

# One woman's fight

**I**T WAS a letter from the Incentive Taxation Committee of San Diego that started it all.

I was asked to find some information about assessments in Sacramento County.

A study in San Diego had shown a wide divergence between the appraised value of land for public purchase, and the appraised value of the same land for property tax purposes.

Although I did not expect to find such discrepancies when I began researching the information, it soon became clear that there were, indeed, two values on vacant land.

One value was placed by under-assessing privately-owned vacant land; the other much higher value was placed by appraisers when this land was to be purchased for public use as schools, parks, redevelopment, airports etc.

The assessor insisted that his values were correct; other public agencies insisted they were correct. I could not get anyone to move to correct this imbalance.

I was incensed by the injustice and I decided that I *had* to act to get it corrected.

I filed a class action with the Superior Court claiming that the homeowners were being unjustly taxed because of the undertaxation of much vacant land. I listed over 400 undervalued parcels of bare land that were escaping their proper share of the tax burden by over \$1 million annually.

I further claimed that homeowners, farmers and business owners were being unjustly required to pay more than their fair share of taxes because of the undervaluation of vacant land.

**O**N JANUARY 10, 1966, the case was heard in the Superior Court. The judge dismissed my case with the words: "If the homeowners don't like the way they are being assessed, they can elect a new assessor."

My reaction was "Oh no! That will have to be me and I don't want to be an assessor!" I had only hoped to get the present assessor to do a better job!

The more I resisted the thought of running for election as assessor, the more the little voice somewhere in my head would say, "Did you mean it when you said you would go through any open door? Did you? Here's an open door."

● Throughout the United States, the value of millions of properties is under-assessed for tax purposes.

This throws an unjust burden on other taxpayers – and is contrary to the law.

● An attempt to invoke assessments based on full market values would provoke organised opposition, as DR. IRENE HICKMAN discovered.

● She was elected to the office of Assessor of Sacramento County. Here, she recalls what happened when, for over four turbulent years, she tried to uphold the constitution of California.



● Dr. Irene Hickman

I fought with the idea for about a month and then decided that by running for election I would have more chance to tell the story of the unequal and unjust assessment values – and maybe that would influence a change for the better.

I ran for election. I told the story loud and clear and was elected in June 1966 – defeating a fairly popular incumbent.

Six weeks later, the incumbent assessor died suddenly and the County Board of Supervisors (reluctantly and after some delay) appointed me to fill his unexpired term. I took office September 15, 1966.

About three weeks later, a reporter from the *Sacramento Bee* interviewed me for a feature story about my connection with Henry George (who had at one time been employed by the *Bee*) and he asked what changes I expected to make.

My answer – that I intended to obey the law – provoked a startled expression, and he asked me to explain.

I opened the Constitution of the State of California and pointed out two passages that were pertinent.

● One stated: "All property subject to taxation *shall* be assessed for taxation at its *full* cash value."

● The other stated that all classes of property shall be treated equally.

*Neither of these constitutional provisions had ever been obeyed in the history of California.*

The reporter appeared quite overcome that I would even think of doing what no-one had ever before done. He asked me again and again if that was *really* my intention. I assured him that when I repeated my oath of office, I had taken very seriously my pledge to uphold and defend the Constitution of the State of California and the United States of America against all enemies, foreign and domestic.

*Little did I realise then just how many domestic enemies that Constitution would have to be defended against.*

**T**HE REPORTER left my office and proceeded to obtain reactions from other local and State-elected representatives.

All the others reacted with horror. One was even quoted as saying that such action on my part would confiscate every home in Sacramento County. There were other equally-irresponsible remarks quoted in the next day's evening newspaper.

Then, what a maelstrom: people calling me at all hours, at work and at home... a bomb threat to my home... newsmen hounding me... my poor secretary about to collapse. Leading citizens tried to dissuade me from obeying the Constitution. I refused to be dissuaded. I became an instant draw, wherever I was invited to speak – and I was invited very frequently!

On October 24, I was called before the County Board of Supervisors, a body of five elected men having the responsibility of administering the County, to recant. (I felt that Joan of Arc must have been in a similar situation!)

This session lasted two hours, during which I was able to remain calm and serene while the five men completely lost their composure in front of the representatives of 17 different news media. Two were broadcasting live on television.

● Turn to P. 37



● Milton Friedman

# Monetarism versus the pro-inflationists



● Vic Blundell

By Vic Blundell

ON DECEMBER 18 last year, *The Observer* reported a new study from Nuffield College which purports to put the final nail in the coffin of monetarism as well as in the reputation of Professor Milton Friedman. However, the basic theory behind monetarism does not depend upon Friedman or any of his followers, be they politicians or economists.

Before the word "monetarism" was ever invented, the principle behind it was known as the "quantity theory of money" (Irving Fisher) and was taught to every student of economics and accepted by all economists.

Before this simple economic principle was corrupted by so-called expert economists, who devised and built new motor roads of monetarism labelled M1, M2, M3, etc., it was simple to understand and the Concise Oxford Dictionary reflected accurately the meaning of the word "inflation" (before that word, too, was corrupted), namely: "(Finance) resort to inflation of (the currency or abs.); raise (price) artificially... So inflation (is) undue increase in the quantity of money in relation to goods

available for purchase."

One should never talk of controlling the money supply as though it were some blind economic force independent of government action. The only control required to keep down the money supply is government self-control, for it is the Government that initiates the expansion of money.

Putting it more bluntly, when a government has taxed and borrowed as much as it can or dares, but is still left with a budget deficit, it can either cut expenditure or resort to the printing press and it is the latter action - debasement of the currency - which is responsible for inflation as defined. Monetarism, if it means anything at all, means refraining from monetary expansion (inflation).

If, as *The Observer* stated, inflation is not the result of excessive increases in the money supply but is a complex "sociological phenomenon", why is it that this phenomenon was not present for sixteen years prior to the outbreak of the last war? Then, we had a stable currency. This was the period of The Fifty Shilling Tailors, The Five Shilling Shirt Company (Oxford Street) and

Woolworth's 3d to 6d Stores. Prices changed only relative to each other and then relatively mildly, and annual wage increases for people continuing the same job were unknown because wages kept pace with prices. And because prices didn't move, wages didn't move.

If Mrs. Thatcher's Government succeeds in returning us to this happy monetary state of zero inflation, she will not solve the unemployment problem, for full employment does not depend upon a stable currency. On the other hand, the anti-monetarists or pro-inflationists do not have the answer either, as has been demonstrated by the raging inflation and stop-go policies of the last few decades - which culminated in high inflation and high unemployment.

The simple truth is that inflation is a monetary phenomenon and inflation of the currency, while it stimulates employment for a while via artificial demand, is not a solution and never can be.

What is required is the natural increased demand which follows increased production - at present inhibited by the constraints of land speculation and under-use of land.

## ● ONE WOMAN'S FIGHT: From back page

As I would not change my resolve to obey the law, the County Board appealed to the California Supreme Court which, on June 6, 1967, handed down a decision prohibiting me from obeying the same Constitution they, too, had taken an oath to uphold.

The decision included the words: "Since this law has not been obeyed for 100 years, it is too late to begin obeying it now."

Melvin Belli, a famous San Francisco attorney remarked: "This has set jurisprudence back 100 years."

ALTHOUGH I was enjoined from undertaking full cash value assessments, I was still able to re-value upward hundreds of parcels of vacant, speculatively-held land in the County, and to lower the valuation of over 32,000 homes that had previously been overvalued.

The land-speculator crowd sought to recall me. A recall election was held July, 1968, which failed.

I continued to strive for proper assessments - though many of them were lowered by the County Board on appeal.

I further made an average of more than one speech a day, including Saturdays, Sundays and holidays, in an effort to educate enough people about what I was trying to do. I further sought to help them understand that greater taxes on land values, and lower taxes on other property such as improvements on the land and personal property, would bring benefit to everyone.

I had been optimistic at first that such efforts would really succeed, but as the months passed, it seemed more and more impossible to abate the incredible ignorance about property taxes, and why the present property tax system was so hurtful to most people.

It was further discouraging because even those who understood - including those who advocated the land tax policies of Henry George - were reluctant to participate in the battle for justice - for what appeared to me to be reasons of timidity.

I left the office in January, 1971 having served nearly four-and-a-half years. I was discouraged and exhausted and I really intended to quit this time. I had "had it". My health had been badly damaged and for

several years thereafter, I concentrated mostly on regaining my health.

It is only recently that I have dared again to become active in a cause which has seemed so hopeless, but which I have never been able to completely drop.

We are taught to recite the Pledge of Allegiance to the Flag daily in our schools, and many other times. This pledge ends with the phrase "...with liberty and justice for all."

It seems to me that this has had the effect of lulling many into the belief that we really have such liberty and such justice - to enhance our apathy about doing anything but make a change for the better. We have been lulled into a comfortable attitude that all is well.

I propose a new ending, adding: "Someday, so help me God!" I would hope that such a new ending might stir someone to get busy and make it a nation of real liberty and real justice.

It now seems that, for me, the better choice is not to seek public office but to spend time at my typewriter on this subject in the hope that some of these ideas will fall on fertile soil, take root and grow.