

# THE CANDID FRIEND

An Independent Review of Men and Things That Figure in the Contemporary Life of California

By Edward F. Cahill

**I**T is much to be desired that somebody of impartial and analytic mind, with access to all the facts, shall furnish the tax payers of California with a competent review of the operation of amendment No. 1 and the new state revenue system. There is loud complaint from many quarters. The Grass Valley Union says "the change has worked disastrously for the counties of the state." The San Bernardino and Riverside papers are excitedly discussing their losses due to the new plan, and the only contented bailiwick I have been able to discover is Kern, which is bragging about a \$1.20 county rate.

## A STIFF TAX

The San Bernardino Sun figured out a total rate of \$5.20 for city, county and school purposes in that neighborhood. It is true that San Bernardino is the biggest loser by the new plan, because it has more miles of main track railroad than any other county in the state and, in fact, the tax payers of San Berdoos had a soft thing in this big slice of pork. The legislature made provision to compensate the county for the loss of revenue due to the new system, but the Berdooners declare themselves still out and injured in the sum of \$150,000 a year. Quoting the San Bernardino Sun:

The Sun put those various items together, and obtained a total for city, school and county of \$5.20, which is a sky scraping rate, and would be properly the basis for a tremendous protest, if the blame could be located on any officials or individuals.

It's easy enough to dismiss amendment No. 1 with a jolly, but it's no laughing matter, as the tax payers of this county are learning. In round numbers, if the rate finally adopted is the same as now forecasted, amendment No. 1 will cost San Bernardino county, net, in the neighborhood of \$150,000 this year, and neither the News nor anybody else is likely to disprove those figures. In round numbers, the county seems to lose about \$200,000 by the operation of the amendment. The legislature generously appropriated \$50,000 to cover this loss. The difference is a net loss to the tax payers of this county.



## RIVERSIDE'S GROUCH

Riverside likewise has a grouch on taxes, although that county did not suffer like San Bernardino from any disproportionate loss of taxation on railroad mileage. Says the Riverside Press:

The county auditor and the members of the board have figured themselves almost gray headed over this tax question. The rate is 30 cents higher than last year's rate, and the increase is due entirely to the provisions of amendment No. 1. Not an item in any of the departments has been increased by the supervisors—instead, a good many of the appropriations have had to be cut down to keep the tax rate within reason. Some of the desert school districts, under the new law, which provides that state taxes shall be derived from railroads and corporations, lose as high as 80 per cent of their taxable property, and this deficit has to be made up out of the county's general fund. Supervisor Crane's road district has to be reimbursed \$16,163 and Supervisor Shaver's \$8,442.

These are net figures, making allowance for exemption from the state tax of 35 to 40 cents levied under the old revenue system.

## HOW THE SYSTEM WORKS

The controversy grows warm. Harbison of the San Bernardino Sun and Clover of the Los Angeles Graphic have come to verbal handgrips over amendment No. 1, and it appears to me that the Berdooner has rather the best of the argument. Clover figures a positive gain for the general tax payers, and this is the way Harbison whistles his figures down the wind:

True, the corporations and their \$60,000,000 of assessed valuation escape paying the 90 cent tax in Los Angeles county and the city avoids paying a state tax of say 40 cents on \$20,000,000 (\$20,000,000, according to figures given the Sun yesterday on the telephone by the Los Angeles city auditor, but the difference is not material to this argument). And on that deal the tax payers of Los Angeles seem to be ahead of the game to the amount of \$740,000. 'Tis a handsome sum, my masters.

But soft, a moment. The corporations, with their \$60,000,000 of wealth, also escape paying their share of the city taxes, the rate this year being \$1.48, or a total tax of not less than \$888,000! In other words, they have offset that apparent gain to the tax payers of \$740,000 and are off and gone with \$148,000 more. While smiling and handing to the tax payers of Los Angeles \$740,000, they slipped their hand into said tax payers' wallet pocket and escaped with \$888,000. And the Angelenos haven't yet come out from under the influence!

But that is not all—not nearly all. They have escaped paying their share of the special school tax that will be levied in Los Angeles; they have impoverished every municipal treasury in that county—Pasadena, Long

Beach, Santa Monica and Ocean Park, Pomona, Monrovia, and all the rest of the incorporated towns, just as they did Los Angeles; they have dodged special school taxes in every district that levies them; they escape road tax in every road district, at the high rate of 60 cents, and with \$148,000 as a starter, we have no doubt that, by and large, the tax payers of Los Angeles county, town and country, are poorer by not less than three times that amount.

## HOW IT WORKS IN SAN FRANCISCO

If there is any flaw in this reasoning I am unable to put my finger on it. In San Francisco, results work out somewhat differently, but that is because our local taxes are so much lower than the Los Angeles rate. The Los Angeles city and county rate combined is \$2.38, without counting special taxes. The San Francisco rate is \$2. Our assessment roll, excluding corporation property, totals \$461,529,000. On that property the new system relieves us of the state tax, say 40 cents, amounting to \$1,844,116. The corporation property in the city exempted from local taxation amounts to \$83,371,000. This property is relieved from paying the city and county rate of \$2 on the \$100, amounting to a total of \$1,667,420, so that, as I figure it, the San Francisco general tax payers are ahead \$176,696 on the transaction, which is about the sum that Los Angeles loses, according to Harbison's figures.

## A FISCAL SEE SAW

It would seem, therefore, that the operation of the new system differs materially according to local conditions of taxation. Assuming that the relative value of corporation property in the several counties maintains about the same proportion to the whole, it would seem that where local taxation is low the corporations lose by the new plan, and vice versa.

This varying operation of the law is matter for review by some expert, like State Controller Nye, who has means to assemble the facts and the brains to analyze results.

## MUDDLED TINKERS

In this city our local taxation has always been comparatively low by reason of concentration of values despite our many misfortunes, but our whole municipal revenue system has been reduced to a condition of dangerous confusion. That is to say, we are paying a \$2 tax rate with a dollar limit in the organic law. To justify or excuse this flat violation of law, a pretense of "emergency" is made. Of course, no such emergency exists in any legitimate sense of the word, but the tax is paid by popular consent. It is in one way an interesting and creditable example of orderly self-denial for the common good, but the result might easily be to throw the whole administration of municipal affairs into hopeless confusion. An amendment to the charter designed to correct this condition was offered by the McCarthy supervisors, but through stupidity and greed, working hand in hand, it was so cluttered up with impossible provisos that it was snowed under at the polls. It is one of the defects of direct legislation that it makes patchwork tinkering, whereby the patch is taken off one part of the kettle to cover a hole in another part. The hole in the charter made by amendment No. 1 still remains open.



## A TAX EATER'S SQUEEZE

While it is true that taxes are comparatively low in San Francisco, they ought to be much lower, and the prospects are that if present tendencies persist this city will shortly have nothing to boast of in this relation. The McCarthy board of supervisors has added three-quarters of a million yearly to the tax burden in their brief period of power, as will appear from the annual budgets for three years past:

Municipal budget, 1909-10.....	\$10,441,468
Municipal budget, 1910-11.....	11,123,500
Municipal budget, 1911-12.....	11,938,750

That is to say, this board of supervisors has added nearly \$1,500,000 to the annual tax load in two years, and the money has not been spent on permanent improvements, but wasted on domestic expenses. It is calculated that by this process the present board of supervisors has added a quite superfluous 17 cents to the tax on every \$100.

## HUGH CRAIG'S DISCOVERY

Hugh Craig, mayor of Piedmont, across the bay, proposes a modification of the single tax idea for his bailiwick. He proposes to raise the assessment roll of the municipality from \$3,500,000 to \$5,000,000, and he would put the whole increase on the large properties held for speculative purposes. He adds:

All these land owners who hold property for speculative purposes keep from two to ten automobiles, and they do more damage to the roads than all the rest of the Piedmont residents put together. The small property owner lives on a fifty foot lot, fills the schools with children, builds the roads and bridges, supports the municipal treasury and has the entire burden of the city to carry on his shoulders.

It is a strange creed of considerable popular acceptance

that the man who invents a new tax is a benefactor of his species. The world is full of popular schemes to make everybody rich by taxing them good and hard.

## VOGELSANG COULD NOT HELP IT

Aleck Vogelsang was addressing an overflow meeting during the primary campaign in front of the Lick monument. He leaned heavily on the patriotic staff and, rising to an orotund climax, he announced:

"I was b-o-r-n-n in Calaveras county."

"Three cheers for Calaveras," shouted one in the crowd. The meeting dissolved in tears and laughter. They realized that Aleck couldn't help it.



## BOLT BOLTED

The confusing results of a recent crime wave in San Diego are thus described in the dispatches from that city:

The police are today searching for two men, probably law abiding citizens, who last night chased Rev. Richard A. Bolt, rector of All Saints' Episcopal church, for almost half a mile, firing frequent shots at the fleeing minister.

Rev. Mr. Bolt, unable to sleep, started for a walk at a late hour. Near the state normal school he saw two men in a shadow and, fearing the "chloroform" burglars, who have kept this city in a state of suspense for several weeks, he started to run. Probably thinking Rev. Mr. Bolt was the burglar, the two men gave chase, firing with revolvers until the panting pastor ran up on a porch and was admitted, weak and trembling, into the house. When the police arrived the other two men had disappeared.

## Why Bolt?

## AN ODD THREE CORNERED FIGHT

Los Angeles, like San Francisco, is engaged in a municipal campaign, and the primary election will be held this month. There is, one learns, a somewhat remarkable fight over the nomination for mayor. It is three cornered, with Alexander, the incumbent, and Musket, who both represent goo goo ideas, more or less, and Job Harriman, the socialist. Some political wisecracks down there declare that the fight is really between Mayor Alexander and Harriman, which scarcely seems to accord with the outside impressions of the Los Angeles political temper. But the fact that the socialist candidate should be seriously considered at all in that bailiwick is by itself significant.

## SUPPOSED TO BE PEEVED

It is a queer freak of politics that E. T. Earl, the newspaper publisher, and Meyer Lissner, the politician, who originally discovered Mayor Alexander and introduced him to a grateful public, were for a while recently on not very cordial terms with the man whose political fortune they had made. At any rate, their names did not appear on Alexander's primary election petition, and thereby hangs a scandalous tale told by the Los Angeles gossips, for which I refuse to vouch.

## KING MAKERS MISUNDERSTOOD

It is related, then, that one of the Los Angeles king makers owned a large block of Home telephone stock and that the other was a member of the municipal public utilities commission. As such he recommended that the rates allowed that company should be raised to the figure fixed for the other company. The king makers expected, so the tale runs, that Mayor Alexander, out of gratitude, would recommend the city council to approve the increase of rates, but the mayor did nothing of the sort, and the council turned down the raise. Thereat Lissner was much peeved and resigned, in a huff.

## THE KING MAKERS COME BACK

It is true that he resigned, but he explains it in another way, and it should be obvious that a man of Lissner's many virtues could not possibly be a party to any such dubious transaction as the malicious Los Angeles gossips intimate. Same goes for Earl. He is every bit as good as Lissner. Besides, if, in fact, there were any differences between the mayor and the king makers, they have been reconciled and he is forgiven. Still, these same malicious gossips are ungracious enough to remark that no other course was open to the king makers because, in fact, the people are behind Alexander.

It need not be doubted that Lissner's recommendation was inspired by a desire to do indifferent justice between corporation and corporation. It is a rare thing for an official to show such courage of his convictions as to recommend an increase of rates for public service.

## PERSECUTED BY THE UNRIGHTEOUS

It is always the misfortune of the truly good to be persecuted by the unrighteous. Here, for example, is the Oakland Tribune barking at the heels of another brace of king makers:

In the Santa Cruz convention, at which Gillett was nominated, the Fresno delegation, of which Dr. Chester Rowell, owner of the Fresno Republican, was bellwether, not only voted for Gillett, but programmed clear down the line with the Gillett managers. Pillsbury didn't count for anything then and has not counted for anything since. He was for Pardée because he was

holding a job under Pardée. The Rowell delegates deliberately joined the Gillett forces and were given the nomination of State Treasurer Williams for their reward. They participated in all the alleged iniquities of the Santa Cruz convention, voting all along as Walter Parker directed. They voted as Abe Ruef did, helped nominate the same candidates and took their share of the spoil. Their qualms of conscience came afterward.

## A WHIRLING MULE

It has been the perpetual grief of king makers everywhere that the potentates they create come, after a brief period of power, to forget their creator and no longer mind the crack of the whip. For example, the undisciplined ghost dancing of Senator Works has been the cause of much tribulation among the king makers. One of them describes him as "a trick mule," which inspires the Stockton Mail to remark:

An irreverent contemporary, disgusted with Senator Works' two faced attitude in politics, calls him a trick mule. We fail to see any sound reason for the editorial anger. Our brother should remember that it is a poor mule that won't work both ways.

The case of Works seems to find its best analogy in the affliction of the Keokuk schoolmaster who quarreled with his trustees. They sent for the county superintendent, with a view to having the schoolmaster summarily dismissed. The superintendent looked about him and inquired into the case. Talking it over with one of the trustees, he explained:

"I don't find much the matter with your schoolmaster, unless it might be that perhaps he is too loquacious."

"Mebbe, mebbe," replied the trustee. "I don't know nothin' about that, but we all allowed he talked too much with his mouth."

So we find that some of the king makers fear that Works is too loquacious, while others are persuaded he talks too much.



## PEDIGREE MAKING

Here is another Eleanor Sears story going the rounds: Miss Eleanor Sears, at a dinner in Newport in honor of her engagement to Harold Vanderbilt, showed a spirit of patriotism that is perhaps too rare among American heiresses.

Miss Sears, the story goes, was twitted upon the fact that many of her girl friends had married exalted titles, while she was doomed to be a plain "Mrs." Tossing her head, she rejoined:

"Our American families are just as good as foreign ones. Indeed, our aristocratic stock is in many cases purer than the aristocratic stock of England. I was once talking at a tea in New York with a southern girl, when a young English viscount sauntered past in tight clothes.

"How far can the viscount's ancestry be traced?" the southern girl asked in awed tone.

"I laughed and answered:

"Well, the viscount's grandfather, the one who stole the army funds, was traced as far as China, but I believe he got away."

## FIT FOR THE MUSEUM

A correspondent who prefers to be anonymous calls my attention to the following passage in Judge Seawell's decision on the Sutter street railway franchise:

A few passengers who have sufficient leisure and patience take one of the two horsecars of defendant, but the great majority prefer the electric lines, although to reach them they have to walk a distance of 123 feet, a portion of which crosses a track of the United Railroads and is in one of the most crowded thoroughfares in San Francisco.

Although many more cars now run in Sutter street than before April, 1906, the defendant has only two horsecars in Market street, and these are old and uncomfortable.

My correspondent's comment is that "if the curator of the park museum is on to his job he will secure one of these cars. He will have to be quick about it and have it stuffed and mounted, because disintegration, when it once sets in, is rapid."



## THE BAND WAGON

It is significant that the McCarthy supervisors, who last year voted against the Bancroft ordinance to compel the United Railroads to run the Sutter street electric cars to the ferry on the inner tracks, are now falling over each other to steal the credit for this measure.

## WHEN MCCARTHY IS MAGNIFICENT

Mayor McCarthy is never so magnificent as in defeat. On the night of the primary he invented a new sin to explain his misfortune. It was not his own sin, but that of others, that he confessed, and he described it as "blasphemy of the press." This blasphemy, it appears, consisted in talking disrespectfully of the mayor, who has created a tin god in his own image. Beats king making.

I sometimes wonder whether these astonishing manifestos are written by the mayor or by his double. They carry the earmarks of the literary blacksmith, as, for instance, in the awe inspiring climax of his latest utterance, from which we learn that "the great force of humanity will prevail automatically and will take from the trembling hand of the venal money king, who toils not, the defiled scepter of civic rule." This is an obvious infringement on Jawberry Jones' patent on the "Money Devil." Don't be a hard loser, Mac. Forget it.