact most newly elected public officials win with slogans. And, in the most part, the people who voted for the candidate with the slogan forget what the slogan was or even who was elected on what slogan.

The present administration will, without a doubt, be most easily remembered for 'wolf wolf screams'. In the first place, there were good reasons for the cries. The previous administration had built up a perpetual motion empire. But, even so, at no time was there a hint of the need for any budget increase which even resembled One Billion dollars.

It will be tragic if, like in the fairy tale with wolf wolf, people began to laugh at slogans. Some of the people who believed the slogans used during the last campaign worked in an election for the first time in their lives because of the renewed hope generated in the principles that made this country great. Theirs was not the usual campaign organization that was looking for a hand-out from the party bosses. Theirs was a labor of love, love of

the American Way of life that they wanted to save. The Public Relations men did their job well, because it did move the masses of little people to achieve the primary goal of an election campaign, TO WIN!

## WHAT HAPPENED AFTER THE ELECTION?

Evidently the PR firm that headed the campaign was replaced by administrative professionals who must have flatly told the administration that you just can't do those things you said you were going to do, you not only cannot cut taxes, but, you must increase taxes like taxes were never increased before. The administration being a young pup must have looked up, gulped, and answered, well at least it gave us a good feeling to talk about these things during the campaign.

This administration could not be serious about cutting the State Budget when a statement from the governor's office after passage of the tax package says in part, "Next year we hope to present a tax-reform package that will allow the state to meet its needs for the foreseeable future without further tax increases". That statement is a drastic departure from one of the campaign slogans which resembled "the best kind of taxes are the kind that hurt, so people will feel it when they are increased." Now the Tax-reform planned for next year is one that will meet the needs without further increases, a sort of built-in increase so that budgets can go up without "hurting". Isn't that nice? Once the state



begins to collect taxes without them hurting, it, like the federal government, will be able to collect even more revenues for the local bodies like cities, counties and the school districts. Then they will be able to increase their budgets without those NASTY OLD TAX PROTESTS which make local officials squirm in their seats every time the tax rate needs to be increased even a penny.

#### TAX REFORM "NEXT YEAR"

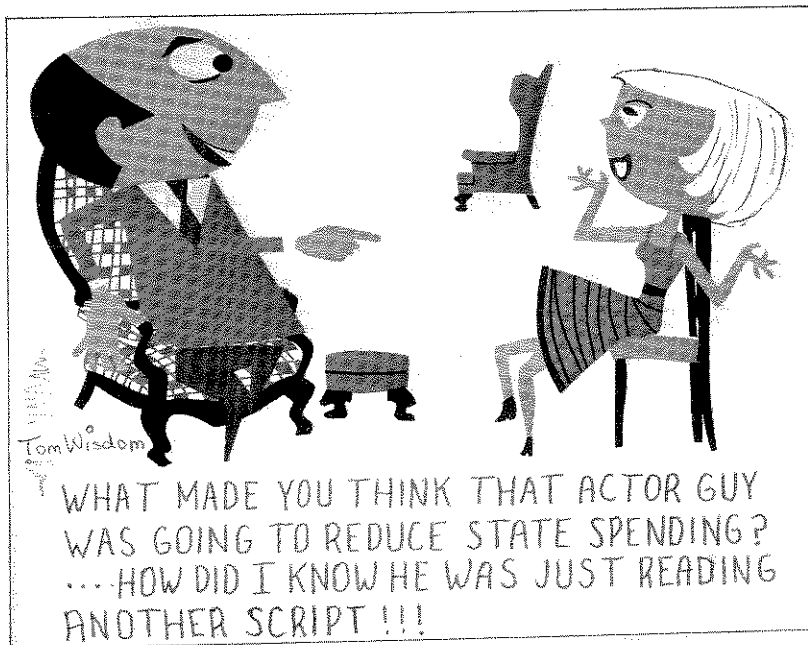
Easy Taxes, Bitter Taxes, Hidden Taxes, Sugar Coated Taxes, Painless Taxes, Direct Taxes or Indirect Taxes all take money out of the private sector of the economy, therefore does not produce wealth to boost the economy. There is no resemblance to One Billion dollars more going to the state government (which the new tax package will provide) and that same One Billion staying in the various communities of the state buying One Billion dollars worth of homes, or cars, or suits, or TV sets or any combination of such items. You just cannot take a Billion dollars out of the private sector of the economy of a

state without hurting the economy of that state.

#### ECONOMY NOT THAT GOOD

The economy of California is not so good that the administration can pull out a Billion more without causing drastic effects. Our unemployment percentage is already 30% higher than the national average. The real estate and building industry is at a standstill (except for land investors, and they do not create jobs). With One Billion more taken out this year, and no telling how much more the year after, (with built-in increases) this is going to be a sick, sick, sick state by 1970 when it will be time to hire a Public Relations firm again to dream up some new slogans.

The sad part is that the masses of little people who had their hopes stirred with talk about principles of free enterprise and local control and less spending, will only hear wolf wolf, and laugh, cry or whatever. As for getting out to help save the administration they helped elect, FORGET IT. END



# Too Much Money?

As the city grows and becomes layered over with bureaucracy and red tape the role of the homeowners community organizations has become more important than ever before. Some, with large paying memberships and active and informed leadership, have stopped trying to get better planning and zoning and have taken legal steps to protect their community from the high-density subdivisions, the land speculators and the quick buck operators.

## ORGANIZED FOR A PURPOSE

One such organization is the Pacific Palisades Property Owners Association headed by the extremely able Richard Steyling. This group has fought the battle of hillside subdivision with resultant floods and mudslides. It has gone the full route with the city planning department and lobbied against unreasonable zone changes. Now they have the battle of the Causway.

The Pacific Palisades overlooks the beautiful Santa Monica Bay and the open Pacific, a view they have all paid for in high land prices and high taxes. There has been a move, probably by oil and realty interests, to build a causeway across the Santa Monica Bay, and the development of islands in the bay to be developed by commercial interests on a 99-year lease basis.

## PREVIOUSLY DEFEATED

When this plan was in the legislature previously, State Controller Alan Cranston estimated the cost of replacing beach property at \$62 million and the highway at \$18 million and successfully urged Governor Brown to veto the project. Now it is being considered again in Assembly Bill 1084. As the Pacific Palisades Property Owners say, an

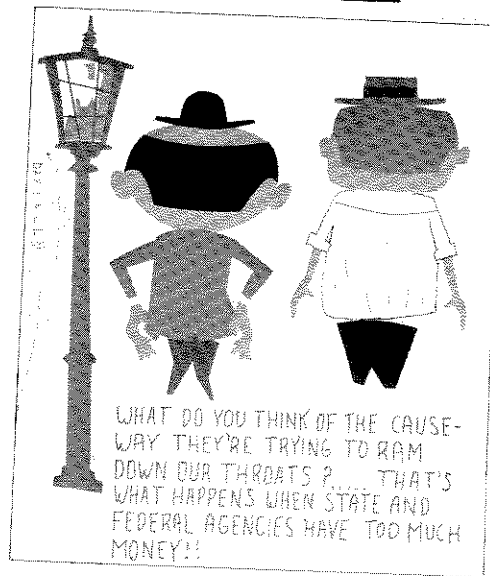
expense to be borne by the taxpayers for the benefit of private developers. They said the causeway would only bring red tide, dead fish, stagnation and stink to the area because of the reduced circulation of the water. Anyone who remembers the old Rainbow pier in Long Beach before it was filled in will agree with their stand.

## WHERE ARE THE CONSERVATIONISTS?

Steyling, in a release to all property owners in the area, asked, "whom is the bill designed to promote?"

"Not the taxpayer, nor the beachgoer, not the homeowner, not any resident of the area and it won't benefit the legislature either, once the public understands what is really at stake here," he said.

We don't wish to interfere with commercial development and free enterprise, but when lobbying and pressure secure a monopoly for any commercial interest against the best interests of the surrounding community, then we can only wish that more homeowners organizations were more active to fight against the big multi-million dollar give-aways to the privileged few. Since Federal funds would be involved, some think those funds don't cost us anything. **YOU WANNA BET!**



## BOOK REVIEW

### THE SOUTH AND THE SOUTHERNER by Ralph McGill

Only an experienced reporter could track down the many stories of the South and make them into one cogent explanation of the region and only a Southerner born and bred such as McGill could make them acceptable. As editor of the Atlanta Constitution Ralph McGill has received many awards and national respect through his syndicated column and magazine articles, including the Pulitzer Prize in 1958 for Outstanding Editorial Writing.

Tracking down the early origins of the four men most responsible for imposing the double standards of democracy on the South, McGill felt that the twig benders were: Thomas Roderick Dew, 1802-1846; Benjamin Ryan Tillman, 1847-1918; James Kimble Vardaman, 1861-1930; Thomas Edward Watson, 1856-1922. His stories of these early racists and their lesser imitators makes one wonder what might the South have become without their harvest of hate and disfranchisement?

McGill also writes of the better South, of the reformation which was inevitable, the victory of Industry over King Cotton and the agrarian South, the war and how it opened the minds of Southern servicemen overseas. The growth of wage and hour laws and the fair employment practices.

The Supreme Court's school desegregation ruling, according to McGill, was a decision about children. They were being cheated of their birthright to an education by the irrational, inbred, estranged regionalism of the South. White schools suffered as much as colored schools, no other region had so many meagerly prepared teachers, underpaid, teaching in inadequate schools in barren, unpainted, bedraggled shacks. The Supreme Court decision gave the South a God-sent opportunity to revise and elevate its long inadequate school system. He points to the politicians who have held Southern education back and notes that Southern schools only hope will be to return them to the educators.

### CHINA: THE PEOPLE'S MIDDLE KINGDOM AND THE U.S.A.

by John K. Fairbank

Belknap Press of Harvard University Press

Communication between peoples of the world, so essential and so difficult, is doubly difficult between the U.S.A. and China. Professor Fairbank, who established the East Asia Center at Harvard University explains why, politically, traditionally and because of the language barrier.

The Chinese language is one of symbols, interpreting ideas without precision. Individualism, so meaningful to us, translates as "every-man-for-himself" to the Chinese. Liberty, our most hallowed word, means "self-will" or "wilfulness" or "license." To a people steeped in reverence to the state, to ancestor and family worship, with the discipline of the communist and Confucian philosophy, this is incomprehensible. How then are we to deal with this huge mass of land and people? Leave them alone, says Professor Fairbanks. We are currently the target of all their propaganda. They cannot give this up during this moment of history, but tyrants and ideologies come and go, a time will come when dialogue can be started between the two nations again. In the meantime we must change our attitude of isolation and hostility. We must not preach war, but one of military containment until the present fires die down.

When dialogue is possible, we pray that wise heads such as Professor Fairbanks will be allowed to carry it on.

McGill notes the failure of the churches toward Christian action and of the businessmen and said of the self styled moderate, "he was the one who stood on the sidelines, wringing his hands and urging both sides to be calm." McGill was an outspoken man who took abuse for 30 years from hate groups and felt he had ample reward when Atlanta at last moved out of the past and desegregated golf courses, transportation, eating places, libraries and best of all, schools. His voice had kept the truth and the facts known to the public while the others were trying to drown them.

# Letters

Dear Mrs. Greenhill,

Pacific Telephone Company recently applied to the Calif. Public Utilities Commission for a raise of \$181 million in rates. We feel that \$181 million is a lot of money. The company claims they must have this money to improve service. We claim the only service they are giving is to the stockholders, not to the customers.

Utility companies are franchised to service the people, they have a monopoly over their district with no competition anywhere. The total bill for utility service in California is about \$10 billion dollars, about the same as all state and county taxes. Since utilities are only collectors of taxes which they pass on to you, the consumer, it is you who are paying their taxes.

By 1985 Pacific will invest about \$28 billion in plant and equipment, according to them. As normally anticipated, that will require about \$11 1/3 billion in income. Over this twenty years Los Angeles will show a population increase of 34 percent as against a 900 percent rate increase. San Francisco is predicted to have a population decrease of 2 percent with the same increase in telephone rates.

Mr. R. C. Frey, company vice-president, said they had spent about \$1,200,000,000 between 1962 and 1966 for about 560,000 new phones. This was a cost of \$2,000 for each phone as against a 1947 cost of \$250 per phone. This increase of 1000 percent is not reflected in the rise of labor and materials.

American Telephone and Telegraph owns 90 percent of the Pacific Telephone stock. They also own 100 percent of Western Electric. From Pacific they receive \$8.41 for every \$100 they have invested. The balance goes to surplus. From Western Electric they make 11 to 12 percent profit. Federal Income taxes are collected at the source, so this is net and it doubles what the ratepayer has to contribute.

Pacific tries to tell us that we have one of the cheapest phone services in the nation, that is for the 2 party residential service. They don't mention those dad blasted message units, which triple your bill.

Over the next twenty years, the price will increase by 10 times again but the service will not even double. Where is the money going?

Edward L. Blincoe  
President, Utility User's League  
Los Angeles

Dear Mr. Nagy,

I received the organizational packet. Many many thanks. I've read it in its entirety and find our group has many weak spots. We are going quite strong right now, with many of the dedicated knocking themselves out to keep it so.

I'm enclosing some newspaper cuttings that we used for our last meeting. The response was terrific. There are certain things explained in your hand books that we lack and are necessary if we are to continue to succeed.

For this reason I'd like to have more of these packets, so that I can reach certain ones in our group with potential leadership. I'm enclosing \$1.00 for postage to cover at least 4 of them.

We cannot afford to see this group weaken, due to lack of leadership.

We are planning to incorporate under the title "Mid-Placer Citizens Town Meeting." I surely appreciate all the advice and help you can give. Hope to soon affiliate.

Mrs. Waunita Hoff, Pub. Sec.  
Mid-Place Citizens Town Meeting  
P.O. Box 72  
Weimar, Calif. 95736

Dear Mr. Pereira:

Regardless of anyone's feelings about the merits of Proposition 3, it was adopted by the voters last November and is now part of our Constitution. Thus, the Legislature now has the authority and the responsibility to determine assessment standards for agricultural and open space lands.

In order to eliminate the possibility of speculators lobbying for preferential legislation, we have created a special Senate-Assembly committee to come up with a comprehensive program for implementing the constitutional amendment.

I share your concern about the possibilities for private gain which could occur if unwarranted or hasty legislation were passed. I will strenuously oppose any measure or proposal which I feel would not be in the best interest of the entire state.

John T. Knox  
Assemblyman

Dear Mrs. Hamilton:

I commend you on your letter of July 17th, which I have personally read. Your comments are well taken. I feel the same way, and my actions will be governed accordingly.

The information you mention regarding Glendale is a bit new to me. I have heard of the "Buy on Brand" from the standpoint of competing with the Fashion Center, but I wasn't aware of some of your statements regarding not keeping property in appropriate repair.

I am pleased you find my newsletters of interest, and you are correct from the standpoint that I do have quite a bit of authority in deciding some of these matters from the standpoint of being the ranking minority member on the Rules Committee.

H. Allen Smith  
Member of Congress



James Clarkson, Mayor of Southfield, Michigan, visited California on his way back from Hawaii and the conference of Mayors. One of the programs he was on was "Press Probe" at KPFK, the listener sponsored radio station. The hour long show, which will be broadcast Oct. 10 at 8:p.m. has brilliant dialogue between the interrogators and Clarkson on how to revitalize a city. Shown above with Clarkson are some of the probers, L to R, Dr. M.W. Wadley, Clarkson, Craig Kirkpatrick, Harry Pollard, the moderator, James Passow and Ben Sweet, the station manager.

FACTS ( continued from page 7)

the position of taxing city dwellers twice to pay for cheaper water and power for big ranchers. Los Angeles County gets only 10 percent of the water from the Metropolitan Water District but pays 30 percent of the taxes.

If you would like to know more about the big power swindles, read "Overcharge" by U.S. Senator Lee Metcalf and Vic Reinemer, a book which documents the \$100 million dollar excess profits made by investor owned utilities. If these utility companies which pay taxes make such profits, imagine what the M.W.D. can make on tax free power.

The Imperial Irrigation District has just built a new electric generating plant. The taxes on this, plus the old plant, plus transformers, substations, electric lines and other items should pay about \$500,000 yearly property tax. Because they do not pay this the property owners of the area have to pay \$800,000 more property taxes. I call this the "HIDDEN ELECTRICITY BILL."

Imperial County has a 13.1 percent unemployment rate, more than 200 percent higher than the National Average. If some of these "MILLIONAIRE MOOCHERS" didn't insist on starving out the local workers so they could get Mexican workers, this would not be true. The big ranchers have put out brain washing material about the local worker not delivering the work and the Mexican being the only one who will do stoop work. BALONEY! Local workers are actually starving and will do anything to get jobs. But the big ranchers get Mexican workers to work for eight hours and get paid for four. The Mexican winds up making about 50 cents per hour and feels he is lucky to get it.

If the United States is going to remain the land of free enterprise then we must end these subsidies, monopolies and restraints of the free market. **END**

## BOOKS

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### PUBLICATIONS

BUSINESS DIGEST, incorporating Pacific Coast Business and Shipping Register. Harlin trot, Publisher and Editor. \$3.00 per year. Monthly. 681 Market, San Francisco, Calif.

### ORGANIZATIONS

#### INCENTIVE TAXATION COMMITTEE of CALIFORNIA

P.O.Box 2521, San Diego, Calif. 92112

An organization for business and professional people who want to eliminate the business inventory tax, and the tax on machinery and equipment so the business climate will improve in California.

SAN FRANCISCO COMMITTEE to REFORM ASSESSMENT of PRIVATE PROPERTY (SCRAPP), 501 Duncan St., San Francisco, Calif. 94117

GRADED TAX LEAGUE of PENN. 710 Bakewell Bldg., Pittsburgh 19, Pa.

Write for, "Pittsburgh's Pioneering in Scientific Taxation."

PUBLIC REVENUE EDUCATION COUNCIL, 705 Olive, St. Louis, Mo.

Write for Property Tax Information.

### BOOKS

TIME TO SPEAK UP, a book on public speaking for women. Published by Harper Bros., New York. Author, Jessie Haver Butler, 660 W. Bonita Ave., Claremont, Calif. 91711. Price at book stores, \$3.95 plus tax, autographed copy from author, including postage, \$4.25.

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(continued from back cover)

backed by the Recall Committee, who have not yet announced a candidate.

The only other name officially announced as candidate is Jack Hickman, Dr. Hickman's husband, who is not appalled by the "Goodnight Irene" slogan; he's been saying it for years.

Appearing at the opening of the Recall Committee Headquarters, Jack was told by Wirsing, "We don't know who our candidate will be, but Donald Duck and Mickey Mouse will be our candidate before you will." "I've always said this was a Mickey Mouse operation and now I'm convinced," Jack countered.

Asked what his first move would be, now that he had announced as a candidate, Jack replied, "I move the nominations cease."

Although the subtlety of the Assessor's humor escapes some, it's apparent to most people that her intent is not to laugh at her position, or make fun of a very serious affair...taxes. But she realizes that the sharpest weapon to use against an attack like this is her sharp wit... and it's been known to draw blood at 300 paces.

As it did this time.

Picking up the "Mickey Mouse" sally of the opposition, Dr. Irene has distributed cards announcing "Mickey Mouse for Assessor..." and in smaller letters, "Committee for Mickey Mouse politics." A recent tongue in cheek article by a Sacramento political writer announced that "Mouse, a popular retired movie star" would not confirm his intent to run, but wouldn't deny it either.

Underneath the humor is the clear intent of the Assessor to make people aware of the taxes they are paying, and why they are paying them, and for whom. To this end, she sought sanction of the Supreme Court to assess at 100%, as provided for in the Constitution. To the surprise of almost everyone, the Supreme Court turned her down flat.

One is accustomed to the statue of Justice wearing a blindfold, but when she attended the Supreme Court in Los Angeles in June, she surely must have stuck her fingers in her ears as well. What happened to the scale of justice in the meantime is anyone's guess.

(It's interesting to note that the constitution also provides an Assessor who does not assess at full cash value may be liable for civil or

criminal prosecution.)

But I digress.

The Supreme Court sought to prove that because the Board of Equalization didn't abide by the amendment to the Constitution in 1933, when it was voted upon, that because they have continued to condone fractional assessment, they have provided the law with a language of its own. In other words, the law doesn't mean what it says any longer, because no one has obeyed it for such a long time.

The Supreme Court pointed to numerous examples of continued fractional assessment past 1933, some of the percentage of assessment as high as 50 percent. They contended that since the Board of Equalization didn't try to change it, the taxpayers were not challenging it, everyone was happy with fractional assessment. This argument would seem to lose some of its strength in view of the fact that when taxpayers did protest, even as far as the Supreme Court, they were overruled anyway.

Lawyers are famous for use of ambiguous language when they want to evade a point at issue, and these men were no exceptions. On page 11 of their opinion, they said, "We find no fault with the canons of construction invoked by respondent," which means what Dr. Hickman contended was true, "but they are inapplicable to the historical facts before us"...which means, it's been done that way for years and we will recommend that it continue to be done so.

Their feelings were summed up, "When for more than 60 years a statute has been construed in a consistent manner by the Administrative Agencies charged with its enforcement, and the practice has been consistently acquiesced in by the Legislature and recognized by the courts, its language comes to the Constitution clothed with that special meaning. It is too late to return, as the respondent urges, to the literal sense of the words used; to strip them of their acquired connotation at this late date would be arbitrarily to deny the experience of all the preceding years."

The fact that the experience of the preceding years is what has plunged us into this morass of dishonest assessors, opportunistic land speculators and financially stripped homeowners, has somehow escaped their attention.

by Meghan Taylor

Henry George School  
Robert Clancy  
50 E. 60th St.  
New York, N.Y. 10021

# Mickey Mouse Politics in Sacramento County

All over the nation today, emotions are torn and twisted with the shock of race riots, but Sacramento is distinguished in that racial unrest takes a shaky second place to turbulence surrounding the real storm centre...the Assessor's office.

Since the election of Dr. Irene Hickman to the office of Assessor last June, there has been unrest in the Capitol City, most of it traceable to land speculators and slumlords who have been getting almost a free tax ride for years, and to taxpayers who didn't yet understand what was happening.

The night of July 31, climaxing a most paranoid month, someone called the Hickman home at 6:30 p.m. threatening that a bomb in the house would explode at 7 p.m.

It didn't.

But the empty, vicious threat was indicative of the emotions that have run in opposition to the assessor during the past weeks.

This is not to say she is less popular; only that her opponents are beginning to show themselves publicly, express themselves more violently.

Only recently, a group known as the Assessor Recall Committee was formed, with a publicity agent, Robert Wirsing, as front man. Although members of the committee have maintained stoutly that there are no factions involved other than "overtaxed homeowners", names keep appearing in connection with the movement, names well known in Sacramento as land speculators. This came as no great surprise to anyone close to the assessor.

One large furniture store in town ran a full page ad, advertising a "Goodnight Irene Sale." The owner of the store noted in the ad that his assessment had been raised 300%. He didn't

add that he is a large land speculator in Sacramento. And the ad itself was one of the finest examples of poor taste this town has witnessed.

So much so that one of Dr. Hickman's strongest foes, on reading the ad, muttered, "As much as I go along with his point of view, I only wish that a guy like this wasn't on my side."

On television, you can always tell the good guys...they always wear white hats. In Sacramento, they back up the Assessor. The land speculators are easy to spot...they do everything but come riding into town on black horses, heading for the Red Dog Saloon.

For the first time, feeling the pinch of having to pay honest taxes as the homeowners have been doing all along, they are quick to utter shrieks of outrage. It's getting rough when they have to pay their own taxes.

One of the first men to announce he would be a candidate for election if the Recall movement succeeds was Everett Uldall, who was formerly employed by Hal Dill, one of Sacramento's foremost land speculators and developers. Invited to appear on a panel discussion with Dr. Hickman, Uldall first accepted with alacrity. Three days later he declined, with the explanation that he felt he could contribute nothing of consequence unless or until there was certainty of a recall election. Uldall is not, however,

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