

Inaugural Address

January 5, 1967

Ivy Baker Priest, I thank you from the bottom of my heart. Mr. President, Mr. Speaker, ladies and gentlemen of the legislature, my fellow constitutional officers, Members of our California Congressional delegation and fellow Californians:

I'm sorry that this administration and the legislature wasn't able to deliver the sunshine a few days earlier, but you must be aware we've been very busy just getting acquainted with each other and we saved it for this morning.

To a number of us, this is a first and hence a solemn and a momentous occasion, and yet, on the broad page of state and national history, what is taking place here is almost a commonplace routine. We are participating in the orderly transfer of administrative authority by direction of the people. And this is the simple magic of the commonplace routine which makes it a near miracle to many of the world's inhabitants; this continuing fact that the people, by democratic process, can delegate power, and yet retain the custody of it.

Perhaps you and I have lived too long with this miracle to properly be appreciative. Freedom is a fragile thing and it's never more than one generation away from extinction. It is not ours by way of inheritance; it must be fought for and defended constantly by each generation, for it comes only once to a people. And those in world history, who have known freedom and then lost it, have never known it again.

Knowing this, it's hard to explain, those among us who even today would question the people's capacity for self government. I've often wondered if they will answer those who subscribe to that philosophy: If no one among us is capable of governing himself, then who among us has the capacity to govern someone else? Using the temporary authority granted by the people, an increasing number lately, at all levels of government have sought control even of the means of production as if they could do this without eventually controlling those who produce. And always, they explain this as necessary to the people's welfare. "The deterioration of every government begins with the decay of the principle upon which it was founded." This was written in 1748 and it's as true today as it was then.

Government is the people's business, and every man, woman and child becomes a shareholder with the first penny of tax paid. With all the profound wording of our Federal Constitution, probably the most meaningful words are the first three, "We, the People." And those of us here today who have been elected to constitutional office and to the legislature are in that three word phrase. We are of the people, we are chosen by the people to see that no permanent structure of government ever encroaches on the peoples' freedom or assumes a power beyond that which is freely been granted to us by the people. We stand between the taxpayer and the tax spender.

Now, it is inconceivable to me that anyone could accept this delegated authority without asking God's help. And I pray that we in the legislature and administration can be granted the wisdom and the strength beyond our own limited powers; that with divine guidance we can avoid easy expedients, that we can work to build a state where liberty under law and justice can triumph, where compassion can govern and wherein the people can participate and prosper because of their government and not in spite of it.

Now the path we chart is not an easy one. It demands much of those chosen to govern, but also from those who did the choosing. And let there be no mistake about this; We have come to a crossroad – a time of decision – and the path we'll follow turns away from any idea that those in government, those who serve government, are omnipotent; and this path is impossible to follow unless we have the collective wisdom and genius of all our people. Along this path government will lead and not rule, it will listen and not lecture. It is the path of a Creative Society, and no problems discussed during the campaign, the number of problems that have been discussed, I see no reason why there should be a change in the subject now. Campaign oratory on the issues of crime and pollution of air and water, and conservation, and welfare and extended educational facilities doesn't mean that now that the campaign oratory has ended the issues will go away. Problems remain to be solved and the problems challenge all of us. Our Government will lead, of course, but the answer must come from all of us.

Now, we'll make specific proposals and we'll solicit from all of you other ideas. In the area where crime, is double our proportionate share, we'll propose legislation to give back to local communities the right to pass and enforce ordinances that will enable the police to more adequately protect these communities. Legislation already drafted will be submitted, calling upon the Legislature to clearly state in the future whether newly adopted laws are intended to preempt the right of local governments to legislate in the same field. And, hopefully, this will free our judges

from having to guess in the future, the intent of those who passed that legislation in the first place. At the same time, I pledge my support and my fullest effort to a plan that will remove from politics, once and for all, the appointment of judges ... not that I believe I'm going to be overburdened with making judicial appointments in the near future.

But just as we assume a responsibility to guard our young people up to a certain age from the possible harmful effects of alcohol and tobacco, for example, so I believe we have a right and a responsibility to protect them from the even more harmful effects of exposure to smut and pornography. We can and must and will frame legislation which will accomplish this purpose without endangering freedom of speech or press.

When it is fiscally feasible, we hope to create a California crime technological foundation utilizing both public and private resources in a major effort to employ the most scientific techniques for the control of crime. And at such a time, we should explore the idea of a state police academy to assure that police from even the smallest communities can have the most advanced training. We lead as a state in many things; we're going to stop leading in crime. Californians should be able to walk their streets safely day or night. And the law abiding are entitled to at least as much protection as the lawbreakers.

And while on the subject of crime ... those with a grievance can seek redress in our courts or in our Legislature, but not in our public streets. Lawlessness by the mob, as with the individual, will not be tolerated. We will act firmly and quickly to put down riot or insurrection wherever and whenever the situation requires.

Welfare is another of our major problems. We're a humane and a generous people and we accept without reservation our obligation to help the disabled, the aged and those unfortunates who, through no fault of their own, must depend on their fellow man. But we are not going to perpetuate poverty by substituting a permanent dole for a paycheck. There is no humanity or charity in destroying self-reliance, and dignity and self-respect ... the very substance of moral fiber.

We'll seek reforms which will, wherever possible, change a relief check to a paycheck. Spencer Williams, our Administrator of Health and Welfare, is assessing the amount of work which could be done in public installations by welfare recipients; and this not being done in any punitive sense, but as a beginning step in rehabilitation to give to the individual the self-respect which goes with performing a useful service. But this isn't the ultimate answer. Only private industry in the last analysis can produce jobs with a future. Lieutenant Governor Bob Finch will be the liaison between government and the private sector in an all-out program of job training and education leading to real employment.

A truly great citizen of our state and a fine American, Mr. H. C. McClellan, has agreed to institute statewide a program patterned after the one he directed so successfully in the "curfew area" of Los Angeles. There, in the year and a half since the tragic riots, fully a half of the unemployed have been channeled into productive jobs in private industry, and more than 2600 business firms are involved. Mr. McClellan will be serving without pay and the entire statewide program will be privately financed. While this program will be directed at all who lack opportunity, it offers a hope especially for those minorities who today have a disproportionate share of poverty and unemployment.

In the whole area of welfare, everything will be done to reduce administrative overhead, cut red tape and return the control of much of this program into the possession of those who administer the program at the county level. And the goal will be investment in, and salvage of, human beings.

This administration will cooperate with the State Superintendent of Education in his expressed desires to return more control of curriculum and selection of textbooks to the local school districts. We'll support his efforts to make recruitment of out-of-state teachers less difficult. And on this subject of education ... hundreds of thousands of young men and women will receive an education in our state colleges and our universities. And we're all proud of our ability to provide this opportunity for our youth and we believe it is no denial of academic freedom to provide that education within a framework of reasonable rules and regulations. Nor is it a violation of individual rights to require obedience to those rules and regulations or to insist that those unwilling to abide by those rules seek that education elsewhere.

Now it doesn't constitute political interference with intellectual freedom for the taxpaying citizens of our state, who support the college and university systems, to ask that, in addition to teaching, they build character on accepted moral and ethical standards.

Just as a man is entitled to a voice in his government, he should certainly have that right in the very personal matter of earning a living. I have always supported the union shop even though that includes a certain amount of compulsion with regard to union membership. For that reason it seems to me government must accept the responsibility for safeguarding each union member's democratic rights within that union. And for that reason we will submit legislative proposals guaranteeing each union member the right to a secret ballot in his union on policy matters and the use of union dues.

There is a need for a mediation service in labor-management disputes not covered by existing law. Improvements will be made in workmen's compensation in the death benefits and the benefits to the permanently disabled. But at the same time, tightening procedures are needed to free business from some unjust burdens.

A close liaison with our congressional representatives in Washington, Democratic and Republican, are needed so that we can help bring about beneficial changes in social security, secure less restrictive controls on federal grants and work for tax retention plans which will keep some of the federal taxes here for our use with no strings attached. We should strive also to get tax credits for our people to help them defray the cost of sending their children to college.

We'll support a bipartisan effort to lift the archaic 160-acre limitation imposed by the federal government on irrigated farms. Restrictive labor policies should never again be the cause of crops rotting in the fields because of a lack of harvesters. And, here in our own Capitol, we'll seek the solutions to problems of unrealistic taxes which threaten economic ruin to farming, our biggest single industry. We'll work with the farmer as with business, and industry and labor to provide a better business climate so that they may prosper and we all may prosper.

And there are other problems and possible problems facing us. One such is now pending before the United States Supreme Court. I believe it would be inappropriate to discuss this matter now, but we are prepared with remedial legislation which we devoutly hope will be satisfactory to all our citizens if the courts make the rulings that makes this legislation necessary.

This is only a partial accounting of our problems and our dreams of the future. California, with its climate, its resources and its wealth of young, aggressive, talented people, need never take second place in anything. We can provide jobs for our people who will work and we can have honest government at a price we can afford. Indeed, unless we do the latter, our problems will go unsolved, our dreams unfulfilled and we'll know the taste of ashes.

I have put off until last, what by no means is least, among our problems. Our fiscal situation has a sorry similarity to the situation of a jetliner out over the North Atlantic, Paris bound. The pilot announced that he had some news for the passengers— some good, some bad — said "I'll give you the bad news first. We've lost radio control and contact; compass and altimeter are not working; we don't know our altitude, our direction or where we're headed". And then he said, "and now for the good news; we've got a 100-mile-an-hour tailwind and we're were ahead of schedule."

Our fiscal year began July 1st and it will end on the coming June 30th — six months from now. The present budget for this 12-month period is \$4 billion \$600 million, an all-time high among the 50 states. When this budget was presented, it was admittedly in excess of the estimated tax revenues for the year. It was adopted with the assurance that a change in bookkeeping procedures would solve this imbalance.

With a half year gone, and faced now with the job of planning next year's budget, we have an estimate provided by the experienced personnel of the Department of Finance. We have also an explanation of how the change in bookkeeping could seemingly balance a budget that called for spending \$400 million more than we would take in.

Well, very simply, this was just another one-time windfall — a gimmick which solved nothing but only postponed the day of reckoning. It was done by financing this 12 months of spending with 15 months of income. Virtually all the revenues in the first quarter of next year, for the months of July, August and September, are being used, and will be used, to finance this year's expenses up to June 30th. And incidentally, even that isn't enough; we'll still have an estimated deficit, as it looks now, of some \$63 million.

Now, with this budget established at its present level, we are told that it, of course, must be increased for next year to meet the added problems of population growth and inflation. But the magic in that changed bookkeeping is all used up. We now are back to only 12 months' income for 12 months' spending for next year. And almost automatically we're being advised, of all the new and increased taxes which, if adopted, would solve this problem, and curiously enough, another one-time windfall is being urged upon us. If we will switch to withholding of personal income tax, we can collect next year, two years' taxes in one and postpone our moment of truth, postpone it

perhaps until everyone forgets we didn't cause that problem – we only inherited it. Or maybe they hope that by next year, or the year after, a rich uncle will die and remember us in his will.

Well, if we accept the present budget as absolutely necessary and add on the projected increases plus funding for property tax relief, and let me say that I believe this is absolutely essential, that we, and we are preparing a detailed and comprehensive plan for property tax relief, but if all these things are added in our deficit for the coming year could reach three-quarters of a billion dollars.

But you Californians, we Californians, are already burdened by a combined state and local tax that is \$113 higher than the national average. Our property tax contributes to the slump in the real estate and building trades industries and it makes it well nigh impossible for many citizens to continue owning their own homes.

For many years now, you and I been shushed like children and told there is no simple answers to the complex problems which are beyond our comprehension. Well, the truth is, there are simple answers – there just are no easy answers. The time has come for us to decide whether collectively we can afford everything and anything we think of simply because we think of it. The time has come to run a check and see if all the services the government provides were in answer to our demands or were they just goodies dreamed up for our supposed betterment. The time has come to match outgo to income, instead of always doing it always the other way around.

The cost of California's government is too high; and it adversely affects our business climate. We have a phenomenal growth, hundreds of thousands of people joining us each year. Of course the overall cost of government must go up to provide necessary services for these people, but growth should mean increased prosperity and thus a lightening of the load which each individual must bear. If this isn't true, then you and I should be planning how we can put up a fence along the Colorado River and seal our borders.

Well, we aren't going to do that. We are going to squeeze and cut and trim until we reduce the cost of government. Now, it won't be easy, nor will it be pleasant, and it will involve every department of government, starting with the Governor's office. I have already informed the Legislature of the reorganization we hope to effect, with their help, of the executive branch, and I have asked for their cooperation and support.

The new Director of Finance is in complete agreement that we turn to additional sources of revenue only if it becomes clear that economies alone cannot affect a balanced budget.

Disraeli said: "Man is not a creature of circumstances. Circumstances are the creatures of men." And, you and I will be going to shape our circumstances to fit our needs. Let me reaffirm a promise I made during the campaign, in all those months of campaigning. I believe in your right to know all the facts concerning the people's business. Independent firms are making an audit of the state finances; I believe the first time this has ever been done. And when that audit is completed, you will have it. And you will have all the information you need to make the decisions that must be made. This is not just a problem of this administration; it's a problem for all of us and all of us to solve together. And I have confidence, I know that you can face any prospect and do anything that has to be done as long as you know the truth of what you are up against, and you'll have that truth.

We'll put our fiscal house in order. And as we do, we'll then build those things we need to make our state a better place in which to live and we'll enjoy them more, because we know we can afford them and they're paid for.

If some of you glanced up at the flag today, that's here on the platform, you might have been puzzled by its rather small size on this particular occasion, well there's an explanation. That flag was carried into battle in Vietnam by young men of California. Many of those men will not be coming home. One did, grievously wounded, Sergeant Robert Howell, is with us here today. He brought that flag back to us. They were proud enough to carry it, and I thought we'd be proud to have it fly here at the Capitol on this occasion today; Sergeant, that flag might even serve to put our problems in better perspective. It might remind us that we need to give our sons and daughters a cause to believe in and banners to follow. No generation has fought longer and harder for freedom, or paid a higher price than ours. But the fulfillment of our destiny demands more, we can make this way of life, we call a state, we call California a place of unlimited opportunity, a golden dream for all who have the courage to dare.

If this is a dream, it's a good dream, and it's worthy of our generation and its worth passing on to the next. This is the eventual fulfillment of our destiny. I have every confidence that we, a little ahead of the sergeant's generation, a little older, who have lived through three wars, and a little cataclysmic depression I believe that we are capable of fulfilling our destiny. We can pass this dream on, so worthy of us and worth passing on to the next. And all we should make our minds up today is. let this day mark the beginning of that fulfillment.