

# SAN Diego History

A GEORGIST PERSPECTIVE



"So...are you guys here for the weekend, or are  
you planning to stay all summer?"

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SAN DIEGO HISTORY  
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EARLY INDIANS

The bones of the "Del Mar Man" lie in the Museum of Man in Balboa Park. His age? 5400 years. His ancestors came across the Bering strait from Asia and found a home in San Diego. He was well provided for because he had no land problem. He had direct, free access to the source of all his needs. He didn't try to exclude others. He was tall, reddish-skinned and good natured. The women barely wore anything, just skimpy animal skins. The men wore even less. They did a lot of body painting and wore their hair long. The explorers called them "Dieguenos." The forests, rivers and sea provided enough acorns, berries, rabbits, squirrels, fish and mollusks for all. Living was easy. They had a good sense of humor. Dieguenos hunted and fished and camped where they wanted to. Their largest village was at the mouth of Rose Canyon. There was so much food California had more Indians than any other equal area in the U.S.A. But things were to change.

THE SPANISH CLAIMS. 1535-1820

The Spanish understood location value. They understood exploitation and had no qualms about engaging in it. Early on explorer Balboa claimed the whole Pacific Coast for Spain. Later the Russian fur traders increasingly pushed down the Pacific Coast from Alaska and the British led by pirate Drake (turned royal patriot) had growing designs on the same strategic locations. These were grim developments for the Spanish "hawks" of their day. Besides defending their claims, the swashbuckling Spanish seamen and adventurers were trying to find a short route to the rich East Indies. Also, they dreamed of fabulously wealthy cities to plunder. Never mind the vast fertile land behind the coast, the Spanish just wanted to stake out strategic outposts

along the coast. This provided the thrust for Cabrillo to sail into San Diego in the year 1542. His Spanish galleon fitted nicely into the natural harbor. He named it "San Miguel."

No one paid much attention to Cabrillo's discovery except three Dieguenos who were checking the surf. They were not too thrilled to see the strangers wearing armour vests, carrying things that looked like they could really hurt. Cabrillo arrived in Spring and left in Fall without much impact on Indian life. But Spain's claim to "right" of possession was strengthened. It was the first occupant with ability to evict all others. 227 years passed without much happening. Eventually a small band of Christian missionaries and soldiers arrived, by sea and by land, in 1769 to occupy and settle an almost legendary territory locked in by sea, mountains and deserts. It was called a "Sacred Expedition" to spread the Catholic faith. The real purpose was economic. The Franciscan priests came to convert pagans; the soldiers came to defend against creeping expansion of Russians and British. San Diego was the first of twenty one missions along the California coast. All had the same features (a) the mission (b) fort (presidio) and (c) people's land (pueblo). The colonizers were in bad shape from their arduous journey. Nevertheless, they soon raised a cross and held high mass. The Indians were shy and suspicious. If anyone had asked them who owned the land, they would have laughed. To them it would be like one flea asking another "who owns this dog?"

But now, it was a new ball game. Permanent installations at fixed, desirable locations came into being! The soldiers and priests clashed over matters of morals and jurisdiction - specifically who owns the land? The priests said the Indians own it, but we, the priests, are holding it in trust for the Indians until they become civilized. The soldiers maintained the Crown owned the land. The priests view prevailed - but without benefit to the Indians. The mission flourished for some sixty years with the Indians doing forced manual labor. The priests attended to organizational and other problems. Indians were called "civilized" or "wild". In their naive ignorance the Indians went along with their own exploitation - but with occasional violent outbursts. The "civilized" ones were literally slaves. The "wild" ones were literally free.

Cattle did best around San Diego. Ships came from all over, especially Boston, to trade for cattle hide and tallow. And the

mission life went on ---planting grape cuttings, olive trees and tending the cattle.

#### THE MEXICANS TAKEOVER 1821 - 1845

Mexicans were tired of taking orders from Spain and wanted independence. The San Diego outpost was too far away and insignificant for Spain, or even Mexico powers to worry about. They had bigger problems. The priests saw the handwriting on the wall. First they stuck with Spain, until its hold slipped, and then they turned to intrigue to maintain the status quo. On April 22, 1822, the Mexican flag was raised in San Diego. Things were confused for a while. Mexican Viceroys were busy naming governors and military leaders in California without knowing what was going on in San Diego. In 1826 Mexico removed the missions from church control. The padres could keep the missions but the land would be divided up and given away. Indians got only the opportunity to slave for new masters.

Beginning in 1823, some 560,000 acres of land in the larger San Diego area was divided into 29 ranchos and given to political favorites of the Mexican government. Conditions to ownership were: be a Mexican, a Catholic and promise to live on the rancho and raise cattle. Political and family (marriage) connections helped. These enormous tracts of land had very poor boundary markers. One could walk in a strait line for days and still be within the same rancho. One petitioner was told to take more land or none. He took more. Transfers were evidenced by notes in the margin of the petitions. Public records didn't begin until 1836. For some thirty short years, the heyday of the Dons prevailed on these enormous ranchos. It was much like the South before the Civil War. Replace the cotton plantation with the cattle ranch and the negro slave with the tamed Indian and you've got it. Like the South, legal titles to enormous land tracts were in the big boss. Great herds of cattle grazed the hills. Afternoons were filled with horse racing, bear hunting and bull fights and evenings with fandangoes. The Spanish ladies, basked in the reflection of the Dons in their fancy sarapes and panchos astride their handsome horses and their silver-laden saddles. Strangers, who had ideas of squatting, were sternly told to "git". Though changing rapidly today, some pockets in the back country still look the way it did in the day of the Dons.

Finally, in 1846 the U.S. and Mexico went to war to settle boundary lines. San Diego nearly ended up in Mexico. On the other hand, Tijuana and all of Baja California could just as easily have become a part of the United States.

#### AMERICAN POSSESSION 1846 - 1866

By treaty of Guadalupe Hildago in 1848, California became an American Territory. By its terms the new government recognized the old land titles conferred by Spain and Mexico. However few original owners became grantees of new land patents because of lost and confusing records, squatters and lawyer activities, money lenders and protracted court trials. Beside such private grants, the treaty gave the public much land called "pueblo lands." Private interests have always chipped away at such holdings as values increase. Down through the years, a good indicator of increasing value of particular pueblo lands is the ballot. Voters are, from time to time, asked to approve sales to private speculators. The voters usually fall for the old saw, "let's get it on the tax rolls."

San Diego was the first county set in California and originally included 37,400 sq. miles - from the ocean 200 miles east to the Colorado River including Riverside, Imperial, San Bernardino and part of Indio counties.

Fueled by the '49 California gold rush, some folks mined gold in the San Diego back country; others, the Mormons, mined coal in Point Loma in 1855. Coming here, the Mormons chopped a trail from Kansas, particularly thru 5 miles of mountains at Box Canyon. 3 years later Butterfield stage coaches jostling between Yuma and Los Angeles, squeezed thru the same pass, thanks to the Mormons. There were 100 gun salutes and dancing in the streets when the stage first arrived. Everyone thought the stage would lead to a railroad. It didn't. In 1855 Congress spent \$30,000 to import 77 camels for "fast camel passenger trains from Missouri to Pacific." That was not successful either. But camel roast was popular for a while.

There were floods and drought. cattle prices soared and crashed. The hide trade dwindled - New England found closer markets for cattle and tallow. A whaling station operated from Point Loma and the Civil War ripped across the country and

through San Diego. The elegant time of the Dons was passing. Many were forced to sell parcels of land and their silver saddles to pay their increasing debts. With the influx of non-Mexicans and breaking up of the ranchos the Hispano-California empire was coming to a close.

San Diego lends itself to land speculating. With a beautiful natural harbor and climate people rave about, purple prose has abounded. Some real estate advertising for eastern readers told of Indians living 150 years or more because of the healthful climate. One even claimed you never need close your doors the year 'round. And people came. It paid to advertise.

#### BOOM, BUSTS & FALSE HOPES 1867 - 1884

By 1870 there were 2,300 people in San Diego and 14,960 in the county. Between \$6 and \$7 million would be taken from the gold mines during the next 20 years. Most San Diegans quietly went about their own business - like bee keeping. In 1876 they produced more than 1 1/4 million pounds and shipped 800,000 lbs. east. The most in the U.S.A. In 1876 the President set aside a portion of land in the back country of San Diego as Indian reservations. If the first possessor is the rightful owner, they received back a little of their stolen property. These reservations are in existence today and this move was considered the beginning of the reservation system throughout the U.S.A.

Some weren't so quiet. There was a gun fight in Campo and border bandits rustled cattle and horses --- and were hanged if they got caught. And Wyatt Earp, wanted for murder in Arizona, dealt cards in his three gambling halls in San Diego. But the big hands were being dealt by land speculators. For many years, water and railroads would occupy San Diegans. Wishful thinking and reality was reflected in boom and bust. The chamber of commerce types knew - and still know - land prices rise and fall with the prospects of productive people coming to town. The prospects of railroads and water would bring them to town. In 1885 the last spike was driven into the railroad linking San Diego with the East coast. This completed the fourth great highway between the two oceans of the U.S.A. The link set off an unprecedented boom. Within months, the city's population of about 5,000 skyrocketed to about 40,000. Numerous cities were founded. The Coronado hotel, banks, buildings, trolley lines, churches, sewers and

paved streets came into being because of the influx of people. Carpenters and bricklayers earned \$6 - \$8 a day while the going rate in the east was \$2 a day. The economic potential was reflected in the astronomical increases in land prices. "Lots that a few months earlier had sold for a few hundred dollars, now were priced in the thousands, only to double or triple again with each successive sale --- real estate was still by far the principle business in San Diego writes historian Elizabeth MacPhail. Lots went from dirt, to silver, to gold, and back to dirt all in 18 wild, nutty months. Business lots went from \$25 to \$2,500 a front foot; small stores rented for \$500 a month; poorly furnished rooms were hard to get at \$50 a month.

People poured in by rail, boat, stagecoach, and wagon. They were farm boys, bankers, gyp artists, light ladies, gamblers, most with hard cash and a willingness to double, triple, quadruple it. Some sold land, only to re-buy it at a higher price.

Subdivisions popped up all around the city with real estate promoters straining the limits of imagination and exceeding credibility. The hyping poured like hot lava flows: "--the good Lord has created conditions of climate and health and beauty such as found nowhere else in this or any other land." Thus ran the ads in eastern newspapers paid for by prospering San Diego dealers. One firm advertised, "We might say San Diego has a population of 150,000 people, only they are not all here yet." Lies were rewarded with train loads of people.

Promoters would make P.T.Barnum look like a Sunday School teacher. The boom spilled into the back country where gasping yokels were shown acres of land, sagebrush and cactus plants. Fresh oranges were fraudulently jammed on the spines. "New type of orange; make millions; try one", buyers were told. The oranges came from Los Angeles the buyers from Suckerville - and bought. Attracted by free beer and lunch, brass bands and circus acts, people were entertained - paid the price - and got land titles. The speculation fever totally engulfed people.

Anticipating the boom before most people, was Alonzo E. Horton. On May 10, 1867 he bought 800 acres of pueblo land for 33 cents an acre. Two years later he bought 160 acres more for \$25 per acre - average overall price \$4.44 - not 27.5 cents as commonly reported. Even at the "inflated" price of \$25 per acre



that Horton paid, the land has still appreciated at a healthy 11 percent per year over 120 years. Horton figured Old Town shouldn't be the heart of the city he envisioned. Within 25 days, Horton had paid for an election of city trustees and personally posted notice of city land auction of these pueblo lands (people's lands). He bought the land. In the night, public records were removed from Old Town to near the natural harbor - where Horton thought the city should be. This is now downtown San Diego. Also, he was instrumental in the dedication of 2,000 acres to the east as Balboa Park. With the harbor to the west, Horton was in business selling his many small blocks of "Horton's Addition". Affectionately known as "Father Horton" he parented the opportunity for the private exploitation of publically dedicated land. Horton was a shrewd operator and many people believed they were "taken in" by him. He was a Unitarian who put a \$20 gold piece in a Catholic poorbox. An early display of ecumenical spirit.

About a year after Horton's arrival, Frank Kimball and his brother bought some 26,000 acres of Rancho de la Nacion (a Mexican land grant) and called it National City. The Kimballs and Horton deeded land to railroads on the promise San Diego and National City would become western terminals. Land retained by the promoters would be rented or sold, of course.

But, almost as soon as it began, the boom went bust by April 1888. The Santa Fe railroad moved its west coast offices and maintenance yards elsewhere - a move interpreted as the abandonment of San Diego for the Los Angeles market. The lovely dream now became a nightmare. People couldn't leave fast enough. Within a few months the population dropped to 16,000. The collapse caused city and county assessments to drop from \$40,000,000 to \$25,000,000 in two years. Lots went from thousands an acre, to hundreds, to nothing - no takers. Owners of fine homes begged people to live in them for nothing just to keep them up. The boom and bust and efforts to bring a railroad wiped out Horton's fortune. He ended up selling his Plaza at 4th and Broadway to the city for \$100 a month for life. Santa Fe finally ran a branch line to San Diego and the California Southern Railroad made a terminal in National City. They were greeted with only polite smiles.

In 1889 more sober voters prohibited further sales of remaining pueblo lands. A decision reversed, in part, from time

to time. Mt. Hope cemetery is part of that still remaining in public ownership. In the same year, the council reserved 369 acres of Torrey Pines land - to preserve the rare trees. That land, high over the coast, is very valuable today. Also that year, the San Diego flume was completed. It carried precious water 30 miles from the mountains to thirsty San Diegans. It was used for irrigation, too. Water was sold for 25 cents a bucket. Indians were hired to walk in the flumes to keep out debris. They were allowed to keep all drowned rats, squirrels, rabbits and birds for gourmet suppers. Remains of parts of the flume can still be seen along the edge of mountains east of El Cajon.

#### TWENTIETH CENTURY SAN DIEGO

By 1900 the population of the city of San Diego was 17,700. In 1906, sugar millionaire John D. Spreckels announced he would construct a railroad to Yuma. Real estate prices advanced twenty five percent. Hope springs eternal. Spreckels interests then owned the Union-Tribune newspaper. A competitor was the "Sun" which went down in 1939. That paper was owned by E.W. Scripps a "damned old crank" who had little schooling. He was an opinionated, unorthodox and egotistical multimillionaire. For decades his huge newspaper empire was run from his Miramar ranch where he invited and picked the brains - of statesmen, scientists, astronomers, nuts, faddists, theologians, flat-earthers.

Spreckels & Scripps, had a running feud for years - but apparently they got together enough, in 1907 to buy land in Old Town where Portola founded the Presidio (fort). This was to preserve it as the "Plymouth Rock of the Pacific". To this day, the remains of this presidio wall, the first western foothold on the Pacific coast, may be seen in Old Town.

As usual things were done to attract people and thus raise land values in San Diego. In 1912 the city sponsored auto races to Yuma - from San Diego and Los Angeles, to prove San Diego is closer to the east. In 1915 the Panama Canal exposition was opened in Balboa Park hoping it would focus world attention on the city and help it grow. This was responsible for many Park improvements. In 1919 the Pacific Fleet entered the harbor, beginning the naval era. An 1922 the Navy dedicated the hospital in Balboa Park - so taxpayers, nationwide, indirectly contributed

to land prices. By 1925 harbor tonnage leveled off as the bulk of shipping was, by then, hauled by truck. But a large fleet of 120 battleships and other boats entered the harbor. The 1929 depression ended immigration to California inaugurated by the automobile. In 10 years, 2 million people had moved to the state, three fourths of them to southern California. In 1930 the city's population was 147,897. The federal government authorized funds to dredge the harbor and the fill was used to add 122 acres to Lindberg field. By 1933 Ruben Fleet, president of Consolidated Airlines with 800 employees and \$9 million in orders moved his plant to San Diego. This started the long fight between those who want industry and those who want recreation. Generous property tax abatements were extended to Consolidated to attract the plant. By 1934 the second fair opened in Balboa Park. But Agua Caliente resort closed the same year. This had been a popular gambling and drinking spot for the pleasure-minded folks of Hollywood and Los Angeles. Their trips south of the border brought stop-over business to San Diego.

#### MODERN CITY 1940 TO PRESENT

With the military firmly established and World War II build-up under way, San Diego was jumping in the early 40's. The population was 203,341 in 1940 and 50,000 higher a year later. Navy and Army camps were established. In '41 the government bought 9,000 acres for a Navy ammo depot in Fallbrook. The next year the owners of the best of the 29 ranchos - Rancho Santa Margarita y Los Flores sold 132,000 acres of it to the U.S. Navy for \$4,239,062 for use as a Marine Corps Base. It bears the name Camp Pendleton in honor of retired Marine General Joseph Pendleton who, incidentally, was the co-founder of the Henry George School of San Diego. The land extends 20 miles along the coast - from Oceanside to San Clemente and includes 3 mountain ranges, 5 lakes, 3 rivers, 425 miles of fence, 260 miles of roads and numerous granite and flagstone quarries. This rancho was first given to General Andres Pico as a gift from his brother Pio Pico, the last Mexican governor of California. It was the largest of the 29 ranchos. Andres lost it to settle debts - mostly gambling. From this nominal price it steadily grew in value. Camp Pendleton is now prime oceanfront land - with assemblage intact. One can only ponder its astronomical value. Far less valuable inland land currently sells for \$30 to \$40 thousand per acre. As a Georgist, General Pendleton must be crying out from his grave

for society to lease out Camp Pendleton and tax privately held land as the sole source of public revenue. We honor his name and ignore his game. Let the Marines train on less valuable land.

Present space technology, scientific and medical research and computers are relatively recent additions to the San Diego scene but their roots go back to a few men and women who had a dream for San Diego - notably Ellen Scripps. She may have weighed only 97 pounds but she was no shrinking violet. Besides bailing her brother eccentric E.W. Scripps out of financial pickles, she was a crack newspaper reporter and business woman. Sensing the Torrey Pines area to be in the sights of speculators, she bought it first and gave it to the city. Also she reserved La Jolla cove area as a park in the heart of La Jolla and gave that to the city too. It was she who was primarily responsible for Scripps Hospital and Scripps Institution of Oceanography. This latter institution, in turn, led to the presence of the University of California in La Jolla. No wonder she is semi-deified by many San Diegans.

History shows that San Diegans, as people elsewhere, never recognized the land problem, except in extraordinary circumstances - and when they did, they did not know how to best cope with it. Two situations illustrate the points. Being tideland waters, valuable lands around the Bay are publically owned. But, the Port Authority, which has control, does not collect full ground rent for the citizens. Instead it mingles in the private business of its tenants with bureaucratic regulations and red tape. While the police and homeless play hide-and-go-seek in Balboa Park, the Port Authority sits on \$175 million of collected public revenue (one third from Lindberg field). Since all that public money is earmarked for Port use only, insiders pay themselves high salaries and take scandalously expensive trips. There is a lesson here but no one pays much attention. The policy makers hold appointed positions - not elective.

Finally, attention is invited to the "Little Land" community - an unusual isolated response to the land problem in San Diego's history. Business was terrible in the years before World War I and there was plenty of poverty and unemployment to go around. William Smythe, an expert on irrigation, was taken with the idea that intense cultivation of only one acre of land could provide food for a family and leave enough over to barter for sugar, coffee, kerosene, tools and clothing. In his magazine to promote

the idea, Bill developed a following. There was lots of appeal - no rent to pay; no food to buy- you can be your own boss. He planned to purchase 500 acres of prime Tijuana River bottom land, plus 400 acres of hillside land in what is now the border city of San Ysidro. The acreage would be sold to Little Landers for \$350 per acre - terms, one half down, the rest in 8 monthly payments - 5 percent off for cash. Profit from the sale would be used to build streets, a park, a school, a clubhouse and community center for cultural events and a library. People came from all over to the border Utopia - professors, doctors, mechanics, preachers and even a few farmers. The area was surveyed; a small reservoir on the hill was built for irrigation and 129 Little Lander families tilled the soil. Some flopped; some moved, others lived there and worked elsewhere. The hard core found Smythe was right. It worked. There was a co-op store in San Diego and credit system and so forth. Individuals enjoyed cultural enrichment and by 1914 it was a pretty place to see. Green fields alternated with orchards of figs, oranges, lemons, guaves, apricots and peaches. Berry patches brought in good incomes, as did poultry and goat milk. But a canning rabbit experiment failed. Nobody's perfect.

Later, the river flooded and when it receded mud and sterile sand covered two-thirds of the once fertile soil of the Little Landers. With the declaration of war against Germany, San Diego boomed and many colonists went to work in local war factories or joined the armed service. By 1918 the colony was almost broke. Vulnerability was suggested by this admirable but isolated attempt to cope with the land problem. A determining number of people have not yet mustered the courage and wisdom to first recognize, then accept and finally solve the basic land problem of San Diego - or any where else for that matter.

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