Ed Greer

Carter's urban plan to pay corporations for more of same

Let's blow the whistle on Carter's urban "program" before it ever gets formally presented. If we do so right now, we'll be in a much better position to carry on a campaign for something real; as opposed to waiting until the matter is in the policy-making process and trying both to veto it and substitute something of merit. If leaking the contours of the "program" to the *New York Times* (Aug. 31, 1977) was intended as a trial balloon, that is all the more reason to take a resolute stand right now.

The "program" is evolving as follows. A Cabinet-level study group—located in the Department of Housing and Urban Development—was set up, and it delegated its work to an urban development task force in the Treasury department. Apparently the key members of this task force are Robert Altman, Assistant Treasury Secretary for Domestic Finance and J. Chester Johnson, Assistant Treasury Secretary for State and Local Finance. Their last jobs respectively were partner in the Lehman Brothers investment banking firm and vice president of the Morgan Guaranty Trust Company.

Naturally, their "program" amounts to a series of incentives to manufacturing, real estate, and financial interests to induce them to increase their urban investments. Having correctly diagnosed that "secular economic decline is the core urban problem," these banking officials—fresh from observing the triumph of their colleagues in the New York City fiscal crisis—propose that it be solved on the cheap.

Establishment economists like to pontificate that "there is no free lunch" with respect to economic matters; and this homily surely applies with respect to Carter's new "program." Before ever examining its components, common sense dictates that a proposal whose total cost to the federal government will be $1 billion is too desultory to do the job.

Since 1970 the annual purchasing power of central city residents (as a consequence of absolute population loss and the substitution of poor for middle-income families) has dropped by $40 billion. The federal diversion of funds from the industrialized, urbanized northeast and midwest to the sunbelt runs about $20 billion annually. And over the past decade the proportion of new housing investment in the northeast has dropped from 18 percent to 10 percent of the total. Similarly, the proportion of national commercial and manufacturing investment in the region has declined from 22 percent to 11 percent.

Carter reneges.

This unfolding catastrophe of massive urban capital disinvestment is paralleled internationally by massive capital exports to client states around the world. Together, these profit-maximizing shifts underlie the urban crisis, declining real income for the working class, and massive structural unemployment.

When Carter ran for the Presidency, he demagogically promised the trade unionists, mayors, black political leaders and liberal leaders of popular civic organizations that he would, in contrast to the conservative Republicans, positively respond to this crisis.

After his election Carter quickly moved to suspend legislative initiatives for full employment on behalf of "fiscal integrity"; he indefinitely tabled welfare reform and national health insurance; he advanced human rights in the Soviet bloc rather than at home or in nations under American hegemony. The new urban "program" is of a piece with Carter's complete subordination to monopoly capital.

Today the scope of reforms necessary to reverse the catastrophic human effects of the urban crisis would require unprecedented governmental *undermining* of private profits. For instance, strict controls over the flow of capital would be needed to prevent further urban redlining and the loss of manufacturing jobs. But as Claus Offe has recently reminded those who think Lenin is obsolete, the capitalist state intrinsically functions to serve the interests of monopoly capital: foremost by protecting the realization of surplus value by the oligopolies.

That is why Carter's urban "program" proposes to bribe the capitalists to rebuild the cities, instead of compelling them to stop bleeding them to death. The three components of the "program" are all fraudulent.

A corporate program.

The first is to permit private business to engage directly in urban renewal by giving them money to assemble large metropolitan parcels for new construction. No American city has yet been saved by urban renewal and there is no reason to think that any additional program will now succeed. When generous enough, such measures may induce direct investment in the given project. But their rationale is that this in turn will stimulate new private investment elsewhere in the same city.

As anyone can tell by looking at the slums adjacent to existing urban renewal projects, no such spillover effect exists. One billion dollars of land subsidies, while a windfall for urban real estate developers, is not likely to have more than a marginal impact on the trend of manufacturers and commercial interests to desert the cities.

The other two components of the "program" are the creation of tax-exempt industrial revenue bonds for new urban investments, and having a federal agency create a secondary market for these securities by buying, guaranteeing, and re-selling them. They surely will represent a windfall for banking investment houses such as Lehman Brothers and Morgan Guaranty. They will not, however, do anything to reverse urban disinvestment.

According to the *New York Times*, this "program" is Carter's response to "the recent criticism by black leaders" about neglecting the poor and the cities. If so, it is an effort at plantation politics.

Edward Greer is a former aide of Mayor Richard G. Hatcher of Gary, Ind., and teaches urban studies at Roosevelt University, Chicago.

Sidney Lens

Has nuclear warfare repealed the right to life?

The President has the unchecked power to press the nuclear button. High American officials feared Nixon might do so to avoid ouster. Have we lost our right to life?

More than any other recent President, Jimmy Carter has spoken of his concern for the people's rights. But there is one right bestowed on Carter by a combination of technology and the imperial presidency that cancels out the constitutional guarantees of every American citizen: the unchecked power to press a button and initiate a nuclear war that would kill hundreds of millions of people around the world—including one-half of the U.S. population.

The Constitution, of course, prohibits the president from initiating war, nuclear or otherwise. It vests that right exclusively in the Congress. But Congress has abdicated its responsibility to the President under the rationale that it takes only 30 minutes for a missile with a nuclear warhead to reach American soil from the Soviet Union, less if the missile is launched from a nuclear submarine. Obviously you can't assemble 535 members of Congress to debate and vote the issue in those 15 or 30 minutes.

But oddly enough, under the program called Crisis Relocation (CR) the Pentagon's Defense Civil Preparedness Agency says it will have "plenty of time"—days and probably weeks—while diplomats negotiate, to evacuate citizens from the cities and place them in mines, caves and rural areas on the eve of a nuclear war. CR does not explain why Congress can't be assembled during those days or weeks to debate and vote, or why a popular referendum could not be conducted.

The answer probably is that if Congress or the people voted *against* a nuclear war the American diplomats would have no "bargaining chips" in their negotiations with the Rusians. The Soviets, it is said, would make no concession if the nuclear threat were removed. Thus the right of survival has been replaced by the right to be a "bargaining chip."

Americans have not discussed—or noticed—this loss of their prerogative because they do not believe nuclear war will ever come. The great stockpiles of warheads, they think, are there simply to enforce a permanent stalemate, or "balance of terror."

Near misses.

The U.S. has enough missiles to destroy the Soviet Union; they have enough to destroy us—no matter who strikes first. Since each knows that nuclear war, in General Douglas MacArthur's phrase, is "double-suicide," neither superpower will start one.

There are several difficulties with this conventional wisdom. The most worrisome is that since 1950 there have been 13 occasions when the U.S. actively considered using the bomb. Five of these resulted from misreading of radar, as in the 1950 alert, when the early-warning system in Canada picked up formations of unidentified objects headed toward Washington.

The "objects" ultimately disappeared from the screen, ending the crisis; Secretary of Defense Robert A. Lovett's best guess was that radar had picked up a flock of geese. A decade later another panic developed when radar evidently echoed off the moon. In 1971 there were three such instances.

Six times, however, the U.S. seriously debated or threatened the use of nuclear bombs. President Eisenhower told the Chinese and North Koreans in 1953 he would use nuclear weapons if they did not come to terms. In 1954 the U.S. offered France three nuclear bombs to use agains the Viet Minh at Dienbienphu. The British and the Senate majority leader, Lyndon Johnson, dissuaded Eisenhower.

Four years later, the Joint Chiefs of Staff recommended, and the National Security Council temporarily approved, employment of nuclear weapons in the Quemoy-Matsu crisis. President Kennedy's team was prepared to drop nuclear bombs on Laos in 1961 and to use them during the Berlin crisis. According to Gen. William Westmoreland, former U.S. commander in Vietnam, nuclear weapons were suggested when U.S. forces were beseiged at the Khe Sanh outpost.

On two occasions the near-misses involved the two superpowers directly, and could have resulted in total war. In 1962, during the Cuban missile crisis, the U.S. and the Soviet Union were closer to nuclear war than before or since.

And in October 1973, during the Yom Kippur war in the Middle East, a Soviet ship with nuclear bombs was dispatched to Alexandria, Egypt, while Richard Nixon and Henry Kissinger declared a worldwide nuclear alert. According to a reliable Pentagon source, Kissinger ordered the removal of hatch covers from America's land-based ICBMs—a move intended to be photographed by Russian satellites as proof that America meant business.

Unchecked executive action.

Secretary of War Henry Stimson told an elite committee in May 1945 that the atom bomb represents "a revolutionary change in the relations of man and the universe." Yet in none of the 13 near-misses, including the five accident situations and the two superpower confrontations that might have launched total war, did an American president consider seeking approval of Congress or the people.

Enlargement of the concept of "executive power" widened after World War II to mean presidents could engage in "acts of war," such as CIA-sponsored *coups d'etat*, without the sanction of Congress, and even that they could conduct actual wars, such as in Vietnam or the landing in the Dominican Republic, on the theory that these "police actions" were within their prerogative as commanders-in-chief.

After the 1962 missile crisis, Kennedy stated that had nuclear war broken out, "even the fruits of victory would have been ashes in our mouths." All that the U.S. had been able to build in three centuries, he said, would have been destroyed within 18 hours. Yet he did not seek any form of approval for what he was doing.

The end result has been further erosion of a basic American principle, accountability—the right of a citizen to be protected from arbitrary acts by a tyrant or an hysteric through an elaborate system of checks and balances.

At least insofar as the "right to life" is concerned that principle has been eviscerated. This point was brought home forcefully a few years ago when President Nixon was on the verge of impeachment for the Watergate crimes. There was genuine fear in high places at the time that he might use his "black box" (with the button in it) to launch a nuclear adventure that might save him from being ousted.

It was a revealing punctuation to the loss of the most hallowed of all rights, the right to life.

*Sidney Lens is a veteran journalist. His latest book is **The Day Before Doomsday** for Doubleday.*

Interior department issues tough regulations

A "bloody battle" is expected over the proposed regulations which limit ownership of land to 160 acres.

By Catherine Lerza

WASHINGTON—On Aug. 22 Secretary of the Interior Cecil Andrus announced a set of regulations that would enforce, for the first time, a piece of legislation enacted in 1902. Issued through the Interior department's Bureau of Reclamation, the regulations would enforce the Reclamation Act of 1902, a piece of legislation designed to ensure that the benefits of federal water projects went to small farmers, not absentee landowners.

The proposed regulations, which do not take effect for 90 days, come in the wake of a 1976 federal district court victory by National Land for People, a Fresno, Calif., based organization of small farmers and would-be small farmers that has been working to secure enforcement of the Reclamation Act. (See accompanying story.) The regulations will affect all federal water projects west of the Mississippi River, encompassing about two million acres in 17 states.

The proposed regulations provide that owners of land watered through Bureau of Reclamation and Army Corps of Engineers projects must sell "excess land" to the Bureau of Reclamation at fair market prices. The Bureau, in turn, will make that land available to new owners. (Under the 1902 law "excess land" consists of all land receiving federal project water in excess of a 160-acre limitation for individual owners, and 320 acres for husband and wife owners.

The Bureau will then sell the land at "pre-improvement" (i.e., without irrigation water) prices. This should preclude "windfall profits," says Interior department officials.

Land owners, under the proposal, must also live on their land or "in the neighborhood." Interior proposes to define the neighborhood as within 50 miles of the property, however. No land will be sold to multiple owners, except for family-based partnerships or trusts.

When land is available, the Bureau will announce it publicly and then choose —via lottery or other "impartial means" —new owners from among a list of interested buyers. The new owners will be prohibited from leasing their land back to the original seller (a common practice today). In addition, all sale prices, not just on the original sale but on all subsequent sales during the next decade, will have to be approved by the Interior department.

New land ownership pattern.

The department says that this system will create a land ownership pattern more in keeping with what the drafters of the 1902 law had in mind—small-scale family farms.

Under current procedures, landowners may hold more than the law's acreage limits and still receive federal irrigation water if they agree to sell their "excess" during a specified period, generally 10 years. However, landowners have been permitted to sell to whomever they wished, which has led to a variety of complicated land ownership and leasing schemes to circumvent the law's limitations. In the Westlands Water District in California's San Jaoquin Valley—the battleground for National Land for People's lawsuit—sales have not gone to small farmers but to a complex set of interlocking financial interests connected to the original sellers.

Final regulations will be set after a 90-day comment period, during which time Interior officials expect to be deluged with criticisms and lobbying from big landowners. They also anticipate legal challenges from landowners in the 17 western states affected by the new rules. Departmental officials generally remain noncommittal about the expected onslaught of corporate lobbying, although one spokesperson admitted that the property-taking issue and the residency requirements will undoubtedly arouse "concern."

A "bloody battle."

An example of this concern came to light at the end of September when it was revealed that an Assistant Secretary of Agriculture, Robert H. Meyer, who owns substantial land holdings in California's Imperial Valley, had approached members of Congress, White House officials and other members of the Carter administration seeking to have the Imperial Valley excluded from the new regulations.

Meyer and his family reportedly own and lease more than 2,000 acres in the valley, and would have to sell their "excess" if the regulations were applied there.

Meyer defended his actions, saying that he was only acting as a "private citizen" and that he had taken precautions to avoid any appearance of speaking for the administration.

Small farm advocates, like Peggy Borgers of Rural America, a Washington-based rural advocacy group, also foresee a "bloody battle" over the regulations, pitting the powers-that-be in western agriculture against the Interior department's good intentions.

Russell Giffen, whose attempted sale of acreage in the Westlands aroused the original NLP legal challenge, termed the new regulations "outrageous." The *San Francisco Chronicle* also entered the fray, editorially arguing that the 1902 acreage limits should be changed and saying that the family farm was obsolete in California.

Could go further.

Activists who have been working for years for the enforcement of the 1902 act, on the other hand, are happy with the proposed regulations, but think the Interior department could go further. Brent Blackwelder of the Environmental Policy Center, who has been lobbying to make federal water policy more responsible to those it was designed to serve, says the new regulations are "a turning point, a landmark in the sense that all previous administrations have been so bad on this issue."

Al Krebs of the Agribusiness Accountability Project in San Francisco says the rules are "ok," but views the 50-mile definition of "neighborhood" as unacceptable, since in the San Jaoquin Valley such a definition opens up the possibility that landowners could live in urban centers like Fresno. He, along with National Land for People, will argue for a 15-mile definition —for California lands at least.

Krebs sees another problem—one that tougher regulations cannot solve: the high cost of farm land, even at "unimproved prices." "Excess" land in Westlands will sell for $750 an acre (about half the present market value), which means that a new farm family would need $250,000 to buy the 320 acres to which they are entitled.

Krebs and others believe that without a complementary program to make low interest loans readily available to those seeking excess lands, the truly landless and resourceless will continue to be shut out of a process intended to help them.

Interior officials admit that no such plan is in the offing.

It is clear that with the "bloody battle" foreseen by small farm advocates almost a certainty, the Carter administration will have to dig in its heels in defense of its present plan if the regulations are to remain as tough as they are now.

Catherine Lerza is agriculture editor of the Elements, a publication of the Public Resource Center in Washington, D.C. She is currently working on a book on agriculture policy.

Reclaiming the land

Continued from page 3.

Current efforts to enforce the Reclamation Act of 1902 stem from the efforts of a handful of people who kept alive the knowledge of the law and kept up the pressure, often very much alone, for its enforcement. Chief among these is Paul S. Taylor, now Professor of Economics Emeritus at the University of California at Berkeley.

Taylor discovered the Reclamation Act while working as a consultant to the Interior department in 1943. He was shocked at the failure to enforce its acreage limitation and residency requirements, and has dedicated the years since that time to securing their enforcement.

Taylor has written more than 40 law review and scholarly articles on the Reclamation Act. He has written countless letters to editors and testified before Congress at various times. His message has always been the same—enforce the law.

It was Taylor's habit of writing letters that got him in touch with George Ballis, the editor of a small labor paper in Fresno during the '50s.

Getting the Westlands project.

Ballis had helped Bernie Sisk, a young liberal Democrat, get elected to Congress. Ballis wrote an editorial asking why so many of the "big money farm-types" were coming around the office of "small-farm-boy" Bernie Sisk.

Taylor wrote to Ballis, saying, "I'll tell you what they want, son," and described the push by corporate growers, who had formed the Westlands Water District in 1952, to get the federal government to help replenish their sinking water table.

"Small-farm-boy" Sisk went on to push a federal irrigation project for the valley with his friends on the House Interior committee in 1959, arguing that without federal aid "most of the cultivated land which is the basis of their economy will revert to desert."

Sisk promoted the project, which would benefit roughly a thousand landowners, most absentee, in the name of the Reclamation Act, painting a picture of 5,000 new family farms on newly watered land.

Congress liked the picture and approved the country's largest federally-subsidized irrigation project to bring cheap water from northern California to the Westlands.

Today, a few more than 200 landowners in the Westlands District benefit from a federal subsidy worth more than a billion dollars by conservative estimates.

National Land for People.

The federal water project in the Westlands is nearly finished. What of the enforcement of the Reclamation Act?

If it were enforced the great ranches should, by now, have been broken into hundreds of smaller, family-sized operations. But a two-month search in 1976 by two *San Francisco Examiner* reporters, Lynn Ludlow and Will Hearst (a grandson of William Randolph Hearst), discovered only two small family farms in the whole 572,000-acre district.

Taylor and Ballis opposed the project from the beginning, arguing that it would be the greatest boondoggle in the history of the Reclamation Act. They were joined by others, and in 1974 formed National Land for People.

Composed of small farmers, mostly family farmers around Fresno, and farmworkers, mostly Chicanos who work on the large corporate farms in the area, many of whom would also like to buy their own land, NLP is an unusual combination, bringing together two traditionally hostile groups. Most of the farmer members, however, have small operations that employ few, if any, farm laborers. Many sympathize with the farmworkers in their conflicts with corporate growers and see farmworker efforts to raise the value of their labor as also raising the value of their own labor on the farm.

Public attention.

NLP began a research and education program around land ownership in the Westlands, the Reclamation Act, its enforcement and the effects on the land and community. Through their efforts what was happening in the Westlands began to get more public attention.

In February 1976 the U.S. Senate committees on Interior and Small Businesses held hearings in Fresno, documenting a long history of subterfuge and violation of the law.

Sen. Gaylord Nelson (D-Wis.), chairman of the Small Business committee, charged angrily that "there are people out there not intending to farm, who do not farm at all; not a damn one ever farms at it and yet we say we are implementing the law. That circumvents the whole intent and purpose."

NLP and other investigators went on to document a shuffle of land ownership in which land is sold or resold or leased to former associates, syndicates, foreign corporations or Caribbean-based tax havens, while the original owners continue to operate with large, 5,000 or more tracts.

NLP lawyer Mary Louise Frampton took this evidence to a Washington district court, and in August 1976 the court issued an injunction against the Bureau of Reclamation, prohibiting it from approving any excess land sales until it brought its rules into accord with the Reclamation Act.

In another case the Supreme Court refused to hear an appeal of a lower court that the Reclamation Act and the Omnibus Adjustment Act of 1926 applied to U.S. Corps of Engineers projects as well as to Bureau of Reclamation Projects. This, in effect, doubled the number of acres in the West affected by the act, bringing the total to about two million acres in 17 states.

In response to this public pressure, and in response to the district court order, the Interior department on Aug. 22 proposed regulations to enforce the Reclamation laws. (See accompanying story.) After a 90-day period in which citizens can comment on the proposed regulations and suggest changes, the department will issue final regulations.

Stronger requirements.

National Land for People, while generally approving of the new regulations, is pushing for even stiffer requirements. They would require that:

- Owners live on or within 15 miles of their land (as opposed to Interior's proposed 50 miles—Ballis points out that the 50-mile limit would allow "every speculator in Fresno" to own land. NLP would give buyers one year to establish residency.)
- Owners farm their property on a daily, on-site basis.
- Undivided interest holdings be allowed only for husband and wife.
- Trusts not be allowed to own federally irrigated land.
- Owners be able to lease their land for up to two years only if both the owner and the leasee are operating farmers who do not lease or own more than 160 acres.
- Partnerships be allowed to own more than 160 acres only if all the partners are resident operating farmers on a daily, on-site basis.
- Corporations be allowed to own up to 640 acres only if each has at least four shareholders (a one-shareholder corporation may own up to 160 acres) and all shareholders, officers, directors are resident operating farmers.

Heartened as they are by the recent swing of events in their direction, proponents of strict enforcement of reclamatioon laws are wary of predicting victory. As George Ballis told a *New Times* reporter recently, "We've made a lot more progress than we've ever made. But our members remind us we don't have the land for them. They say, 'That court decision was wonderful—but where is the dirt?'"