

POLITICAL NOTES

HERE CHECKERS! HERE BOY!

Does a \$205,000 loan carry any influence?

A Los Angeles accountant was quoted this week by the New York Post as saying all major decisions concerning a \$205,000 loan from the Hughes Tool Company to Donald Nixon were cleared with his brother, Vice President Richard M. Nixon.

The loan, made in 1956, was recently brought to public attention by Washington columnist Drew Pearson in an article linking the Vice President's name with a possible conflict of interests.

Pearson asserted "the family of Richard M. Nixon" had received the \$205,000 loan on December 10, 1956—shortly after Nixon's re-election to the vice presidency—and that industrialist Howard Hughes's problem with the various government agencies improved.

"Whether the improvement was connected with the loan is not known," Pearson's article added.

The accountant identified by the New York Post as confirming the loan tie-in with Vice President Nixon is Phillip Reiner, a member of a management committee named to oversee the operations of Donald Nixon's bankrupt chain of restaurants and gift shops.

The Post quoted Reiner as saying the Vice President was never supposed to be mentioned by name in reports and correspondence concerning the loan, but by code terms such as "East" or "Eastern Division."

Donald Nixon, however, pro-

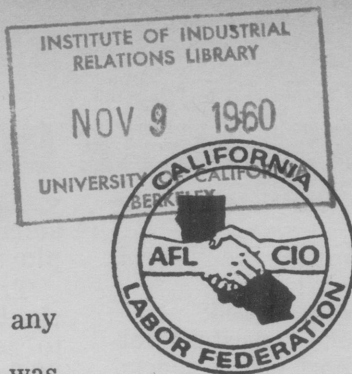
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Proposition No. 1 — Giant Giveaway

Thos. L. Pitts, secretary-treasurer of the California Labor Federation, AFL-CIO, said today that findings of the experts hired by the state to review Proposition No. 1 reveal "taxpayers would be required to subsidize three of the giant landholders supporting the 'special interest plum' by almost a quarter of a billion dollars—enough to build more than 200 schools."

Pitts named the giant landhold-

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THOS. L. PITTS
Executive
Secretary-Treasurer

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Election Stakes Run High For Labor — General Public

The following election day message has been carried into the homes of some one million trade unionists through the distribution of California Labor COPE endorsement pamphlets, Secretary-Treasurer Thos. L. Pitts said this Friday, virtually on the eve of the 1960 general elections:

"Every voter who exercises his responsibility to democracy goes to the polls with his own conscience.

"**Complacency** this election year has been ruled out by the explosive state of international affairs—by the aimless drift that has taken hold at home, threatening to undermine our national purpose in a period of

severe social and economic challenge.

"**U. S. leadership** in the free world has fallen seriously. Economic policies of the special interests,

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THE GREAT DEBATE

(A Take-off)

MODERATORMr. Reston, your question is for Senator Kennedy.

MR. RESTON.....Yes. Senator Kennedy, in view of its fundamental importance, may I proffer for your consideration, the question—What is two plus two?

SENATOR KENNEDY.....Four.

MODERATORWould you care to comment, Mr. Nixon?

V.P. NIXON.....Yes. I am obviously opposed to Senator Kennedy's stand on the question—not so much as to the end because we both know that four is the end—but as to the means by which he would arrive at that answer. Now, I want to make it absolutely clear, as I have indicated in advance, that I think it necessary that every American—every Mother and Child know his or her multiplication tables as well. That is why I have spoken so often on the subject of education, without which we Americans—regardless of race, color or creed, cannot hope to win the battle for Freedom against the Communist Atheists. That is why these **times**—the 1960s are so important to all Freedom loving people. Senator Kennedy has shown the fuzzy thinking which held up such discoveries as the Pythagorean theorem and the Discomfort Index. The question then is—how **DO** we differ on this all important question? I have often heard the President speak on this subject—eloquently, humbly, with great dignity—and I know that he concurs with me on this subject when I say that four is two **TIMES** two.

(Reprinted through courtesy of the East Bay Labor Journal)

HERE CHECKERS! HERE BOY!

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claims his brother's innocence and high moral standards.

Donald Nixon said last Sunday that the loan was obtained in an unsuccessful effort to save his business, but asserted:

"I have never asked my brother to do anything for me or anyone else in the government; and if I did ask, I know he would refuse."

Here Checkers! Here boy!

KENNEDY AND PRESS ENDORSEMENTS

The endorsement of John F. Kennedy by the New York Times—the first endorsement of a Democrat since 1936—has more or less eclipsed the endorsement actions of many other papers.

Kennedy's endorsement by the *Willows Daily Journal* in Glenn County, California, however, is worthy of a special note.

The Journal made its endorsement on the basis of "moral and mental integrity"—and the lack of it in Vice President Richard M. Nixon.

The Journal endorsement action contradicted Nixon's claim as Senator that he had used the celebrated \$18,000 special fund for expenses which otherwise would have been paid by the taxpayers, and quoted a statement by Dana C. Smith, Los

Angeles attorney who handled the fund:

"Dick did just what we wanted him to do."

The Daily Journal added:

"Coupled with his consistent voting record in support of the special interests which financed him, this adds up to a strong indictment of Mr. Nixon's morality."

The newspaper continued:

"He has strewn the road to the vice presidency with the slandered victims of his tactics. His cry of 'appeaser' at his present opponent, Senator Kennedy, indicates that the 'new' Nixon is little improvement over the old."

TRUMAN'S FIELD DAY

An overflow crowd of 1,000 turned up in Berkeley last week to hear former President Harry Truman stumping for Kennedy at a dinner sponsored by the Northern California Labor Committee for Kennedy-Johnson.

Federation Vice President Robert Ash, chairman of the Northern California labor group for Kennedy, introduced Truman to an enthusiastic audience as one of America's greatest presidents, quoting even former President Hoover's new book praising Truman among the top six presidents in the nation's history.

Truman had a real field day anal-

yzing Vice President Nixon's character and aptitudes for future employment.

Truman said he has "found the right job for Nixon when he has to leave Washington on January 20."

"He should go into the amusement park business and open one of his own which we could call Nixonland."

"Nixonland would be an interesting place," Truman said. "It would become in time a national shrine for Republicans, although Democrats would have to pass a loyalty examination before they could be admitted."

The former President added this description of Nixonland and the Vice President's part in the proposed operation:

"Nixon would be in charge of Nixonland personally, and he would be the guide for all the Nixonland rides, which he would do very well—by the way—as he has been taking the American people for a ride for a good many years already.

"One of the rules in Nixonland would be no cuss words—because of the children there. Of course in Nixonland there would be nothing to cuss about, because there our prestige would always be at an all-time high—and we would be morally, spiritually, economically and militarily stronger than anyone else anywhere.

"The first thing to do in Nixonland would be to take a ride on the Nixon train. This would go rather quickly—through 50-odd countries . . . The end of the ride would be quite exciting, with howling Communist mobs, and all the passengers would have to be rescued by the United States Marines.

"Another popular attraction would be the great Nixon submarine ride to the offshore islands. This submarine would go to Quemoy and Matsu, but not to Cuba. In fact, there would be a rule against mentioning Cuba. Anyone who mentioned Cuba would have to get off the submarine and swim home.

"There would be lots to see in Nixonland, and fun for all—but nothing would be real.

"And that, my friends," Truman concluded, "is the danger we face. Nixonland is not the real world, it is a world of dreams concocted to get your votes."

Election Stakes Run High

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nourished by a wedding of conservatism and bigotry in Congress, has stunted our growth, coupling economic stagnation with periodic recessions and ever-rising levels of hard-core unemployment.

"Abundance is the illusion of the market place, while millions of families remain forgotten step-children of our 'wealthy' America.

"Consumer exploitation is cutting deeply into the pay checks of workers. Inflationary and deceitful advertising that robs the consumer of billions of dollars annually is being used more and more to trick him into buying things he neither wants nor needs. At the same time, workers and consumers are being denied essential government programs to satisfy their basic unmet needs—more and better schools—low and moderate income housing—health

facilities and services—planned community growth—recreation facilities—and many more.

"Monopoly schemes for the development of basic water and power resources are threatening the life blood of our future growth and prosperity in California and the nation.

"In the field of labor, social security and welfare legislation, national programs of previous 'New Deal' and 'Fair Deal' administrations are also being undermined to prevent the accomplishment of their purpose.

"These represent, in part, the challenge to complacency—to the conscience of the voter as he enters the polling place.

"COPE recommendations represent also the conscience of California labor in the exercise of a public responsibility for the welfare of our state and nation."

Proposition No. 1 – Giant Giveaway

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ers who would receive the taxpayer gifts as the Tejon Ranch, Southern Pacific Railroad and the Kern County Land Company. All three are heavy contributors to organizations leading the campaign for Proposition No. 1.

The AFL-CIO leader backed up his charge with the following statement:

"Financial reports required by law to be filed with the Secretary of State shows that Tejon Ranch and Southern Pacific are the two largest contributors to 'Californians for Water'—the organization trying to sell this 'special interest plum' to the voters. Tejon Ranch has contributed \$20,000, and S.P. \$15,000.

"The Kern County Land Company is a heavy contributor to the Feather River Project Association, which is another major organization pushing Proposition No. 1 on the voters. Donations received by the Association for one six-month period include \$6,500 from Kern County Land Company. The same report also shows \$5,000 contributions to the Feather River Project Association from both Southern Pacific and the Tejon Ranch.

"The almost unbelievable enrichment of these landed monopolists results from their holdings in the lower San Joaquin Valley, which is one of the major service areas intended to benefit under Proposition No. 1.

"The Kern County Land Company with some 348,000 acres in the potential service area of the water aqueduct, expects to receive water for some 56,000 acres.

"Southern Pacific sits on approximately 150,000 acres along the projected aqueduct route in the lower San Joaquin Valley, and is expected to receive water under Proposition No. 1 for about 45,000 acres. In addition, S.P. owns 1,380,000 of desert grazing lands, largely located in southern California's desert regions where rich speculators expect to hit a water bonanza at the taxpayers' expense.

"Tejon Ranch has an estimated 168,000 acres in the potential water service area. Water deliveries from Proposition No. 1 are expected for

about 36,000 acres located in the Wheeler Ridge-Maricopa Water Storage District.

"According to Walker's Manual of West Coast Securities, Tejon Ranch is 40 percent owned by Chandler-Sherman interests and the Los Angeles Times-Mirror Corporation. The powerful Los Angeles Times newspaper is pushing hard for passage of Proposition No. 1.

"The amount of subsidies to these giants is derived from the findings of the experts hired by the state that the price of water to agriculture must be reduced under the project. The reports submitted last week by Charles T. Main Inc., and Dillon, Read & Co. Inc., point out that it is necessary to form so-called 'master districts' in the major agricultural service areas.

"The purpose of these districts would be to establish a broad property tax base so that city dwellers and others would pay taxes to reduce the cost of water to agricultural users.

"In Chapter 7, page 12 of the Charles T. Main report, it is stated that the 'master district' device would reduce the cost of water to agricultural users by about \$5 an acre-foot. This would be a direct subsidy to agricultural users.

"On top of this, the reports make it clear that the consumers of power would be called upon to pay higher prices so that water deliveries can be reduced in price by about \$2 an acre-foot. Thus, the 'master district' and power subsidy together would amount to \$7 an acre-foot.

"Because the irrigation of an acre of land requires approximately 2½ acre-feet of water a year, this means that the subsidy to the landholders under Proposition No. 1 would be \$17.50 per irrigated acre per year.

"For the Kern County Land Company's 56,000 acres, this means an annual subsidy of \$980,000. For Southern Pacific's 45,000 acres, the amount of subsidy would be \$787,500 a year. For the Tejon Ranch's 36,000 acres, the annual subsidy would be \$630,000. All three together would receive an annual subsidy of \$2,397,500 for years and years to come.

"The experts also point out that the pay-out period for the bonds

would run to the year 2040—some 80 years. Allowing ten years for construction of facilities, this leaves 70 years for the payment of the \$2,397,500 in subsidies for each year. Over the 70-year pay-out period, the total subsidy would be \$167,825,000.

"But this does not include the enhanced value of the lands which results from the taxpayers bringing water to the land. Estimates are that the increased value would be about \$500 an acre. This additional enrichment would amount to \$68,500,000 on the lands of the three giants expecting to receive water.

"The direct subsidies plus the enrichment add up to \$236,325,000—almost a quarter of a billion dollars.

"But even these figures do not take into account some \$300 million in direct state taxpayer subsidies involved in Proposition No. 1. The experts hired by the state point out that if a firm supply of water is to be delivered as promised under Proposition No. 1, it would be necessary to make over \$300 million in contributions from the state water fund which would not be paid back to the state by the water users.

"Further, this does not include the direct taxpayer contributions for flood control and other so-called non-reimbursable items in Proposition No. 1.

"Any voter who goes to the polls on November 8 should be aware of what is behind the 'special interest plum', embodied in Proposition No. 1.

"Every voter should ask himself whether the people of California should finance this kind of enrichment for the special interests who have promoted Proposition No. 1, and who are now fighting so hard for its passage.

"The argument of proponents that water users would pay for all the costs of the water has been proven by the state's own hired experts to be totally false.

"On the basis that a million dollars can build a school for California's exploding school age population, the total enrichment which the taxpayers are being asked to hand over to the three giants named above would be enough to build about 236 schools."

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NEW UNION MEMBERSHIP FIGURES

The state Division of Labor Statistics and Research has issued a new report on union membership in its annual publication "Union Labor in California — 1959."

The following highlights are reported:

Union membership in California totaled 1,741,000 in July, 1959. This record high was 35,000, or 2 per cent, above the July 1958 total. Nonfarm employment in California rose by 5 per cent during the same 12-month period.

The number of union members in manufacturing industries rose by 13,000 between July 1958 and July 1959, but the total of 574,000 was about 19,000 below the July 1957 peak membership. Most of the manufacturing decline since 1957 is accounted for by a drop of 14,000 union members in aircraft and parts manufacturing.

Union membership in nonmanufacturing industries, which rose slightly during the 1957-58 recession, increased further during the 12-month period July 1958-July 1959. This gain was enough to offset the 19,000 loss in manufacturing membership and, as a net result, union membership as a whole in July 1959 was 4,000 higher than the previous peak membership of 1,737,000 recorded in July 1957.

Nineteen per cent of California's union members were women. There were an estimated 330,000 women members in July 1959 compared with 324,000 in the preceding July.

Eighty per cent of the state's union members belonged to unions which were AFL-CIO affiliates in July 1959. Two California unions not affiliated with the AFL-CIO, the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America and the International Longshoremen's and Warehousemen's Union, accounted for 72 per cent of total membership in unaffiliated unions.

In the Los Angeles-Long Beach Metropolitan Area, labor unions had 756,800 members in July 1959, compared with 751,800 in July 1958. However, the 1959 figure was below the peak of 763,500 recorded in July 1957. Union membership was equal to 33 per cent of nonfarm employment in the area.

Labor unions had 468,700 members in the San Francisco-Oakland Metropolitan Area in July 1959, 1.6 per cent more than in the previous July. Despite a gain

of 7,600 members, membership in this area also remained below the pre-recession high recorded in July 1957. The number of union members equaled 48 per cent of the number of nonfarm wage and salary workers in the area.

There were 89,700 union members in the San Diego Metropolitan Area in July 1959, the highest number on record and 5.6 per cent more than in July 1958. Labor union membership accounted for 36 per cent of the area's nonfarm employment.

Union membership rose between July 1958 and July 1959 in all but one of the seven other economic areas in the state. The exception was the Mountain Area.

New L-G Booklet On Union Elections

The U. S. Department of Labor has published a 57-page booklet, "Electing Union Officers," which covers the requirements of union elections under the Labor-Management Reporting and Disclosure Act of 1959.

Franklynn A. Elias, San Francisco area director for the Labor Department's Bureau of Labor-Management Reports, announced this week that the booklet contains information on all aspects of elections under the law. He said it is available without charge at BLMR offices.

The 57-page booklet gives information on such topics as: organizations covered under the law, nomination procedures and rules for conducting a campaign. It defines terms relating to all phases of union elections; offers question and answer sections for the reader to check his knowledge of the rules governing elections and provides a list of the area offices of the Bureau of Labor-Management Reports, where information and assistance concerning the requirements of the Act may be obtained.

Protest Luther King Arrest

A call for national protest against the arrest in Atlanta of Rev. Dr. Martin Luther King, together with more than 70 other Negro sit-in demonstrators, has been issued by the Jewish Labor Committee.

The Atlanta situation was seen as another potential Little Rock in terms of its impact upon American prestige at home and abroad. In a telegram to Georgia's Governor Vandiver, JLC stated:

"The arrest of Rev. Dr. Martin Luther King, Jr. . . . is a shocking display of bigotry and a shameful disregard of American Constitutional guarantees. The sit-in has proved to be a dignified method of protesting against a flagrant indignity. It has been and is being supported by the labor movement and by the Jewish community as a peaceful, non-violent protest against the assault on the right of Negroes to be treated with equality.

"The basic tenets of our nation support the position taken by those who have courageously demonstrated that the sit-in is a symbol not alone of protest but of moral indignation against a deep-rooted wrong.

"The present situation in Atlanta can become another Little Rock destroying our efforts at home and abroad to demonstrate our moral leadership of free men. We urge that the arrest of the sit-in demonstrators cease and that in its place public officials initiate steps to desegregate all places of public accommodation.

"The Jewish Labor Committee believes that in light of the current debate over American prestige, the candidates for President and Vice-President of both parties, must demonstrate to the world that American prestige at home is as important as American prestige abroad. We therefore call upon them to join the many groups and individuals condemning the arrest of the Rev. Martin Luther King, Jr."

AFL-CIO President George Meany wired Governor Vandiver as follows:

"Strongly urge you to grant executive pardon to free Reverend Martin Luther King from the shocking and unusual penalty imposed on him. Am confident your intervention will sustain confidence on the part of people everywhere that fairness prevail in Georgia and that freedom will remain inviolate everywhere in America."