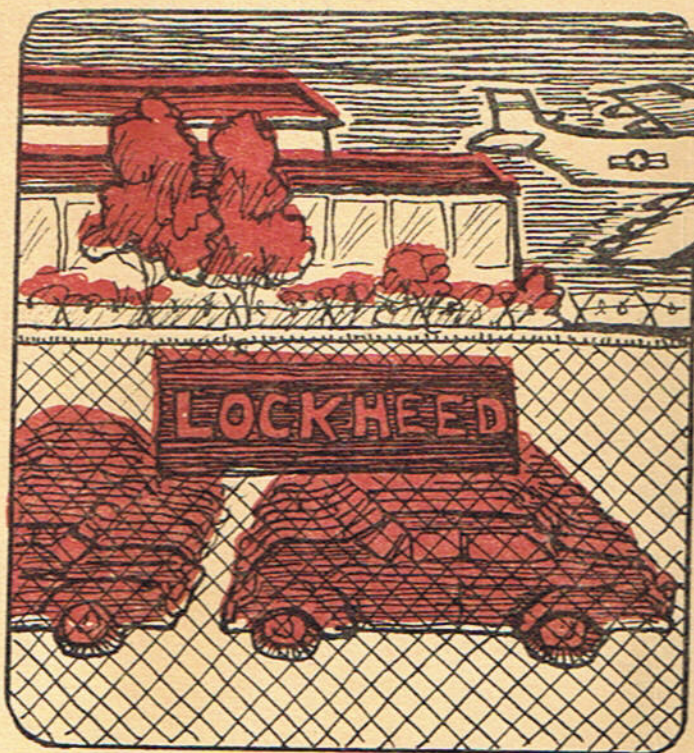
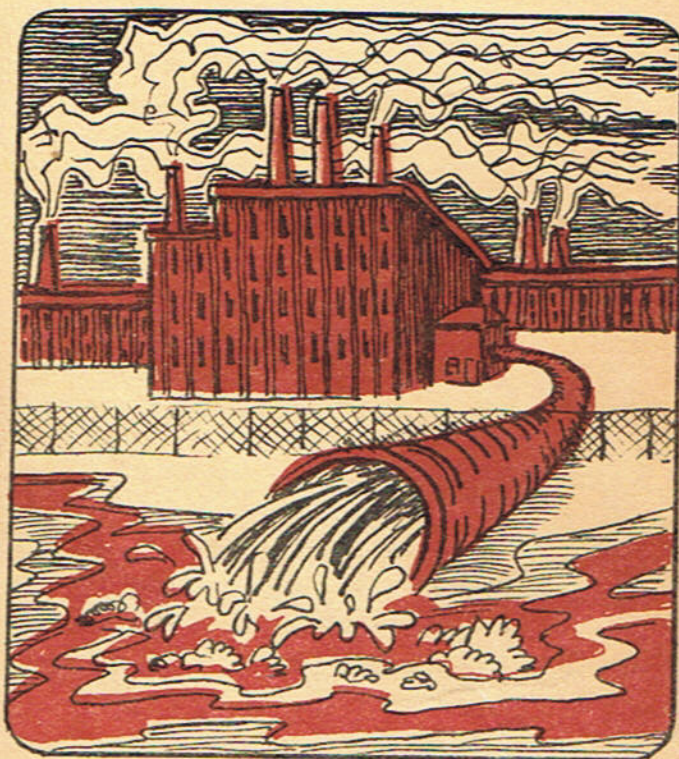


# The Promised Land



A Grass Roots Report on Mid-Peninsula Land Use



This is the second edition of THE PROMISED LAND. There has been only one change in the booklet — the cover price of 25 cents. We have found that amount insufficient to cover our production and distribution costs.

Grass Roots also needs funds to continue our program of addressing the land use problem in the Mid-Peninsula, and trying to determine and then serve the needs of area people.

Therefore, we ask our friends to donate 50 cents for purchase of THE PROMISED LAND, more if possible, so that Grass Roots may overcome its publishing debt and be able to pay for leaflets, special free publications, and office costs necessary to our on-going work.

Donations may be sent to 424 Lytton Avenue, Palo Alto.

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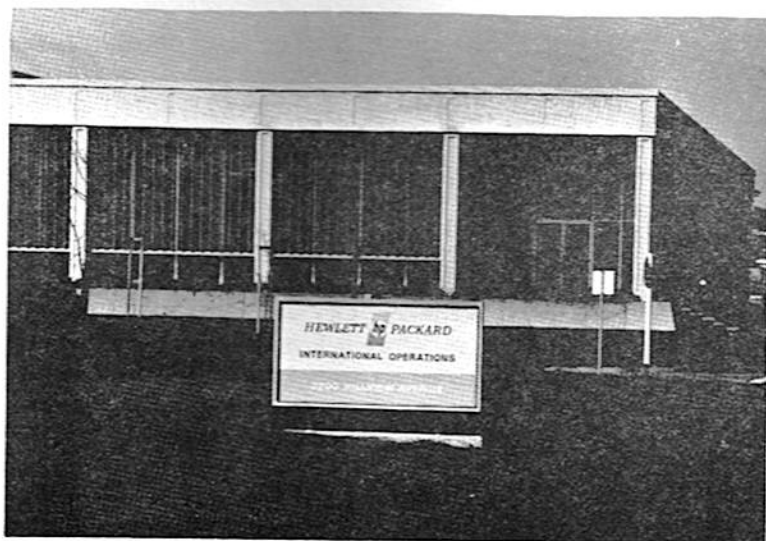
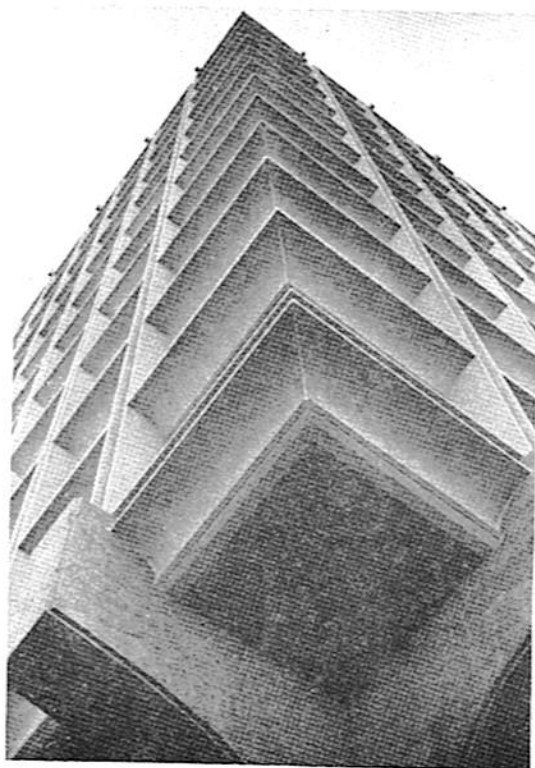
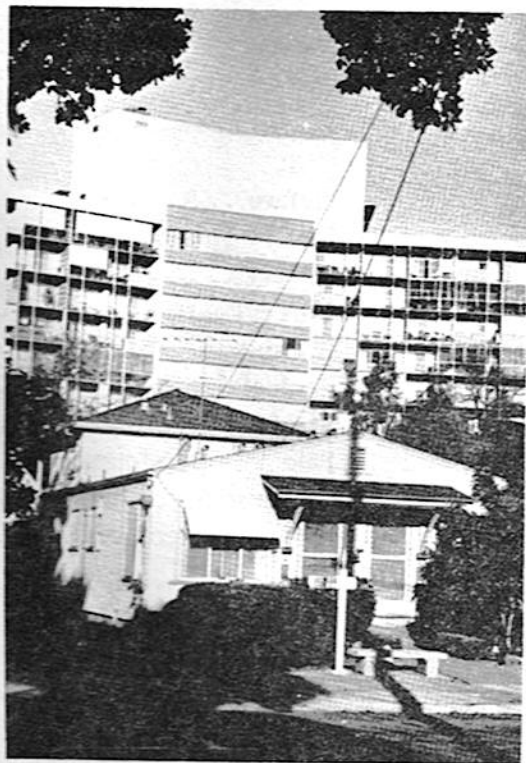
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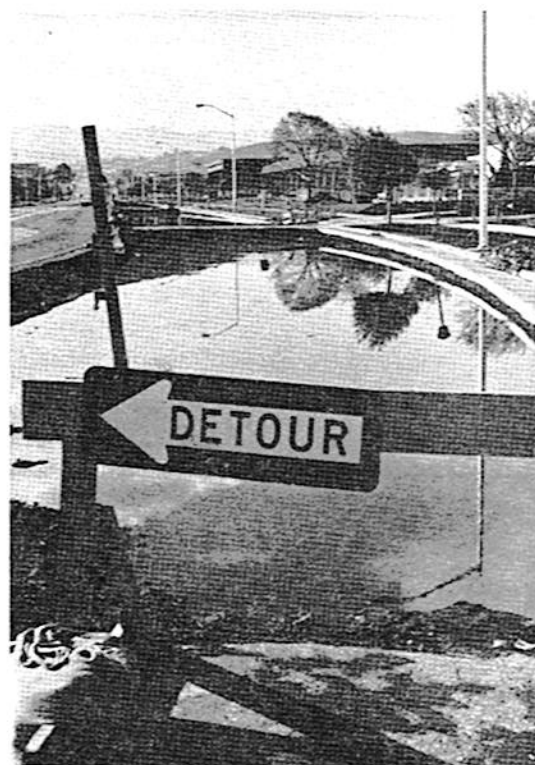
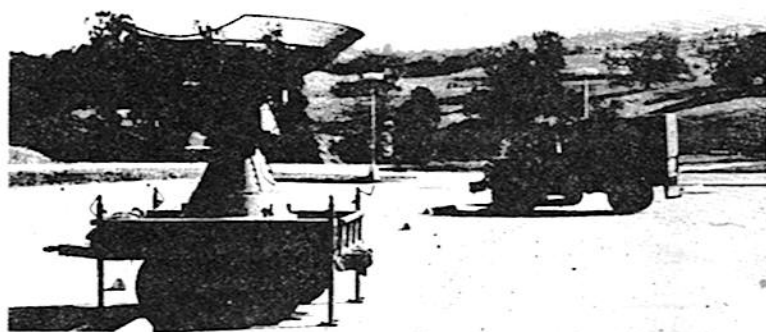
Note: The term "Mid-Peninsula" is used throughout the booklet to describe the area between Redwood City and Sunnyvale. Since much of the discussion concerns the Stanford-Palo Alto employment center and the electronic industries to the south, most of the statistics are for Santa Clara County.



# Preface

There's something happening here...



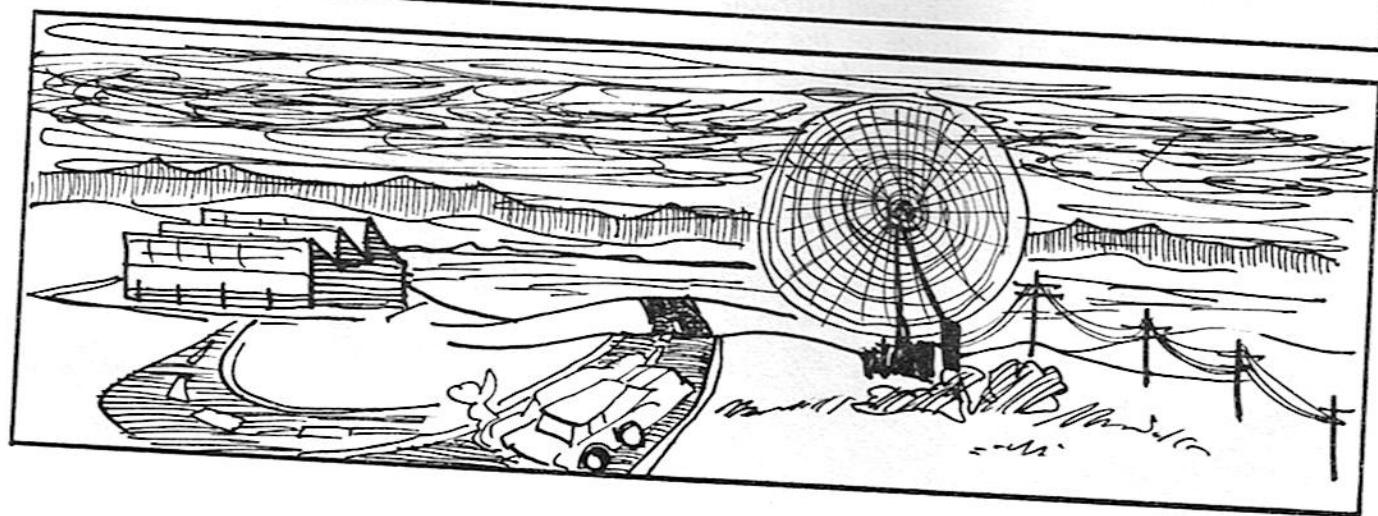
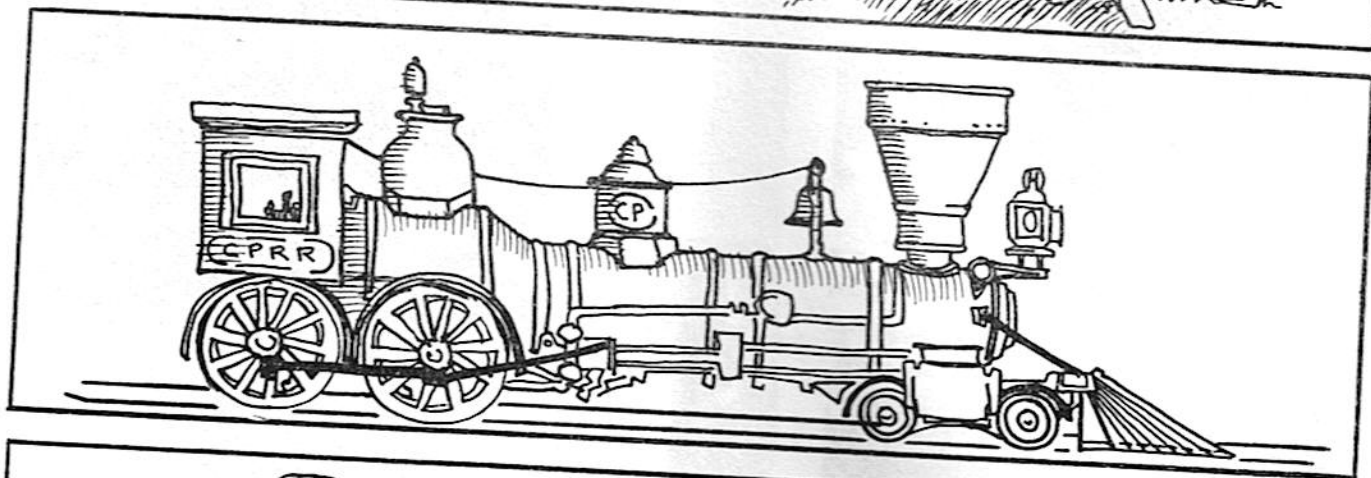
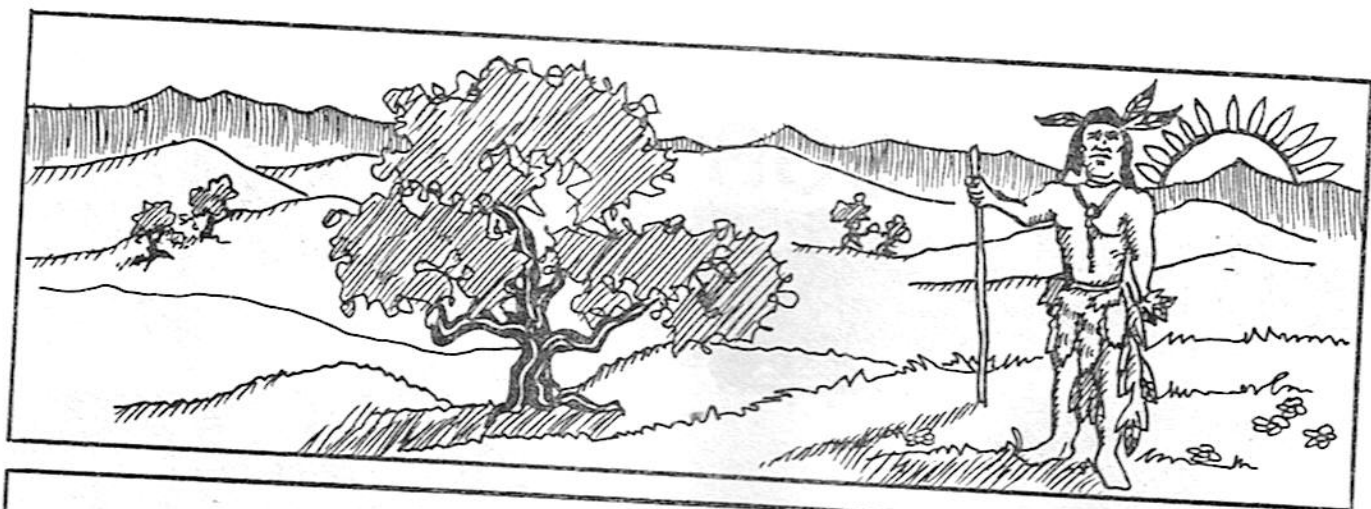


*... and we are trying to understand what it is. Our awareness of the dependence of this area on war production, of the severe housing crisis and of the deteriorating environment brought us together in Grass Roots. We had an idea of the way this area developed and how it would be developed in the future, unless people decided to change the way decisions are made.*

*We realized that the social problems around us have a history: people chose to build all that's been built for certain reasons. We began to study the history of the area, its problems and ongoing developments, to see if our assumptions were correct about who decides the uses of land and how they decide. In the course of our research we asked a number of questions:*

*Is the housing shortage a small oversight which can be solved easily, or is it grave and persistent, the logical outcome of the way in which this area has been developed? Is the ecological crisis simply an abundance of beer cans and auto exhausts, or is it a larger problem, caused by the self-seeking decisions of local land developers and industrialists? Do the people in the area really control local land development through their elected officials, or do the City Councils and Planning Commissions serve the Trustees of Stanford, the directors of major corporations and the real estate kings of downtown Palo Alto?*

*Our conclusions are here for you to read. There are summaries at the beginning of each section which provide concise statements of the major themes. We invite your questions and criticisms. Read On!*



# History

*When it belonged to no one, the land of the Santa Clara Valley had a beauty that would be unrecognizable to us today. Forested ridges and grassy foothills rimmed the flatland, which joined the Bay in great marshlands full of shellfish and crab.*

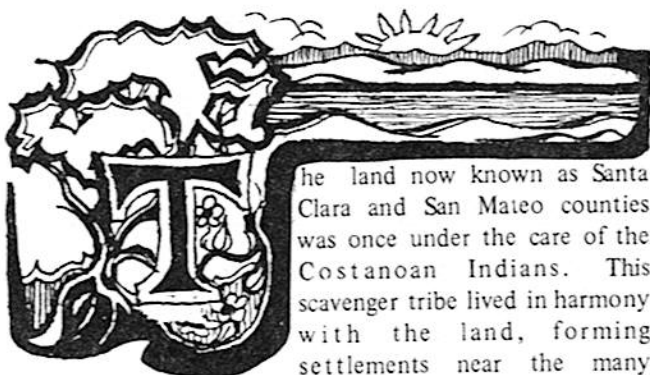
*The history of the area is typical of California's history during the first two hundred years of settlement by European peoples. The Indian inhabitants were enslaved or driven off, and the great farms and ranches were established. A Spanish colonial government was replaced by Mexican control and finally by cessation to the United States in 1848. Each succeeding regime brought more population, more rigid concepts of property and more ruthless competition for wealth.*

*The modern development of the Mid-Peninsula had its origins in the career of one man: Leland Stanford. This Sacramento merchant accumulated a huge railroad fortune based on federal subsidy, brutal exploitation of Chinese workers, and a monopoly on California commerce. It is what Stanford did with his fortune that changed the history of the Mid-Peninsula. The opening of Stanford University in 1891 made research & training the area's principal economic resource.*

*In the 1930's, the University's engineering school began to spin off a number of industrial firms in the new field of electronics. The huge military purchases of World War II made these industries prosper, along with the University's research operations. The boom continued with the high demand for electronics hardware in the Korean conflict and the Cold War. Many corporations, including giant Lockheed, crowded onto the Mid-Peninsula to be near Stanford and its new Industrial Park. The Mid-Peninsula acquired a permanent war economy, and the last farms and orchards were paved over to provide expressways and suburban homes for those white people who could afford them.*

*By 1970, the people of the area were paying the costs of growth: a housing shortage, environmental blight, and the frailty of an economy based on lavish defense spending.*





The land now known as Santa Clara and San Mateo counties was once under the care of the Costanoan Indians. This scavenger tribe lived in harmony with the land, forming settlements near the many creeks in the fertile valley. They did not exploit the land by farming, lumbering or mining. The Costanoans gathered fruits, nuts and berries, hunted, and harvested the fish and mussels of the bay. Everyone labored together. Food and utensils were shared. There were no rich and poor, no slaves, and no prisoners. The tribes seldom waged war; when they did it was to avenge a brother Costanoan, not to gain territory.

Probably because they lacked a sense of private property, the Costanoans did not initially resist the coming of the Spanish explorers and missionaries. The Spaniards claimed the land for the King, took the Indians' homes as their own and herded the Indians into the missions where they became servants and laborers for the Spaniards. The missionaries regarded "their" Indians as docile and obedient, forgave them their "ugliness" and "stupidity," and proceeded to teach them the lessons of "civilization."

Even in captivity, the Costanoans never could learn that land, labor, a cow or a tool belonged to someone, and not everyone. Thus they would frequently quit work when they were tired, hunt and kill the cattle from the missions, re-occupy their former homes, and walk off with tools and other objects the Spaniards left scattered around. On several occasions Indians were flogged, jailed or killed for their "insolence" and "thefts." Although there was scattered resistance, most of the Costanoans left the area without challenging the Spaniards. Those who remained

were eventually made into farm laborers. The Costanoans' failure to adjust to mission life caused their slow death. The Spaniards established the valley as their own and introduced the private ownership of the land, backed up by armed force, that we accept as "natural" today.

In 1821 Mexico declared independence from Spain and claimed the lands of California for itself, enforcing the claim with its own army. The padres of the mission bowed to superior force, and the few remaining Costanoans now served new masters. Needless to say, they were not consulted in the course of the change.

Under the Mexican reign the remaining Costanoans died off. They were hardly a model civilization; they did not have the means to support a larger population, and probably they would never have developed the continent at all. Their culture was not brilliant. But their virtues—the way they related to each other and to the land—are highlighted by the brutal side of the social order that destroyed them in the name of progress. In our present crisis, their virtues may provide us with direction.

#### (An expanding America fights Mexico for Texas, winning California in the Bargain.)

The new Mexican republic sparked the economic growth of the San Francisco peninsula. To break the power of the Missions, the Mexican government seized their lands, claiming they would be returned to the Indians. In fact, the land was rewarded to various faithful soldiers and public officials in large grants, the Ranchos. (One of these, Rancho San Francisquito, eventually became Leland Stanford's horse farm, and finally Stanford University.) Such granting of public resources to private men was not a custom unique to the young Mexican government, as we shall see.

During this period, 1821 to 1840, the expanding United States began to make its presence felt in California. Mexico encouraged trade, and soon ships from Boston laden with textiles and other goods landed on the West Coast to pick





up hides and tallow from the great Ranchos. As commerce grew between the United States and California, American settlers—many of them sailors who jumped ship—began to drift into Mexican territory. A similar movement was going on in Texas. In the early 1830's, large number of American settlers swarmed into the territory, squatting on the land in the face of a weak Mexican administration. In 1835 the settlers revolted, and after several battles established the Republic of Texas. The United States finally annexed Texas in 1845, when it looked as if Great Britain might try to make it a protectorate. War broke out between the United States and Mexico the following year.

Mexico feared the same thing could happen in California, with its growing American settlement. In the course of a very confusing six years, it did. A series of blunders, confusions and false starts led to the establishment of a California Republic, the occupation of California by U.S. troops, and an unsuccessful armed revolt by Mexicans in California. Finally in 1848 California was ceded to the U.S. in the settlement of the Mexican-American War.

The Treaty of Guadalupe Hidalgo, signed at the end of the war, was supposed to guarantee the property rights of all Mexicans living in California. In 1851, however, the United States Congress invalidated all land titles in California, claiming that Spanish and Mexican records were too incomplete and contradictory to establish ownership. The immense confusion which resulted jammed the courts, and many bankers and lawyers ended up with large holdings on the Peninsula. For example, John Greer had inherited nearly 3000 acres in the vicinity of San Francisco Creek through his wife, Maria Luisa Soto, the granddaughter of a Spanish soldier. In 1851 Greer lost his claim to the Soto Rancho. His lawyer, Henry Seale, fought the case in and out of court until 1865. When Seale finally secured Greer's claim, he received half of the Soto Rancho in payment—making himself and Greer the major landowners of what is now Palo Alto.

Many Mexicans who had managed to hold onto their lands through court proceedings began to sell them off in



the 1850's. The only other competition to the Americans for control of the land was the Indians. Those who had not already been killed or driven off signed treaties with the U.S. government giving up about half of California in return for perpetual ownership of seven and a half million acres. Unfortunately for the Indians, the U.S. Senate, under pressure from California politicians, never ratified the treaties. The Indian Bureau never bothered to tell the Indians, and sold off their promised lands. By 1900, the 10,000 surviving Indians were left with only a half million acres.

With the land titles squared away and the boundaries of the United States rounded out, it now remained for California to be developed. The 1849 Gold Rush brought miners and settlers in by the thousands. But before California could be fully exploited and integrated into the United States, better means of transportation than wagon trains and long sea voyages had to be found.



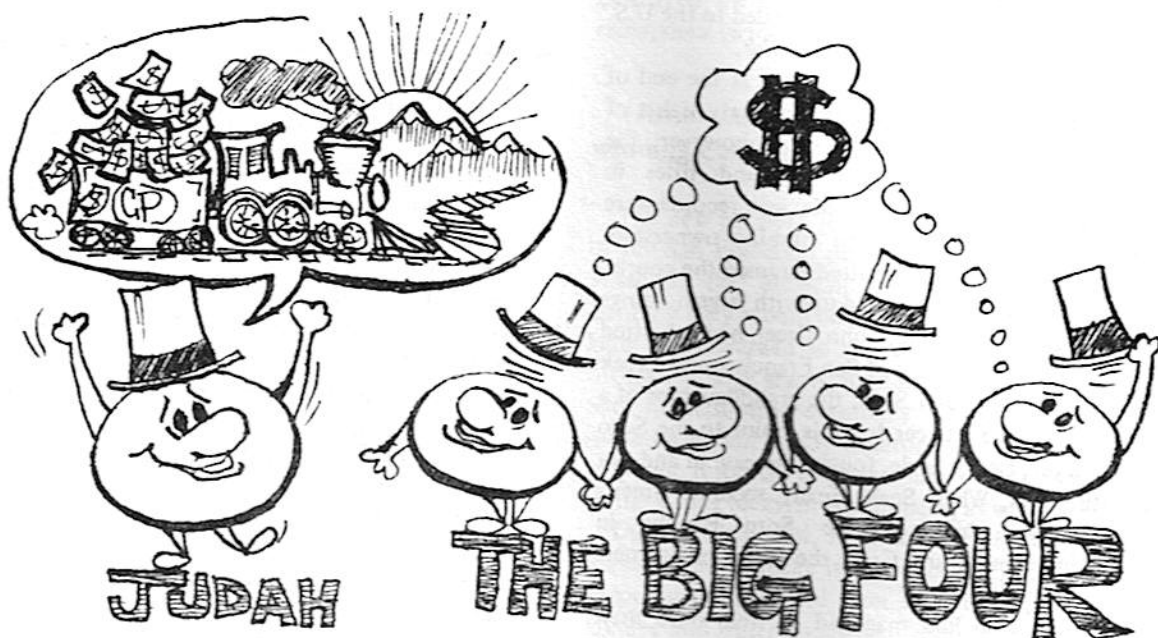
(The legendary "Big Four" set out to build the Great Transcontinental Railroad, and secure a Monopoly as well.)

In 1854 a brilliant young engineer with the building of several Eastern railroads to his credit, accepted a call to California to build that state's first railroad. Although the project itself was a modest line—extending a mere 21 miles from Sacramento to the Sierra foothills—Theodore Judah was a railroad visionary. His enthusiasm and creative energy were always directed toward the railroad that would one day span the continent. This vision obsessed Judah when he finally arrived in California, and the penniless engineer began the endless discussion, writing and propositioning that he hoped would enlist the necessary financial support to transform the dream into a reality.

During the fifties California was prospering—at least for some people. The Gold Rush subsided but trade and light

Pacific Railroad of California, and went in search of stock subscriptions. He needed pledges of \$115,000 before he could incorporate the company with the announced goal of building a railroad to the state line 115 miles distant.

Judah raised a third of the money from small mountain towns. In Sacramento, he made his appeal to a small group of merchants in an attic above the prosperous hardware store of Collis Huntington and Mark Hopkins. Leland Stanford and Charles Crocker, the other two men who would soon come to be known as the Big Four, were among the group of potential investors. Judah did not propose the building of a transcontinental railroad. He knew these men were hard-headed practical merchants and traders, so he slowly explained to them, as Oscar Lewis says in *The Big Four*, "what they as merchants most wanted to know: how to sell more of their goods, how to make their property more valuable, how to expand their businesses and stifle competition. "Help me," he asked, "to run my survey over



manufacturing began to build a strong local economy. On the Peninsula, sawmills produced lumber for the thousands of new structures in Northern California, and the Ranchos and a growing number of small farms marketed food and hay. There were even silver mines in Southern Santa Clara County.

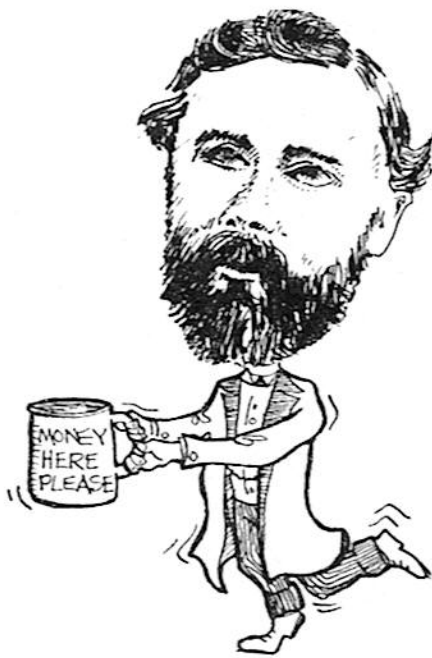
Theodore Judah set up his offices in the lively trading town and capitol of Sacramento. In September of 1859 he represented Sacramento at the Pacific Railroad Convention in San Francisco which sent him to Washington to lobby for federal funds for the railroad. He lobbied endlessly throughout the session, but the issue of slavery dominated the Congress and would soon help lead the country into Civil War. Few minds besides Judah's were on the great railroad. He left Congress empty-handed in the spring of 1860 and returned to California.

Undaunted, Judah started to survey a route through the Sierras, drew up the Articles of Association for the Central

the mountains. With this we can get government support for the company—and you can control the company. If you get control of the traffic to the Nevada mines, you, and you alone, will control that market."

The thought of controlling the trade route to the newly discovered and prospering Nevada silver mines was enough to convince his listeners. The Big Four and several others bought enough stock so the company could incorporate, and the shrewd Huntington saw that Stanford was made the Railroad's president, himself vice-president and Hopkins treasurer. Judah had his money and went off to survey, oblivious of the others. But as frontier merchants the Big Four had already experienced the joy and profit of having a temporary monopoly on nails or some other rare commodity. They approached the railroad as a possible source of control and profit. California would soon be at the mercy of these men.





(Theodore Judah journeys to Washington seeking a vast federal dole for his railroad and succeeds Admirably.)

In October of 1860 Judah sailed again to Washington to lobby for the Central Pacific. It was clear to him that no such undertaking could occur without a liberal federal subsidy—and the more liberal, the better. The main obstacle had always been the sectional split in the Congress: Northerners would not support a road through the South, and Southerners voted in bloc against a Northern route.

By the time Judah reached Washington, the sectional rivalry had erupted into war. The Confederacy had been formed, a sense of emergency gripped Washington and Congress was in a state of disarray. It proved a perfect time to propose the railroad: its construction was a fully logical war measure, and Judah re-worked his approach accordingly. He pointed out that the railroad would help keep the distant states of Nevada and California attached to the Union, and certainly a country at war would not want to lose its silver and gold-producing states. He rightly assumed that in times of war vast resources will be granted with few questions asked. But even war did not guarantee the subsidy. To expedite matters, Judah got himself appointed Secretary of the House and Senate sub-committees which had to consider the bill, as well as secretary of the House committee on railroads. Such power would not have been given to him so easily in a more peaceful period, but Judah's time had come. The Union was trying to wage war and consolidate its shaky territory. It was not prepared to lose the South or the newer Western States: it would pay the necessary price to keep them.

Even with these advantages, Judah's plan for a huge public subsidy met strong opposition. But in 1862 the bill

was finally passed and President Lincoln signed it on July 1. The bill commissioned two companies to build the line from the Missouri River to Sacramento. It granted a strip of land for right-of-way, and also gave ten alternate sections of public land per mile to the railroad companies. In addition the bill offered 30-year low-interest loans to the companies in the amount of \$16,000 per mile on flat lands and \$48,000 per mile in the mountains. The bill which Judah had helped to write was extremely generous. The Railroad promised to be a profitable venture.

With the bill passed, Judah returned to Sacramento. Surveying was completed, and in January of 1863 California's recently elected governor, Leland Stanford, made a short speech and broke ground for the Central Pacific line out of Sacramento. Judah prepared to devote himself to the building of the road and decided to leave the financing up to his partners. But as it turned out, questions of finance and control of construction would soon destroy the partnership.

The Big Four were most interested in getting a line built rapidly and at great profit. They wanted the first forty miles built cheaply so that they could qualify for the federal subsidy, and they wanted it built by a construction company formed under their own Charles Crocker to ensure that building profits accrued to them as well. Judah wanted to build the first link of his great vision and wanted a quality construction outfit which was responsible to him to do the building; money and speed were not so important to him. Other Californians distrusted the motives of the shrewd Sacramento merchants, and Judah soon learned to agree.

The conflict lasted less than a year, with Judah losing most of the skirmishes. He finally sold his interest for \$100,000 and retained an option on the Central Pacific if



he could raise the money to buy out his partners. He left for New York in October of 1863 to find these buyers, full of his usual optimism. He caught yellow fever on the voyage and died a week after arriving in New York.

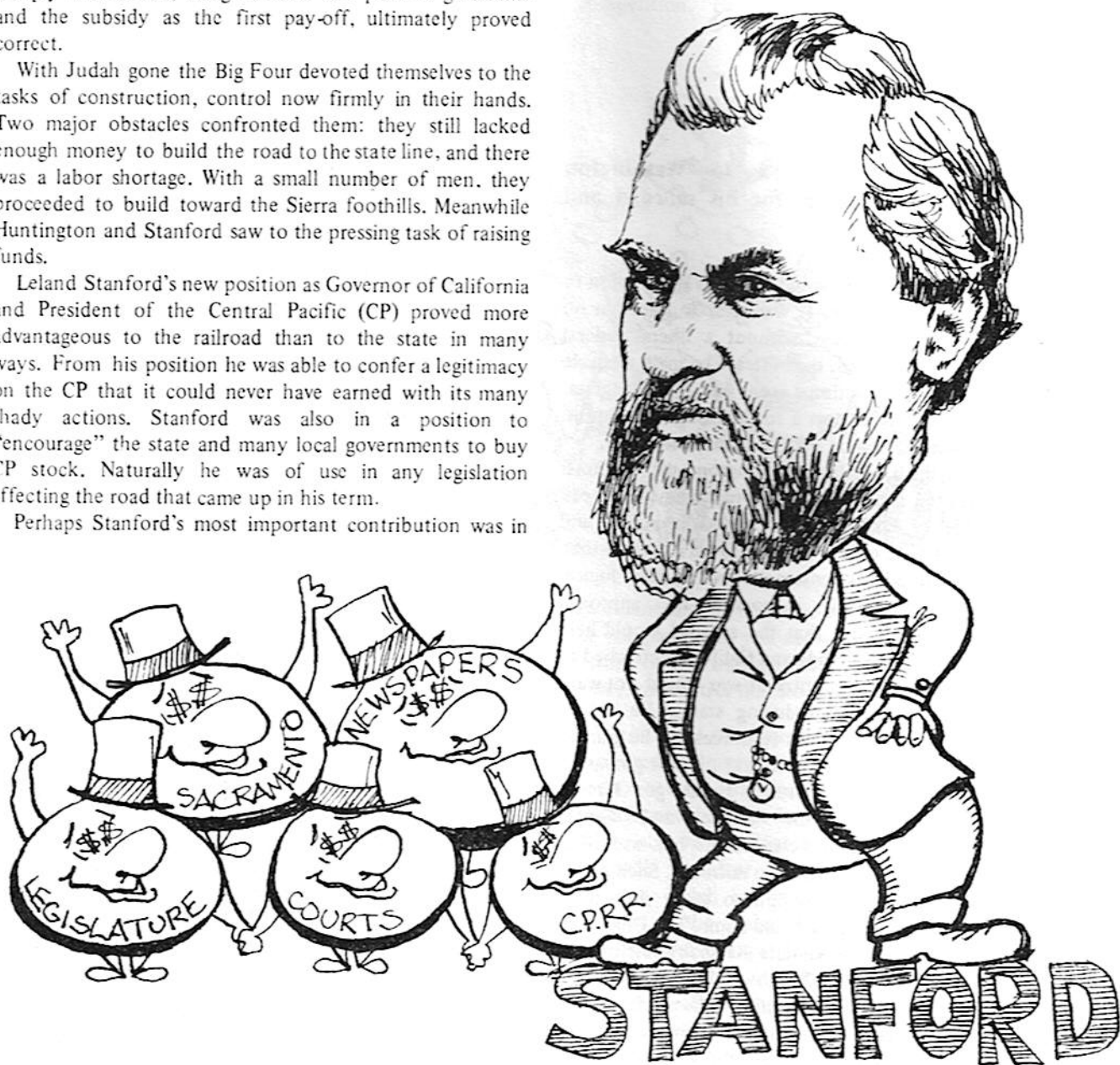
With Judah's death, the dream of the Great Transcontinental Road was left in the hands of less visionary men. This particular loss in the perennial battle of the businessman versus the "genius" was to prove very costly indeed to the people of the West Coast. It reflected a basic difference in the conception of the line and of the public trust which the subsidy represented. Judah wanted his road to serve the people of the state and nation—indeed of the world—by allowing speedy and inexpensive travel and shipping across the U.S. He asked the government for the vital subsidy in the public interest. The growing suspicion in California circles that the Big Four differed sharply with Judah, using the road as a possible gold-mine and the subsidy as the first pay-off, ultimately proved correct.

With Judah gone the Big Four devoted themselves to the tasks of construction, control now firmly in their hands. Two major obstacles confronted them: they still lacked enough money to build the road to the state line, and there was a labor shortage. With a small number of men, they proceeded to build toward the Sierra foothills. Meanwhile Huntington and Stanford saw to the pressing task of raising funds.

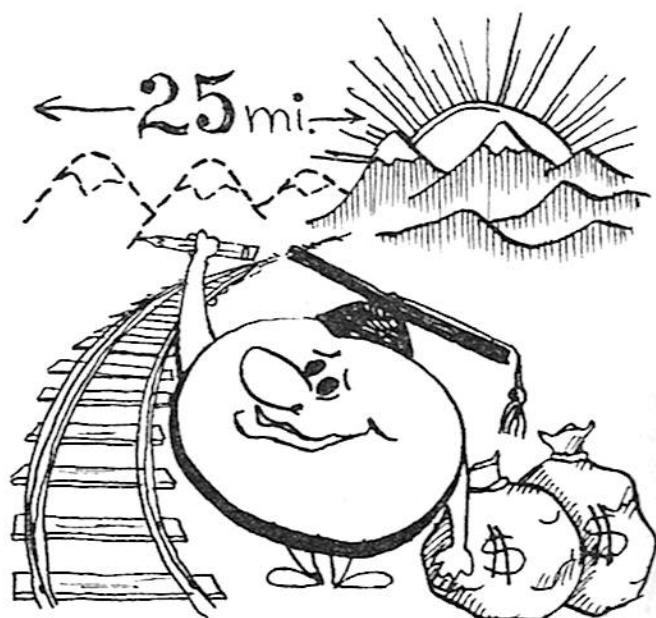
Leland Stanford's new position as Governor of California and President of the Central Pacific (CP) proved more advantageous to the railroad than to the state in many ways. From his position he was able to confer a legitimacy on the CP that it could never have earned with its many shady actions. Stanford was also in a position to "encourage" the state and many local governments to buy CP stock. Naturally he was of use in any legislation affecting the road that came up in his term.

Perhaps Stanford's most important contribution was in

building the large cadres of "railroad men" inside the legislative, administrative and judicial branches of government, and in developing the string of "railroad newspapers" that faithfully promoted the CP's interests and defended them from the frequent public attacks. A talker and fre spender, Stanford understood that effective political power often lay in a man's ability to buy elections, judges or specific acts of legislation. The history of the growth of the CP and later the Southern Pacific (SP) and the maintenance of the great monopoly is marked by the expensive purchase of many vital favors. The friends Stanford developed for the Central Pacific in the crucial years as Governor and struggling railroad pioneer did not desert the railroad when Stanford left Sacramento. Their services spanned thirty years, and they supported not just Stanford, but the even more powerful Huntington.







During this early period Huntington was in the East engaged in a double mission: raising money and cutting costs. He did both very well, displaying the same ability in buying both congressmen and steel rails that Stanford showed on the West Coast with legislators and newspapers. While the Big Four's success at selling CP stock to the state, cities and private investors was impressive, it was not adequate.

Huntington won a still larger federal subsidy for the railroad in 1864. Once again the Big Four used the war crisis to bolster their arguments. Huntington told Congress that California's ties to the Union still hinged on the completion of the great railroad. Once again Congress proved ready to commit vast resources to maintain the country (and incidentally to line the pockets of the railroad kings). The amendment to the railroad act doubled the size of land-grants; made the government bonds a second mortgage on the railroad, allowing the railroad to float first-mortgage company bonds for the same amount; increased direct subsidies for the mountain stretches and permitted this money to be collected before the railroad was completed. The time limit on construction was liberally extended; the amendment allowed four years to reach the state line. Finally, public lands outside the federal grants were provided as sources for lumber, fuel, and coal needed in construction and operation.

Soon afterwards, Congress was persuaded to increase the subsidy for the line by a half-million dollars when the railroad group, backed by a squad of well-paid geologists, contended that the mountains began not where the flatland became foothill, but 25 miles earlier at the Arcade River where the soil changed color. This meant that those 25 miles would receive the \$48,000 a mile mountain subsidy rather than the \$16,000 subsidy for flatlands. California

was shocked when the government paid the extra money, but had to confess a grudging respect for any men who could move the Sierras twenty-five miles West.

(Governor Stanford, desperate for workers, finds it Expedient to change his views on Chinese immigration.)

While Huntington was lobbying, partners on the coast were dealing with one of the most volatile elements in the grand scheme: labor. California was the new home of thousands of adventurers and prospectors, but not wage laborers. The railroad's demand for cheap, docile employees was not to be satisfied easily—and this first attempt to recruit a large labor force illuminated a problem that would dominate California industry and agriculture for generations to come. Characteristically, the CP's solution would also establish an enduring precedent.

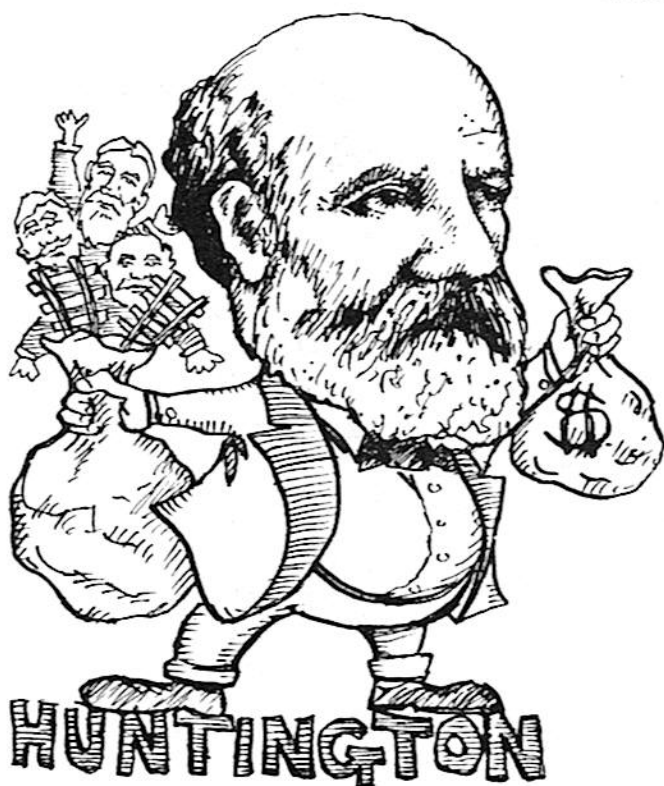
The central problem for the CP was that white laborers in California insisted on and organized themselves for reasonable wages and good working conditions, if they did wage labor at all. They preferred to strike it rich. Thus many of the laborers who were recruited by Crocker in the mid-sixties took the job to get a ride part way to Nevada, make a few bucks, and go off to hunt silver in the new mining region. The Big Four then tried child labor, but there were not enough children, and parents complained of the seventy-five-cent-a-day wage. Since California was admitted to the union as a free state, Negro slaves could not be used. Oscar Lewis writes that late in 1864, Stanford and



Judge E. B. Crocker of the CP's legal department "petitioned the War Department to send out five thousand Rebel prisoners to be put to work under the guard of a few companies of Union soldiers. But the war ended and the scheme had to be dropped." The Big Four considered importing Mexicans, but thought they were too lazy—a view that prevailed in California until the early 20th century when startled growers discovered that Mexicans could work hard and well and came to rely heavily on their labor for California's vast farms.

According to Lewis, it was Governor Stanford who first suggested the idea of using the Chinese, small numbers of whom lived around San Francisco. As Governor, Stanford had earlier discouraged immigration because there could "be no doubt but that the presence among us of numbers of degraded and distinct people must exercise a deleterious influence upon the superior race..." But now he was president of a railroad that needed laborers. Many doubted that the "rice-eating weaklings" could do the job, but Charles Crocker had a good Chinese servant and recalled that their ancestors had built the Great Wall of China—and he was willing to try them. Furthermore, Crocker's white crews were threatening to strike, and that proved to be the deciding factor.

Fifty Chinese were hired as an experiment in 1865. They worked hard and well from sunrise to sunset, and impressed Crocker and the other engineers. More were hired immediately; soon the state was scoured for all unemployed Chinese. Stanford hoped that the force would reach 15,000 by the next year. Since there were not enough Chinese in California, plans were made to import them under a system of labor contractors. White labor leaders were furious, but



calmed down when they realized that 2,000 whites would fill the positions of authority and the skilled worker categories—and that the Chinese would live in separate camps.

Crocker rode his crews hard. He was responding not only to pressures of the deadline for completion, but also to the fact that the Union Pacific was rapidly building westward across the easy plains from Missouri, and winning the subsidy for those miles. The CP had to cross the forbidding Sierra and reach Salt Lake first if it wanted to control and profit from both the Nevada and Salt Lake City traffic. The story of the crossing of the Sierra is impressive and horrifying but we will not dwell on it. Suffice it to say that the work was dangerous, difficult and freezing cold. Thousands of Chinese died in nitroglycerin explosions, accidents, and avalanches. By June, 1868, after a staggering expenditure of human lives and money, the CP had crossed the Nevada line. The Central Pacific met the Union Pacific at Promontory Point, Utah, where Leland Stanford tapped in the golden spike on May 10, 1869.

With the road finished and the "coolies" cast adrift to compete with white labor in San Francisco, the Big Four realized that the railroad was not yet a gold mine. Transcontinental railroad transportation was expensive compared to ships, and CP business was often very slow. Crocker decided to sell out to his partners, who also considered selling their stock. But the Panic of 1873 wiped out possible buyers, and it almost bankrupted the CP as well. Huntington pulled the firm through the storm, and Crocker returned from Europe and bought back into the fold. But the slow growth of transcontinental rail traffic convinced



the Big Four that they needed a new strategy to assure their fortunes. They decided to acquire a monopoly on all rail traffic on the West Coast.

The details of the building of the monopoly are complex but the formula was simple: buy out or force out all the competition and then establish rates on the basis of "all the traffic will bear." The system that grew up under the name "Southern Pacific" (the SP built by the Big Four eventually bought the CP) came to be hated throughout California, but people were trapped. The SP set its rates to allow each shipper to make an adequate profit to stay in business, no more. If a man had a bad year, his rates were lowered, but in a good year it was the SP that reaped the extra profits. If a shipper did not like this system he did not have to ship his goods—but there was no alternative railroad within the state, and the SP slowly bought up water traffic as well. The grip of the monopoly destroyed businesses, stunted growth, and led to social chaos. But this seemed to be of little concern to the barons of the railroad. They claimed to

be serving the people well after risking their fortunes earlier. They felt they deserved the growing return.

The profits of the monopoly were, in fact, enormous. They came from railroad tariffs, the sale of lands granted by the government as part of the CP subsidy, and growing investments. Thousands of Californians and several powerful newspapers fought the SP, but the Big Four had the power that comes with extraordinary wealth: they could buy off almost any threat, including competitors, legislators, railroad watchdog committees, judges and many newspapers. The public, whose taxes and labor had built the road, felt that a public trust had been betrayed, that a great asset and service bought and built by the people had been corrupted and made into a form of oppression. They were right, but they failed to organize themselves to secure their interests, and in that way proved virtually helpless. Stanford and Huntington made no such mistake, and their early efforts to organize on behalf of their interests gave them fortunes of tens of millions of dollars.



"THE CURSE OF CALIFORNIA" - AFTER AN 1882 S.F. NEWSPAPER CARTOON.



The Stanfords spent lavishly on their son's education and frequent trips to the East and Europe. They moved East so that they could be near Leland Jr. when he entered Harvard. But the year before he was to begin his studies, he caught typhoid fever on a family trip to Europe and died in Florence in March of 1884. Leland and Jane decided to make a fitting memorial to their son, perhaps a museum or a technical school.

(Stanford University is founded to serve poor people and maintain a pleasant harmony with the natural environment.)

It was several years until Leland Stanford Junior University was founded, and the original concept changed several times. Once a school had been chosen over a museum, Stanford thought about a technical school. He had always been interested in engineering and various inventions and distressed by people he felt lacked "useful skills." He desired above all to train people who would be useful to the society and to themselves and so stressed what he called a "practical" education. For a while he thought of attaching a technical school to the new University of California at Berkeley, but he abandoned this idea shortly after the California legislature refused to confirm his

(Leland Stanford decides to buy a farm for horses and his son, and chooses a peninsula Rancho.)

Leland Stanford's great wealth now enabled him to indulge his every wish. He had said once, "It is pleasant to be rich..." and now that the SP guaranteed his wealth, he took great pleasure in playing the role of late-Victorian political and financial king.

The birth of Leland Stanford, Jr. in May, 1868, gave the Governor great joy, and a reason for even greater extravagance. He and his wife Jane decided that their son should be brought up in San Francisco rather than provincial Sacramento. They built a huge mansion which commanded the undeveloped Nob Hill, and Stanford later organized the famed cable car system to make access to the steep hill easier. As others began to build on Nob Hill and it became "crowded," Stanford decided to buy the Rancho San Francisquito down the Peninsula. He embarked on a plan to assemble the finest stock of racing horses in the West, and spent a small fortune. Eventually he tired of his horses, and for a million dollars bought a 55,000 acre vineyard at Vina in the upper Sacramento Valley which he hoped would produce a fine domestic wine, and incidentally be a place where little Leland could spend some time learning farming.



"YOU CANNOT FASTEN A TWO THOUSAND DOLLAR EDUCATION ON A FIFTY-CENT BOY."