



# Ralph Nader Attacks Land Monopoly

A MASSIVE report on land monopoly in California launched by Ralph Nader during August has received wide attention from the press throughout the US. Based on fifteen months' investigation by twenty-three dedicated researchers, the report reveals vast interlocking interests in real estate and political power.

Powerful landed interests, alleges the report, have gained tax and other benefits at the expense of the general community and there are "similar parallels throughout the country."

The first three chapters of the report "Power and Land in California" list and refer to the principal figures and companies of the land, agriculture and water interests of the State. The following emerges from the report.

- \*Twenty-five land owners hold 13 per cent of the privately held land in the state. Forty-five companies control more than 61 per cent of the more than 6 million acres of farmland covered by the study.
- \*Many large landholdings were obtained by fraud or are illegally held.
- \*The "land interest complex" wields power by such devices as "lending of money from one institution to another, holding company relations and direct interlocking directorates."
- \*California is "irretrievably losing her best farmland to unnecessary development" through housing and other construction on valley floors, aided by urban sprawl that is "stimulated by present tax and land-use systems."

\*The Williamson Act (a state land-use and anti-pollution law under which a farmer promises to keep his land in agricultural use for a period of time in return for a lower tax assessment and thus provides open spaces) gives the greatest tax break to owners. Low taxes for waste land "encourage the holding of this land for speculative gain, which actually increases pressures to develop prime farmland."

\*Corporate farming, including the growth of conglomerates in agriculture, get "tax breaks, discriminatory credit terms and discounts and take extreme advantage of their political power in a wide range of legislative areas."

The Southern Pacific Company, the State's largest land-holder, has almost two-and-a-half million acres and the report cited it as an example of a violation of the terms of a land grant which forbade use of the land for income production. The company, says the study, should be compelled to relinquish its extensive holdings to the public.

The report also alleges that a large portion of earnings from landholdings goes for political expenses and that land speculation is encouraged by tax concessions. The Irving Company is the State's largest dollar beneficiary, receiving a tax assessment reduction of \$18.6 million, says the report and "For many of these entities the Williamson Act is a device to enable cheap holding of land temporarily for eventual speculative gain." Some of the companies also receive massive Federal subsidies for keeping land idle.

The Boswell Company in 1969 received Federal subsidies amounting to £14.3 million the study concluded.

Among recommendations made by Nader are:—

- \*An investigation into land ownership to reveal owners by name and acreage totals, a disclosure not available to the public.
- \*A suit to effect the reversion of land owned by Southern Pacific to the state or federal government for violation of land-grant terms.
- \*State and federal legislation to end tax, credit, and other favoritism of the large corporate conglomerate farms.
- \*An investigation into the involvement of the world of finance in land.
- \*The resignation of members of the State and Regional Water Quality Board and the State Board of Agriculture that have "direct ties" with the interests they regulate, was also urged.

Mr. Robert Fellmuth, project director for the Ralph Nader report, as reported in the *Christian Science Monitor*, October 5th said: "There is an old Marxist axiom that says wherever there is economic power, political power will follow. Therefore the state and the economy are one. In our report we say 'no' to that axiom. We say a political force can be created that can be separate



from the economic forces in society... A legislature and executive branch can be formed so that special land interests have nothing at all to sway elected officials from an objective evaluation of the public interest."