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"It is a piece of idle sentimentality that truth, merely as truth, has any inherent power denied to error, of prevailing against the dungeon and the stake...The real advantage which truth has, consists in this, that when an opinion is true, it may be extinguished once, twice, or many times, but in the course of ages there will generally be found persons to rediscover it...until it has made such head as to withstand all subsequent attempts to suppress it." (From, "ON LIBERTY" by John Stuart Mill)

## Spinning Our Wheels With The School Busing Fiasco

President Nixon's request that Congress supply "quality education" by billions in subsidies, while directing Federal Courts to issue no more busing orders ranks high politically but much lower on the factual ladder.

Repeated experiments in California have shown that large amounts of State subsidy payments, hiring of the highest grade teachers and use of the most modern teaching methods and equipment brought no appreciable gains in the quality of education in segregated schools. Our educators are discovering what Henry George stated 93 years ago in "Progress and Poverty" that lack of motivation is the real obstacle in educating Black schoolchildren.

The Black Panthers and other Negro hate groups are joining the Ku Klux Klan, American Nazis and 49 other varieties of demagogues throughout the nation in fighting school busing. They think that segregated Black students will be easier to recruit as storm troopers fighting in the forefront for their Black

## Marxist Utopia.

White racist groups dwell on the fact that middle class White students integrated with poverty-area Black students will be necessarily exposed to bad language, bad manners, violence and drug abuse even more than usual. But after the initial problems are resolved, desegregated schools usually bring about higher educational ratings for both races, and a marked decrease in violence and interracial distrust.

Usually integration works but not always. Sometimes the parents can't resist helping out. In Pasadena busing has proved moderately successful with racial violence sharply on the downgrade. In nearby Monrovia adult extremist groups have provoked repeated violence. The Sausalito-Marin City Unified School District in Marin County was another noble experiment that failed as extremists took over (The Los Angeles County equivalent would be a Watta-Beverly Hills Unified School District). At first considerable progress was made, especially in the lower grades, where the children had not yet been trained by their parents to hate one another. Unfortunately, the "liberal" school



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Los Angeles

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principal thought it a progressive step to invite the Black Panthers into the school to serve breakfast to Black schoolchildren. Counter-reaction to this caused the voters to remove pro-integration school board members. Now most of the White students go to segregated private schools, while the Blacks go to what one former board member calls "a typical ghetto school" stripped of any possibility of motivated progress.

The President's suggested legislation forbidding the Federal Courts to decree busing is of extremely doubtful constitutionality but of undoubted campaign utility. And the "quality education" bit should be of great value as an excuse for imposing the President's desired national sales tax to pay for the new deficit-maker. There are wheels within wheels in the school bus imbroglio.

#### More Farmland Frolics

#### Let Them Eat Fish? Who's Minding The Government Store?

Conflicting statements of government policy on food prices bewilder Insight.

Virginia Knauer, President Nixon's Consumer Affairs consultant, states that meat prices are too high, and consumers should switch to fish, chicken or eggs, or the cheaper cuts of meat. But Secretary of Agriculture Earl Butz states: "The public is being fed a lot of malarky about meat prices." Butz claimed that the price of steak is just about right. He stated: "If it was any higher we could not afford it and if it was any lower there wouldn't be enough to go around." (We understand that even now there are 2 or 3 people in the Country who cannot afford steak for \$2.50 a pound and up.)

Meantime, back at the old drafting board, the U.S. Cost of Living Council with the President's backing is investigating pricing by meat packers, middlemen and food chains.

Since the much maligned middlemen operate on margins of 2 or 3% on sales, we wonder what suggestions on greater efficiency will come to them from Washington bureaus.

Strange to say, the Cost of Living Council has not announced any plans to investigate the effect of U.S. government price supports for feed grains on the price of meat. Nor has it stated that any reports would be prepared on the effect on prices if meat tariffs and quotas were repeated. And in view of the President's hints that meat packers and food chains are dominated by big, bad monopolists we are surprised that the Government is not investigating the concentration of land ownership boasted by our leading cattlemen, starting with the King Ranch.

But as Lyndon Johnson told economist Walter Heller when he suggested higher import levels on meat some years ago, "Think what you'd do to my friends in Texas."

#### U.S. Hopes To Provide Cheaper Food For Russian Consumers

Secretary of Agriculture Butz has been conferring with Russian officials about selling additional U.S. grains and feedstuffs to Russian consumers at lower prices than are obtained in the U.S. because severe cold has crippled Russian production. Of course we could always arrange the sale of these feedstuffs to U.S. meat producers but it would be unnecessary with steak prices now being "just about right."

#### Government Poultry Program Helped By Newcastle Disease

The outbreak of Newcastle Disease has brought about the slaughter of millions of chickens to stop its spread. Estimates indicate 4 million birds may be destroyed.

This may make unnecessary implication of the planned U.S. Department of Agriculture program for

poultry destruction to keep up prices. American taxpayers and consumers alike should be very thankful for the outbreak of the disease. Not only have millions of dollars in costs in administration expenses been saved by this much cheaper method of destroying chickens, but we are saved the danger of evasion by dishonest farmers who might seek to save excess hens from their Washington ordained extinction.

And in the meantime, the Department of Agriculture is buying large amounts of scrambled egg mix to boost egg prices. Possibly the Department is ignorant of the suggestion by the President's Consumer Affairs consultant that consumers switch to eggs to bring down the price of meat.

#### Over \$100 Million In Wool Subsidies Slated For 1972

About \$110 million will be paid to sheepmen by the U.S. Government in 1972, according to Agriculture Department spokesmen, or about twice the 1970 amount. Payments are based on wool marketed by growers in 1971. The payment rate will be 271.1% multiplied by the price the individual grower received for his wool, thus greatly increasing the subsidy as the quality of the wool increased. This may be rather hard on the small, marginal producer with inferior wool to sell.

The U.S. Government feels that wool should be pulled over the consumers' eyes in a figurative and not in a literal sense.

#### Foreign Aid To The "Poor". Is It Really Better To Give Than To Receive?

The United States is still the World's No. 1 giver of foreign aid to the "poor" countries of the world, giving about 1/2 the total aid given by all "rich" countries, U.S. Undersecretary of State John Irwin stated, addressing the U.N. Conference on Trade and Development. The United States will give over \$5 billion next year, if the Administration has its way, according to Irwin.

World Bank President Robert S. McNamara told the conference that current and projected aid programs were "wholly inadequate", and demanded additional assistance from what he called "the wealthy nations of the world, possessing 25% of its people and 80% of its wealth."

Taking an example of a "poor" nation, McNamara noted that in Brazil, which claims spectacular economic prosperity, "The share of the national income received by the poorest 40% of the population declined from 10% in 1960 to 8% in 1970, while the share of the richest 5% grew from 29% to 38%."

McNamara could have added that approximately \$3 billion of American aid to Brazil has brought no appreciable benefit. This is not surprising in a land where little over 1% of the population owns 50% of the land, and half of the land is held in estates of over 2500 acres. Peasants average 30 cents a day and often have to pay twice that amount for a small piece of meat. Sharecroppers must give up to half of their crop to the landlord, and often must buy all their supplies at company stores at inflated prices and usurious interest rates.

The last Brazilian "land reformer", ex-President Joao Goulard owned 1,900,000 acres, leaving some question as to his sincerity. Brazilian land taxes are almost non-existent as far as the big rancheros are concerned, and Brazilian land has been advertised for sale as having "the fastest rising values in the world."

During the Kennedy Administration the so-called "Alliance for Progress" was organized to bring prosperity and economic justice to Latin America. The driving force behind the Alliance was David Rockefeller, President of the Chase National Bank, and brother of Governor Nelson R. of New York. Since the Rockefeller Brothers owned a 40% interest in a 1,000,000 acre ranch in the rich Mato Grosso area of Brazil, which they operated jointly with the Brazilian Ambassador to the

United States, we could hardly expect much in the way of land reform from the alliance. However, we did receive quite a little experience in the blessings of giving.

We omitted that World Bank President McNamara did state to the U.N. Conference on Trade and Development that developing countries must establish more equitable tax measures, land reform laws, security for land tenants and concrete programs to increase productivity of small farmers. But all of that adds up to land value taxation, a concept which Mr. McNamara probably never heard of, and which would be highly unacceptable to either the landed gentry who control one part of Latin America or the Marxists who rule the other half.

There are in truth no "poor" nations. All we have is poor economic systems.

#### The Public Utilities Commission Whining About The Wining

A member of the California Public Utilities Commission reviewing a controversial billion dollar accounting system used by Pacific Telephone & Telegraph Co. has refused to disqualify himself from the hearings after admitting charges that he went to dinner meetings and private parties with Pacific Telephone and Telegraph lobbyists.

Public Utilities Commissioner Vernon Sturgeon stated relative to his social contacts with Pacific Telephone & Telephone lobbyists: "I was always accompanied by others on the staff. There's no point in denying or affirming whether I was dined or wined. I'm not on trial here." The Public Utilities Commission is holding hearings regarding Pacific Telephone and Telegraph's use of a procedure called "accelerated depreciation with normalization". Translated into plain English, this means that under the telephone company accounting procedure, it accumulates \$1 billion during the next ten years as a reserve

against future taxes, rather than pass it on to phone customers.

Previously the Public Utilities Commission held in favor of Pacific Telephone and Telegraph without even holding any hearings. The California Supreme Court held that the Commission should have had the hearing before handing down the decision.

In the unlikely event that the Commission should hold against the phone company, California phone users would receive about \$58.70 each annually in reduced rates.

Former Public Utilities Commissioner William Bennett, now on the State Board of Equalization, claimed publicly that Sturgeon's "competence has been cast into grave doubt", and that he had demonstrated a "pro-utility bias."

Unfortunately, the plum of a future job at a greatly increased salary with a regulated company is always dangled in front of members of regulating commissions.

And you can tell and tell on Tel. and Tel. without the public really showing any interest in the way our phone magnates have been getting out of line.

#### Land Reform In South Viet-Nam A Factor In The Current North Viet-Nam Invasion?

The unexpected success of the South Viet-Nam land redivision program may well have triggered the current North Viet-Nam all-out invasion, which sought an all-out victory regardless of the cost in casualties. The land program was causing a drying up of Viet-Cong recruitment among the peasants and a great change in the attitude of the South Viet-Nam farmers towards their government.

By the start of the invasions, close to 500,000 land titles had been issued by the South Viet-Nam government to peasants under the program of

purchase of excess land from private owners, and over 120,000 additional titles were issued under the division of government-owned land.

Under the old Diem regime over 70% of the South Viet-Nam population was composed of impoverished tenants farms. These tenants customarily paid 50% of their crop to the landlord, about 15% more to the local tax collector, and up to 30% for water leaving a total of only 5% of the crop for the peasant on countless occasions! The result was a fruitful recruiting ground for the Viet-Cong.

Stuart Cloete, one of the creators of the land program, discussed its details at the 1971 Henry George Convention in San Francisco. Critics asked why the South Viet-Nam government adopted the expensive program of purchasing land from the owners, rather than provoking sale by a land-value taxation program which would bring revenues into the government. Cloete explained that the landlords' influence in the legislature was too strong to adopt any other plan than that adopted. At any rate it is 100% superior to the North Viet-Nam plan of making all farmers tenants of the Hanoi bureaucracy.

#### Will New Jamaican Government Introduce Land-Value Taxation?

Norman Manley, the new Jamaican Prime Minister, attempted to introduce a new system of property taxation when he was Prime Minister 10 years ago. He was turned out of power before he could put it into effect. Possibly he will have time to finalize the job this time. In discussing his taxation views 10 years ago Mr. Manley stated:

"For over 20 years the system of land taxation which exists in Jamaica has been the subject of critical discussion. It is a system which imposes unfair burdens on the poor and the small landowner. It is a system which for most people involves steep increases of taxes when buildings are

erected or permanent works of improvement are made on their land. It is a system which allows idle land to escape its fair share of taxes, and as a result of these things, it is a system which discourages rather than encourages the best development of land and gives advantages to those who are able to withhold land from production until large increases have taken place in the value of land..."

"A decision was taken that a determined effort should be made at the earliest moment to end once and for all this old system of taxation and introduce this new and better one... The system taxes land only. What is built on the land, or planted on the land, or done to improve the land by works of conservation or reclamation, will not now nor ever so long as the system prevails, be subject to tax."

"This method of tax is designed on the one hand to remove every element that may discourage those who might improve land and on the other to render it increasingly disadvantageous to keep large quantities of land out of production."

#### Lockheed Stockholders Asked To OK Big Executive Pension Boosts

Lockheed Aircraft stockholders are being asked to raise executive pensions to a maximum of \$65,000 a year from the present \$40,000 limit. Lockheed stockholders may not receive any cash dividends under the terms of Lockheed's federally-secured bank loans, there being \$700 million of long-term debt still outstanding.

Under the company's proposal, Chairman of the Board Daniel Haughton will receive \$65,000 a year pension, President A.C. Kotchian will receive \$63,061 yearly when he retires and Lockheed's numerous vice-presidents and division presidents will receive proportional increases.

In view of Lockheed's repeated inability to complete its major gov-

ernment contracts within even a reasonable facsimile of its contract price, many readers may wonder why its top officials should be awarded with increased pensions. But we should realize that a government defense contract does not have to be complied with if you have the right connections. The trick is to make a bid low enough to get the contract and then renegotiate later.

U.S. Comptroller General Elmer Staats has publicly stated that the refusal of the Board which authorized the \$250 million Lockheed loan guarantee to allow the U.S. General Accounting Office which Staats heads, to audit records involved in that guarantee is "a clear violation of law." The General Accounting Office is required by law to check on all such transactions. The Board which refused to allow the GAO to audit its books happens to be headed by Secretary of the Treasury John B. Connally.

This all goes to show that the value of top executives involved in government contracts is not based on their "know-how" but rather their "know-who".

### Los Angeles Follies

#### More Roadblocks On Home Ownership

We reprint unedited a letter recently printed in the L.A. Times regarding our City Council's latest idiocy:

"The City Council continues to make it more difficult and expensive for the aspirant small property owner to own or build a home."

"Recently Los Angeles placed a charge of \$348 to connect to the sewer of a new home. Now they overrode the veto of Mayor Sam Yorty and placed a \$200 fee per unit to be placed in a fund to go to parkland purchases, before a building permit can be issued for new construction. The cost of plan check, city permits, plans, etc., make the reality of the

poor to own their own little shack further out of reach. The Council continues to consider tax on rubbish collection, sewer use tax, etc."

"The sense of ownership many are taught to aspire to, and the roadblocks placed in the way of the aspirant is quite a contradiction. We could go along with some kind of contribution made by a large builder towards park land. But to require a small home builder to make first a \$200 contribution toward purchasing park land that may never be purchased near his proposed home seems to be ridiculous, unfair and only allows the 'haves' to continue to have and the 'have-nots' further away from having."

EDWARD L. KUSSMAN, Housing & Community Chairman, NAACP, San Fernando Valley Branch.

Despite the NAACP's dismay, all 3 black L.A. City Councilman joined their colleagues from the more affluent white areas in the unanimous override of the Mayor's veto.

Mr. Kussman was understandably upset by the fact that the poor man erecting a small shack must pay \$200 "park" fee, \$348 sewer connection fee, plus plan check fees, permit fees, etc. before he even gets started. But we see no greater justification for a builder of 100 apartments being forced to pay \$20,000 as a "park fee" for park construction 20 miles away.

We asked a high official of the Los Angeles Building Department what the total fee and permit charges would be to build a \$25,000 home in the Eagle Rock section of Los Angeles, where we live. Here are the figures he gave:

Park tax	\$200.00
Sewer facilities charge	348.00
Engineering permit fee for sewer	15.00
Water Meter Installation charge	358.00
Plan Check Fee	80.92

Building permit	\$124.50
Electrical permit	52.75
Plumbing permit	28.50
Heating permit	19.00
Fee to break curb & pave driveway	10.00
GRAND TOTAL	\$1,244.67

Assuming everything is approved then we can start building our house, if we still have any money left.

Los Angeles has every type of fiscal monstrosity known to man, with the exception of payroll tax, which maybe we shouldn't even mention at this time.

#### When The Irresistible Urban Redevelopment Agency Meets The Immovable City Council

Because Los Angeles will not amend its housing code to allow the use of Romex electric wiring, (a non-metallic sheath material) U.S. Secretary of Housing and Urban Development George Romney has refused to allow Federal funds to subsidize contemplated L.A. development projects. This includes the \$17 million Monterey Hills complex of 1,700 units, and four proposed "low cost" projects in the Pico-Union, Beacon Street, Little Tokyo and Normandie areas.

Romex supporters claim that nearly \$400 per unit would be saved by amending the L.A. code to allow Romex. Opponents both union and electrical consulting firms claim that the cost savings is exaggerated and assert that Romex is inferior.

We are tempted to say "a pox on both your houses." One of the most irritating sources of high costs in housing is the specification of favored materials and the exclusion of disfavored items in city building codes. On the other hand urban redevelopment has always been what Dwight Eisenhower once called "full of big things for the big people." Urban redevelopment is a "throw out the poor, put in the rich proposition with big bonuses for the landowners,

contractors, engineers, architects, bankers, etc. with proper political friendships.

To use urban redevelopment to reform our obsolete building codes is like bringing in sharks to chase away barracuda.

#### Self-Service Gasoline Stations Finally Approved By L.A. City Council

The major oil company sponsored ordinance forbidding self-service gas stations in Los Angeles was finally repealed last month by our City Council by a 10-2 vote. The two dissenters, Councilmen Wilkinson and Lorezen claimed that this would lead "to the proliferation of gas stations." Neither councilman ever showed any such proliferation fear when zoning changes involved gas stations. General gas price reductions are now expected.

For years safety experts have exposed as a fallacy the argument of the major oil companies that there was a fire hazard in self-service gas stations. But it was a lot harder to argue with the campaign contributions available to ordinance supports.

#### Regulation Of News Stands Studied By City Council

A parade of newspaper executives, news vendors, union officials and a spokesman for the publicity-hungry American Civil Liberties Union are fighting adoption of a proposed ordinance which would regulate newsstands and coin-operated news racks. Fighting the claim that racks were impeding pedestrian traffic and blocking entrances to businesses and that permits would be required for erection of the stands and racks, opponents claimed that regulation would violate the First Amendment protection given to free speech. About 10 years ago the right to operate newstands at choice downtown locations was being sold for up to \$4500. We are surprised that the A.C.L.U. has never fought this strange monopolization of city street values.

## THUNDERER

This soubriquet for the London "Times" was earned more than three centuries ago. The thunder continues but never more loudly than in the correspondence column -- a world famous institution. As the debate on entry to the Common Market was at its height, the following letters were printed in adjacent columns. They serve to indicate the "state of the art" of what once was called political economy.

"Sir, the undersigned, being full-time teaching officers of economics in British universities, believe that the economic effects of joining the Common Market, taking both short and long term effects into account, are more likely to be favourable than unfavorable to Britain."

(This letter carried 142 signatures.)

"Sir, the undersigned, being full-time teaching officers of economics in British universities, believe that the economic effects of joining the Common Market, taking both short and long term effects into account, are more likely to be unfavorable than favorable to Britain."

(This letter carried 154 signatures.)

The exasperated layman had the last word --- as he so often does in the Times. The following letter appeared a few days later.

"Sir, the undersigned, being full-time in business believes that the economic effects of economists, taking both short and long term effects into account, are more likely to be unfavorable than favorable to Britain."

As this is being written, Apollo is winging toward the moon. One can imagine the effect on the astronauts if the best their scientists could offer was a 50% chance of success. If the letter columns of the New York Times carried 300 signatures from aerospace scientists, split neatly between those who saw success for Apollo and those who saw disaster, there would be an immediate - but emphatic - volunteer shortage!

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