

New Land Reform Group Challenges Agri-Corporations

ITT not only shreds memos and fiddles with South American politics, but also raises pigs. Greyhound (turkeys) and John Hancock (soybeans) are two more of the corporate farmers controlling huge blocks of land, mostly in California.

According to the newly-founded National Coalition for Land Reform, the conglomerates hold their individual farmers in feudal servitude, waste water and destroy ecological balance, lobby the government out of millions in tax breaks and agricultural subsidies, violate various federal laws, and in the end show their true colors by selling their holdings for high-profit developments.

The hot spot of the land reform controversy is the Imperial Valley, where 80% of the land is held by such absentee landlords as Purex, Dow Chemical, Southern Pacific, and Kaiser Aluminum. At issue is the Reclamation Act of 1902, which states that farmers using federally-supplied water must live on or near their property and may not receive water for more than 160 acres. But the Reclamation Act has not been enforced since the 1930's when the valley began receiving water from Boulder Dam.

In November, 1971, an out-of-state judge upheld the residency requirement. The Justice Department claims that it's too late to enforce the law after such a long breach of it, but may be persuaded otherwise by those who point to the Department's enforcement of an even older anti-pollution law in the past two years.

Senators Fred Harris (D., Okla.), Birch Bayh (D., Ind.), Gaylord Nelson (D., Wis.), and others have introduced legislation enabling the government to buy the now-illegally held land and re-sell it to

small farmers. Senator Adlai Stevenson (D., Ill.), after holding hearings on land distribution in his committee on migrant labor, declared that federal subsidies to large corporations force small farmers off the land and send rural workers onto city welfare rolls.

Senator John Tunney (D., Calif.) and President Nixon, however, oppose enforcing the 1902 law.

Redistributing land would help the environment as well as the financially beleaguered small farmer, says the Coalition. Evidence from another group, the Environmental Defense Fund, shows that small farmers use less water, fewer pesticides, and less chemical fertilizer per acre than corporate farmers. Corporations tend to have less interest in how the city

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Tax Windfall for N. J. Business?

Next January marks the deadline for New Jersey legislators to come up with a new way to finance schools, and a special session has been set for June. Governor Cahill's tax policy committee recommended a graduated state income tax and a statewide property tax of \$1 per \$100 of market value. At the moment Cahill's Republicans are studying Democrats' charges that the tax package presents a \$200 million windfall to business and industry. While individuals have their taxes shifted from property to income, they say, business and industry are relieved of \$460 million in property taxes without a corresponding increase in other taxes.

Restrictive Zoning Struck Down in New Jersey Court

"Going all the way" is a phrase that's moved out of the back seats of automobiles and into the newspapers, its fervor and frequency applying to conflicts people want adjudicated by the U.S. Supreme Court. The limits at issue now are those of zoning ordinances excluding apartment house construction and low-income groups from the southern New Jersey town of Mount Laurel.

It was here on the outskirts of Philadelphia that a N.J. State Superior Court judge recently ruled exclusionary zoning unconstitutional because of economic discrimination. With wording reminiscent of the school financing decision earlier this year, Judge Martino declared that the town had used "Federal, state, county and local finances and resources solely for the betterment of middle- and upper-income persons."

Past zoning decisions have merely struck down the offending provisions. But this ruling orders the town to identify and tabulate the present and future housing needs of low and moderate income groups—and present a plan within 90 days to meet these housing needs. The ruling thus deals with both the zoning regulation banning apartment houses and an "unofficial policy" of coercing poor people to move away by not employing available housing subsidy funds. This was alleged by the legal group bringing the suit, who pointed to the doubling of population in Mount Laurel about every ten years, with blacks comprising 16% of the population 30 years ago and only 3% at present.

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encroaches on farmland than do local residents—and rural sprawl is equally environment-destroying as urban sprawl.

Finally, the Coalition asserts that the consumer and the taxpayer benefit from small holdings. Large corporations don't necessarily farm more efficiently—and it wasn't until they entered the business that eggs were found polluted with something called polychlorinated bi-phenols.

Said one of the farmers speaking for the Coalition, "the large farmer farms the government more efficiently than I do, but my labor is used more efficiently." Another spokesman added that Tenneco owns 2 million acres in California that generate \$88 million in taxable income, but received a \$1 million benefit from the Department of Agriculture and a \$13 million tax credit. "The big farming corporations like Tenneco are our biggest welfare recipients."

Land Restrictions in India, Too

If the Reclamation Act of 1902 is enforced in California, the last thing anyone would expect is a spate of divorces. But that's the outcome of a similar situation in India. A recent government committee there recommended that family land holdings be limited to 74 acres, of which only 10 to 18 acres may be irrigated by government-supplied water. Panic selling, registering land to dogs and bulls, and divorces enabling families to hold double the legal ceiling have ensued. In a few states all land transactions have been suspended until a decision is passed.

Prime Minister Indira Gandhi's bill enables state governments to seize land holdings over the ceiling without compensation; state governments would have three months to enforce the new rule. Only 5% of India's landholders would be affected, out of some 50 million—but that 5% has more than 30% of the arable land.

In the state of Punjab, farmers are particularly angry. They have engineered the "green revolution" that increased India's wheat production by 14% a year to make India self-sufficient in food. This they did by investing in their own tube wells and modern methods of agriculture, including the use of tractors. Smaller holdings, they argue, would undermine the green revolution. Their own state legislature was ex-

1972 Conference

The schedule for the 1972 conference, to be held July 5-8 at the Miyako Hotel in San Francisco, has now been announced.

A preconference cocktail party is set for Wednesday evening, July 5. Thursday morning, there will be a discussion of School plans and prospects; Thursday afternoon is open, with a wine tasting party in the evening.

Friday morning's session is titled "Inflation"; in the afternoon, it is "Financing Public Schools." On Saturday the morning session is "Conservation Planning and the Property Tax," and the afternoon session is "Land Reform."

For the 5 Conference sessions and luncheons and dinners on Friday and Saturday, the cost is \$27.00 for those who register before June 26. After that, it is \$36.00. Register by writing to the School of Economic Science, 833 Market Street, San Francisco 94103.

Rooms may also be reserved at the Conference headquarters: Miyako Hotel, Japanese Cultural and Trade Center.

Harriss in the News

C. Lowell Harriss, the Columbia University Professor of Economics and friend of site value taxation, has been much in the news lately.

From recent articles in the *MGIC Newsletter*, the Tax Foundation's *Tax Review*, *TAXES—The Tax Magazine*, and elsewhere, newspapers all over the country have been excerpting, summarizing, reporting. *The Wall Street Journal*, *The Washington Post*, and the *New York* and *Los Angeles Times* are just a few of the papers giving space to Professor Harriss' lucid and cogent arguments in favor of site value taxation, better assessment, making taxes visible, finding out the impact of various taxes on capital, and so on.

pected to agree to a 30-acre maximum, whatever the source of water. The new national policy would upset the accommodation Punjabis had already made to the 30-acre rule.

Mrs. Gandhi wants to carry out the socialistic reforms of her party's platform nationally. But linking land holding ceilings to government-supplied water—affecting about 25% of the total land held mostly by small farmers anyway—may only "make a mockery of our socialism," according to a leading leftist in Mrs. Gandhi's party. Aside from making the Punjabis mad.

Conservationists vs Speculators in Adirondacks

There's something to be said for the proliferation of government agencies after all. Horizon Corp., a large Southwest land developer, has taken over some 24,000 acres in the Adirondacks of upstate New York for resort development. But opponents of this massive scheme—environmentalists, some of the local residents, and those who disapprove of land speculators like Horizon—have an extra card up their sleeve in the upcoming battle. Horizon's plan must be approved by the Adirondack Park Agency, the Department of Environmental Conservation, the Health Department, and other state agencies.

Before it gets that far, moreover, the Adirondack Park Agency may have finished its plan for the 60% of the Park still held by private owners, including Horizon. The Park Agency has a January 1 deadline for this plan, actually "Phase 2" of the larger plan for the Park's 6 million acres.

The ecology fight was won on another occasion when Boise Cascade presented a recreation home community proposal—that scheme would have been only one-tenth the size of the Horizon project.

But the Adirondacks comprise the last large unspoiled land tract in the East. Horizon declares that it wants to become the "premier developer in New York State;" no major developer is working here now because New York is a "tough, sophisticated state."

The land speculation and resort development business is a tough, sophisticated one, too, and in this case Horizon has the support of the major newspaper publisher in the area.

Conservationists, government agencies, the Adirondack Park Plan—these may work together, wittingly and unwittingly, to stop Horizon. The call has already gone out: said Stewart Udall, former Secretary of the Interior, "this could mean the gradual dismemberment and degradation of one of the nation's finest conservation reserves. This invasion should be fought by all conservationists who know and love the Adirondack country."