

California Rages Against the Dying of the Light

For several decades California has played a leading role in the United States and world capitalism, but things have taken a sudden turn for the worse after a period of brilliant growth. Now, at the end of the millennium, California is a microcosm of the national malaise, the accumulated deadweight of a triumphal epoch bearing down on the present, leaving a misguided economy, a disintegrative social order, a decadent politics and the blinding ideology of an Imperium losing its grip. Chances for success in the wrenching process of economic, political and social restructuring depend on a wider political economy than the putative flexibility of California's industries or the inspiration of its entrepreneurs. My thesis is simple: that California's dilemmas have fundamental political and social causes, and the state is ideologically unprepared to cope with the profound tasks of industrial retooling, closing the class divide, or integrating a flood of dark-skinned peoples into the body politic.

and failure. It has put the best and the worst of capitalist development and liberal democracy on offer, and has survived miserable prospects before by reason of both. But the road not taken leaves a deep trace across the political landscape, while the one down which the bourgeoisie are careening seems a desperate course. This course was set long ago by the political triumph of Cold Warriors, Neo-Liberals and White Men whose counter-revolution laid low the best in California's popular experiments and social struggles; it is to Richard Nixon, Ronald Reagan and the rest of the hell-spawn vomited forth from California to plague the country and the world for the last fifty years that we owe the present dismal time in history.

Fractures and Faultlines

The three most obvious and general contradictions facing California are the worst economic crisis since the Great Depression, a massive racial recomposition of the people, and a machinery of state unable to govern.

Economic Flameout

By the time of the Vietnam war, California had taken over as the principal engine of us economic development. This status was confirmed as industries centred in the Midwest and the Northeast—steel, autos, electrical goods, appliances—folded under the pressure of foreign competition in the early 1980s. Out of the shadow of Fordism, its industries were trumpeted as the way forward for a nation losing its knack in manufacturing. On one side was electronics, in which employment was growing furiously, barrelling right through the 1980–82 recession when us manufacturing was shedding over 2 million workers. Silicon Valley was hailed as the world centre of the new computer-information age and emblem of American innovation and entrepreneurship at its best. On the other side was mighty aerospace, the American trump card for beating back both the Soviets and economic decline. Ronald Reagan's conquest of the White House sealed the case for America's state of grace, as defence spending shot up to \$300 billion per year, California's share of prime contracts peaked at 23 per cent, and a new generation of 'smart war machines' was ushered in. Orange County avionics became the biggest cluster of electronic manufacturing on earth (while the Bay Area received huge new contracts for satellites, guidance systems and Star Wars lasers). Everyone rushed to study Los Angeles and Silicon Valley, the new technopolises.¹

Then there was finance capital: California entered the 1980s with the world's largest bank (Bank of America) and credit card company (visa), the country's biggest Savings and Loans (led by Southern California impresario Charles Keating's Lincoln Savings), and the nerve centre of

¹ On California's role in the defence buildup, see Ann Markusen, Peter Hall, Scott Campbell and Sabina Derrick, *The Rise of the Gumbell*, New York 1991. On the technopolises see e.g. Annalee Saxenian, *Regional Advantage*, Cambridge 1994; Allen Scott, *New Industrial Spaces*, London 1988; Allen Scott, *Technopolis*, Los Angeles 1993. Other key sectors are entertainment, agribusiness, garments, furniture, biotech and construction.

were good, the 80s were sensational. As financial regulations fell, fast-buck s&L operators went to work shuffling the deck of dubious assets including short-term certificates of deposit, land and buildings revalued through 'flipping', 'interest reserves' paid by the firm to itself, and 'good will' (some 40 per cent of all assets by 1986) in place of stable savings; and behind them lay the wizardry of Milken and Wall Street, which made about one-third of its profits in the mid-80s trading with the s&Ls in new brands of mortgage securities.² Backed by fire-sale finance, construction starts ballooned, along with housing prices and commercial rentals. Excess piled upon excess, and the California economy became white-hot.

California grew bigger than all but six or seven countries in income and output, with a gross domestic product of \$700 billion in 1990. From 1979 to 1988, the state added 2.6 million jobs, over one-sixth of all job creation in the us in that period, for a total of 13.6 million jobs. Average income per capita doubled from 1980 to \$16,400 in 1990 (18 per cent in real terms), one-sixth greater than the us average. Well positioned on the eastern flank of the Pacific Rim, California became the national leader in exports to the global market, rising from 10 to 20 per cent of us foreign trade, and in direct foreign investment received. The main growth poles are the San Francisco and Los Angeles metropolitan areas, but San Diego and Sacramento became two of the fastest growing us cities: in the 1980s, LA metro grew from approximately 11.6 to 14.6 million (26.3 per cent), the Bay Area from 5.2 to 6.0 millions (16.3 per cent), San Diego from 1.9 to 2.5 million (34.2 per cent) and Sacramento from 1.1 to 1.5 million (34.7 per cent). Southern California manufacturing employment peaked in 1988 at over one and one-quarter million jobs, making it the biggest industrial centre in the United States; the Bay Area more than doubled its employment from 1970 to 1985 behind Silicon Valley, which became the highest concentration of manufacturing in the us.³

Although Los Angeles had become the biggest city in the state by 1920, it has had difficulty getting out from under the political and cultural suzerainty of San Francisco. In the 1980s it appeared that at last Los Angeles had triumphed utterly over a badly weakened rival, seizing its last strongholds, finance and the arts. The Bay Area went into a sharp downturn in 1985-86 which Southern California hardly felt. An overheated Silicon Valley was forced to pull back and regroup and Bank of America was on its knees,⁴ while museums were springing up like weeds around the LA basin. LA even stole Oakland's beloved football

² For an overview of the Savings and Loan fiasco, which was centred in California and Texas, see Martin Mayer, *The Greatest-Ever Bank Robbery*, New York 1990; Michael Lewis, *Liar's Poker*, New York 1989; Steven Pizzo, M. Fricker, and P. Muolo, *Inside Job: The Looting of America's Savings and Loans*, San Francisco 1989.

³ For overviews of LA and SF at the end of the 1980s, see Mike Davis, *City of Quartz*, Verso, London 1990; Edward Soja, *Post-Modern Geographies*, London 1989; and Richard Walker and the Bay Area Study Group, 'The Playground of us Capitalism? The Political Economy of the San Francisco Bay Area in the 1980s', in Mike Davis et al., eds, *Fire in the Hearth*, London 1990.

⁴ On the fall of Bank of America, see Moira Johnston, *Roller Coaster*, New York 1990.

short-lived.

The crisis of 1990-94 triggered universal panic about the future of the California economy, which remains mired in depression while the rest of the us has climbed out of its earlier downturn. The state has been forced into collective downsizing in the wake of a decade of overaccumulation of factories, workers, securities, real estate, and executive fat. Job loss amounted to almost 1.5 million in 1990-92: 900,000 in wholesale and retail trade, 200,000 in manufacturing, 150,000 in construction, 70,000 in agriculture. Unemployment was the worst since the 1930s, peaking at 9 per cent in 1993.⁵ Wealth shrank, thanks chiefly to real-estate values sinking by 10 to 30 per cent, with investors madly shedding commercial property. Scores of s&Ls disappeared, bank lending stagnated and venture capital fell by 60 per cent (from \$4 to \$1.4 billion, 1987 peak to 1991 trough); business failures went up one-third from 1991 to 1992, amounting to 20 per cent of total for the country. Construction came grinding to a halt almost everywhere in the state, with housing starts circa 1990 hitting the lowest point since World War II.

Southern California has been the worst hit by the slump. The post-Cold War military cutbacks, which cost the state some 300,000 jobs, have walloped LA—a drop of almost 100,000 jobs in aerospace from the peak in 1987. Greater LA accounted for over a quarter of all job losses in the country 1990-93, losing around 20 per cent of its manufacturing workforce.⁶ Southern California hit the financial skids as paper empires sank without a trace and Milken, Keating and many lesser comen went to jail for double-dealing. The bottom dropped out of Japanese investment, mostly in Southern California real estate, which plunged from \$3 billion per year in 1990 to \$16 million in 1994. Then LA watched helplessly as a revived Bank of America bought out Security Pacific Bank in the largest financial merger in history.⁷

California sits on the cusp of an epochal change in the geography of capitalism in which its place is no longer secure.⁸ It has seen such economic sea changes before, brought home dramatically in the depressions of the 1870s, 1890s and 1930s, but previously the state has been at the forefront of new technologies, political initiatives and cultural change which brought it back from the abyss. This time, one cannot be sure. While an uptick in the business cycle is sure to restore some of the

⁵ Figures from the California Employment Development Department, cited in the *San Francisco Examiner*, 4 November 1992.

⁶ On job shrinkage in Southern California, see Allen Scott, 'The New Southern California Economy: Pathways to Industrial Resurgence', *Economic Development Quarterly* (forthcoming) Table 1, and Mike Davis, 'Who Killed LA? Part I: A Political Autopsy, and Part II: The Verdict is Given', NLR 197 and NLR 199 (1993).

⁷ In the Bay Area 120,000 jobs were lost 1990-93. San Francisco alone losing over 30,000 and Silicon Valley shedding 20,000. Losses peaked in the north in 1991, in the south in 1993.

⁸ For a budding recognition of the task facing California, see Council on California Competitiveness, *California's Future and Jobs*, Sacramento 1992, and Stephen Levy and R. Arnold, *The Outlook for the California Economy*, Palo Alto 1992.

may have passed irreversibly to the peoples of East Asia, and the imperial stature of the US may no longer be viable. No region (or nation) is ever immune from the inevitable downswings of accumulation and shifts in the fortunes of places.⁹

The Fall of the White Republic

The roaring fires of economic growth in California were fed by millions of workers from the US and around the world, as labour demand vastly exceeded the fecundity of the state's residents. California became an enormous magnet for those on the move, displacing New York as the chief American receiving area for immigrants. Some 400,000 migrants per year poured in during the 1980s (versus 300,000 births) and the state's population surged past 30 million by 1990, up 7 million in the previous decade (12 million in the last twenty years). As a result, less than 50 per cent of the state's current inhabitants were born here, though California's birth rate is 20 per cent higher than the rest of the US. This vast throng greatly exceeded the social carrying capacity of the state's infrastructure and human services. For example, school districts found themselves trying to educate millions of new children, as enrolment grew from 3.1 million in 1980 to 5.1 million in 1990 (headed for about 7 million in 2000 at the current rate of over 200,000 more kids per year), and there is a backlog of about \$13 billion in school construction, estimated to grow to as much as \$30 billion at the millennium.

The human flashflood completely transfigured the face of California's people and cities. The colour of the citizenry turned several shades darker as the number of Latin and Asian people swelled. From one of the whitest states in the US in 1960, California became the most polyglot with a majority of people of colour predicted for early in the next century (and already realized in Los Angeles, San Francisco and Imperial counties). Latinos rose sharply in number during the 1980s (by 70 per cent), Asians even more precipitously (by 127 per cent). By 1990, whites had fallen to roughly 57 per cent of the populace, while Latinos had jumped to 26 per cent and Asians nearly 10 per cent, African-Americans holding at about 7 per cent, and indigenous people at 1 per cent. The number of foreign-born leapt by 80 per cent in the decade, and now constitute over one-fifth of the total. A gigantic slippage of the San Andreas fault has moved 2.5 million Mexicans northward into the territory seized by the United States long ago, but the Philippines also added half a million, El Salvador, Vietnam, China and Korea each around one-quarter million; and there were over 100,000 from Guatemala, Canada, the UK and Iran. Nothing like this has been seen in the state or the country for almost a century.

This mingling of peoples of different origins presents a mind-boggling challenge of assimilation, with many sources of conflict. The imposing logistics of coping with millions of new people is compounded by their

teach kids who speak perhaps 150 different native languages. Health services must try to help people whose medical traditions and knowledge are worlds apart from US medicine. Childhood protective services must judge parental competence across vast gulfs of ignorance, as in the case in San Francisco where a baby was pre-emptorily seized from Laotian parents on the grounds that his older brother was abused (which he was not, in fact), and the infant died while in foster care before the case could be resolved.¹⁰

Class colours race, here as elsewhere. White people are quick to equate dark skin with poverty, dirty jobs and strange behaviour, classic characteristics of the working class which neatly confirm standard racist tropes.¹¹ Latinos (Mexicans, Salvadorans and Nicaraguans, in the main), Filipinos and Vietnamese are overwhelmingly working class, disproportionately serving as operatives, domestics, day-labourers, janitors, maids and dishwashers. The bulk of poor immigrants have crowded into inner-city neighbourhoods and older working-class suburbs, in search of affordable housing and access to low-wage jobs. Salvadorans in near Westside LA stock the furniture industry and gardening crews, Mexicans in East LA work in hotels, downtown offices and garment factories, Little Vietnam (Garden Grove and Westminster) supplies the electronics belt of Orange County. Many immigrant women are babysitters and housekeepers for the well-to-do, but thousands work in industry as well, as in the case of Koreans, Vietnamese and Mexicans in Silicon Valley electronics, Chinese women in San Francisco's resurgent clothing manufacture, or Filipinas in the city's tourist hotels. Overall, 79 per cent of Mexican-origin men were in blue-collar jobs in 1980 versus 55 per cent of white men. Wages for all these workers are low: Latino workers, for example, earn 70 per cent as much as white workers, on average. Per capita Latino incomes are 45 per cent that of whites because of larger families and greater unemployment. Blacks and Asians do somewhat better but not much; their per capita incomes are 61 per cent and 72 per cent of whites, respectively.

But the numbers of skilled workers, professionals and small business owners among the immigrants are also large, especially in the Bay Area with its higher proportion of well educated and capitalized immigrants from Hong Kong, Taiwan, and the Philippines. These people enter as students and remain in the US, arrive trained as doctors, engineers, teachers, nurses, and bank officers, or come to establish branches of family businesses. A stiff challenge to white supremacy is being mounted by these immensely qualified and successful new arrivals, who meet with white resistance to advancement within the sheltered ranks of the professions and management. Asians, in particular, continually complain about the 'glass ceilings' blocking their paths. Even in the more liberal north, rejected white student Alan Bakke sued the UC Davis Medical School over 'reverse discrimination' and won, while white male faculty opposition was equally fierce in the mid 1980s as the universities opened

⁹ Incident recounted by anthropologist Eric Crystal, UC Berkeley.

¹¹ See Robert Miles, *Racism After 'Race Relations'*, London 1993, and Balibar's essays in Etienne Balibar and Immanuel Wallerstein, *Race, Nation, Class*, Verso, London 1991.

⁹ For a general statement of this idea, see Michael Storper and Richard Walker, *The Capitalist Imperative*, Oxford 1989. Also Storper, 'The Limits to Globalization: Technology Districts and International Trade', *Economic Geography*, 68 (1992).

affirmative action and multiculturalism. Still, Stanford and UC Berkeley became the first colleges to institute anti-Eurocentric requirements.¹²

The yawning chasm between the classes that opened up in the United States in the 1980s left it with the most unequal income distribution of all the wealthy countries, and California led the pack along with the rest of the Sunbelt states. Those who owned capital did spectacularly well. California's jetstream of fast-track entrepreneurs and rentier families more than doubled to over 340,000 millionaires, and its richest men and women—Hearsts, Waltons, Gettys, Haases, Bechtels et al.—disproportionately fill the top ranks of America's *haute bourgeoisie*.¹³ Mike Milken has the distinction of earning the highest one-year salary ever, while Richard Riordan, now mayor of Los Angeles, made \$100 million as a promoter of leveraged buyouts. The California corporate managerial elite repay themselves more handsomely with every passing year; in the Bay Area the number of million-dollar executive paychecks jumped from five to 54 in ten years.¹⁴ And the middling bourgeoisie in the public sphere follow suit: the president of the University of California, David Gardner, and his many vice-presidents received million-dollar severance packages cooked up in secret before they bailed out. The notorious California Yuppies (professionals and managers) also prospered: average income for the top fifth of families rose during the 1980s by 15 per cent to \$107,000, and the Bay Area, spiritual centre of the Yuppie lifestyle, remained the richest metropolitan area in the country.

Meanwhile, the working class lost ground. California's high and rising median income is misleading because the real income of the middle 20 per cent of families remained flat through the decade (and even fell by 10 per cent in the wealthy Bay Area), while for the lower 40 per cent the bottom fell out, real incomes of the lowest fifth falling by 8 per cent.¹⁵ Ordinary wages leveled off or declined, while temping and part-time work increased. More individuals and families came to hold two or three jobs to keep their incomes up, or worked more overtime, so annual working time increased dramatically.¹⁶ Meanwhile, chronic job shortages and layoffs

¹² Multiculturalism is itself a problematic slogan that refers principally to integration for the upper classes. See Katharyne Mitchell, 'Multiculturalism, or the United Colors of Capitalism', *Antipode* 25 (1993). Still, it is far better than a new initiative being prepared by two conservative Cal State professors to repeal affirmative action throughout the state.

¹³ With 11 per cent of us adults in 1990, California had 17 per cent of millionaires and 20 per cent of the *Forbes* 400 richest Americans (his estimates reported in *San Francisco Examiner*, 21 August 1990).

¹⁴ *San Francisco Chronicle*, Annual Report on Executive Compensation, 23 May 1994. The US has the highest average salaries of CEOs and the lowest productivity gains since 1980. Andrew Shapiro, 'We're Number One', *The Nation*, 27 April 1994.

¹⁵ As a consequence, the state ranked thirteenth in growth of inequality in the 1980s. Figures by quintiles from a study by the Center on Budget and Policy Priorities, Washington, DC, reported in the *San Francisco Examiner*, 22 August 1994.

¹⁶ On the US as a whole, see Bennett Harrison and Barry Bluestone, *The Great U-Turn*, New York 1988; Kevin Phillips, *The Politics of Rich and Poor*, New York 1990; and Juliet Schor, *The Overworked American*, New York 1991.

twenty years, oscillating between 5 and 10 per cent depending on the business cycle. As a result, a staggering gap opened up between total state income and total wages (including salaried professionals)—a crude measure of total surplus value—which expanded from \$155 billion to \$350 billion over the decade.

Naturally, new battalions were added to the armies of the poor. The official poverty rate stood at 12.5 per cent in 1990, before the recession sent it to 18.2 per cent by 1993, putting California into the top ten states (just behind Arkansas) in this most impoverished of rich nations. South Central LA has a higher poverty rate than at the time of the Watts rebellion, and outside the coastal-urban belt in California's rural interior—in the timberlands, agricultural valleys, and deserts—there has been permanent high unemployment, stagnant incomes and high dependence on social support services right through the good times.¹⁷ Along with the new poor come the usual scourges: tuberculosis, malnutrition, infant mortality. The saddest aspect of this is California's astronomical rate of poverty among children (over 25 per cent, 33 per cent of those under six) in a country where kids are faring worse in every respect—suicide, murder, parental attention, nutrition, education, job prospects, and so forth—than anyone can remember.¹⁸

The chief cause of falling *real* wages was inflation in housing, as rents rose an average of 38 per cent and home-owner costs went up 62 per cent in the 1980s, putting the California median for both half as high again as the national average. In the centres of metropolitan growth, the number of new families, affluence of the upper echelon, and financial foldover among mortgage lenders drove housing prices through the roof: even before the recession, fewer than 10 per cent of the families in the *entire* Bay Area could afford to buy at the median house price (the highest among all major cities in the US), fewer than 20 per cent in greater Los Angeles. Working-class people, especially young couples starting families, have fled to the far peripheries in search of cheaper housing, while immigrants crowd into inner-city hotels, apartments, bungalows and even garages, most of them substandard; it is typical to find extended or multiple families packed by the dozen into single dwellings.¹⁹ Out in the sylvan countryside, things are worse, with migrant workers sleeping under the Napa River bridges, living along the San Joaquin River, or inhabiting caves in the Salinas Valley.

Political representation has narrowed to those with good jobs and ample homes. The California electorate today is two-thirds white, two-thirds over 40, and two-thirds earning more than \$40,000—the mirror image of the new California whose minions by and large do not participate as

¹⁷ For example, in the San Joaquin Valley, heart of agribusiness, county poverty rates are all over 20 per cent and public assistance rates around 30 per cent.

¹⁸ Study by Victor Fuchs and Diane Reklis of Stanford, reported in *San Francisco Chronicle*, 3 January 1992; see also the excellent periodic reports by groups such as Children Now, Children's Advocacy Institute, and California Tomorrow.

¹⁹ See also Nancy Leigh Green, 'What Happened to the American Dream? Changing Earning Opportunities and Prospects of Middle-Class Californians, 1967-87', *California History*, winter 1989-90, and Mike Davis, *City of Quartz*.

classes, and they have the most to lose', in the honest opinion of a nign-placed Republican Party member.²⁰ People of Asian, African and Latino origin represent 47 per cent of the total population, 43 per cent of adults, 30 per cent of citizens eligible to vote, 24 per cent of registered voters and only 17 per cent of actual voters in 1992. One-third of Latinos, for instance, are ineligible to vote by reason of youth, one-third by lack of citizenship, and of the remaining third only one in three are registered and one in six actually cast their ballot in any given election: a total of about one-thirteenth participating. Political representation of minorities is predictably scant at every level of California's thousands of governmental councils. Even San Francisco, with its liberal reputation, has little history of electing non-whites to the Board of Supervisors.²¹

In short, a people rising like a flood from tributaries around the globe have overflowed the old channels of social order, threatening to scour away the embankments of power and silt over the landscape of white California. Keeping them out is as much an exercise in futility as the Army Engineers' battle against the crumbling levees along the Sacramento River. Yet the darkening complexion of California evokes the fears of Anglo-Europeans whose position of dominance is eroding faster than the Malibu coastline. At the same time, class contradictions have sharpened as working-class comfort and security have declined in tandem with a massive engorgement of the rich. Working-class anxiety over unemployment, bad wages, poverty, job competition, housing and health care is rife. The ruling circles may wonder, moreover, whether anxiety might turn to hostility to the wealthy and their bad management, hidden welfare benefits, and s&1 felonies. And because the working class and non-white peoples now overlap to such a degree, racial resentments could put fire in their bellies. The burghers of California might well worry that the chief mechanisms for the integration of new cohorts of workers into American national, racial and classless identity during the great migrations of the nineteenth and early twentieth centuries, as well as during the Great Depression—the unions, the schools and electoral politics—are in total disarray.

Governmental Rigor Mortis

Faced with the gravest crisis in half a century, Californians find themselves without a working government or effective political system to provide direction in a changing world. The treasury is empty, the governor refuses to lead, the legislature is paralysed, money buys everyone in politics, and the citizenry are disenfranchised. The state has gone in the course of the last twenty-five years from having probably the cleanest politics, and best machinery of government in the us, to having some of the worst, establishing basic trends for the country as it went.

²⁰ Steve Merksamer, chief of staff to former Governor George Deukmejian, who continues on the worrisome note that, 'It is not in anybody's interest to have people grow up disenfranchised, angry and bitter. That is not in the long-term health of this society . . . When you have despair and disillusionment, it can lead to dangerous outcomes.' Quoted in the *San Francisco Examiner*, 1 May 1994.

threatened state government with bankruptcy for the last several years, triggering massive expenditure cuts. Somehow a missing \$6 or \$9 billion has been scraped up at the last minute to paper over the remaining gap. This shell game came to an abrupt end with the 1992-93 budget's \$11 billion shortfall out of a total of \$50 billion. When the governor and legislature refused to compromise on tax increases versus spending cuts, the state was left without an operating budget. Government workers were issued paper 100s after the banks refused to carry the deficit any further, and California became the biggest government bankrupt in us history (exceeding New York City in 1974). Yet in 1994 the state was again borrowing \$7 billion and rolling over another \$5 billion deficit.²²

Virtually all of the key functions of state government have been cut back dramatically over the last four years. For example, California has plummeted from being one of the highest ranked states in the us in per pupil spending on public schools to 38th, a couple of notches above Louisiana. It now has the largest average class size of any state, and a backlog of deferred maintenance 45 times the national average. Half of California's 1019 school districts were in the red in 1992 and 27 districts were on the edge of bankruptcy, including Los Angeles, Oakland, and Berkeley. The only growth in expenditures has been for prisons, on which California now spends virtually as much as for all higher education in the state, and with the passage of the 'Three strikes you're out' law (three felonies = 25 years to life mandatory sentence), prison building will eat up new revenues for years to come.²³

The biggest fiscal bite has come out of the hide of local governments (cities, counties and special districts). They bore the brunt of Proposition 13 (1978)—the beacon of the us 'tax revolt'—which rolled back property taxes, the mainstay of local jurisdictions, by about 60 per cent.²⁴ After slashing spending in the early 1980s, local governments have been forced to rely on a rickety, regressive system of parking tickets, user charges, developer fees and sales taxes, supplemented massively by state and

²² Figures from *San Francisco Chronicle*, 22 September 1994, and Prof. Leo Estrada, UCLA. On San Francisco, see the *San Francisco Chronicle*, 31 October 1994.

²³ The total state budget for 1994-95 consists of about \$40 billion in 'general funds', \$12 billion in 'special funds' (mostly for highways), and \$3 billion of 'bond funds' (such as for water projects). Most discussions focus on the general funds, which are allocated as follows: 40 per cent primary and secondary education, 10 per cent higher education, 30 per cent social welfare and medical, 9 per cent prisons and law enforcement, 11 per cent remainder. Source: Assembly Office of Research.

²⁴ The comparison between prison growth and university shrinkage is illuminating. From 1978 to 1994, prisons went from 3.9 per cent to 9.8 per cent of the state budget, while higher education fell from 14.4 per cent to 9.8 per cent of the budget. Meanwhile, no new college campuses were constructed, faculty have been laid off wholesale, enrolments have dipped by tens of thousands, and tuition has been raised many times over (figures from the *Bay Guardian*, 31 August 1994). Estimates of the cost of 'three strikes' vary from \$1.1 to \$5.5 billion per year.

²⁵ A few new state taxes, mostly regressive sales taxes, were raised to generate an extra \$8 billion in 1991-92. For an overview, see Lenny Goldberg, *Taxation with Representation*, Sacramento 1991.

social and oungetary commitments of their own, have been toisting responsibility for the implementation of laws onto local governments, regardless of fiscal capacity, while cutting local revenues by billions.²⁵ The biggest and richest jurisdictions, like San Francisco, have cut thousands of jobs and millions in expenditures. The smallest and poorest, such as Butte County, have stopped paying their bills. And Orange County, rich and Republican, went bankrupt in spectacular fashion (on a scale larger than New York City) after the county treasurer lost \$2 billion speculating in bonds and 'derivatives' with borrowed funds.

The deficit is being treated as an Act of God, but assuredly it is not. Proposition 13 allowed a huge proportion of the total wealth of the state, tied up in real estate, to go untaxed. The continuing tax revolt of the early 1980s led by Howard Jarvis and Paul Gann rolled back state income and inheritance levies. As a consequence, California has fallen from fourth among the states in fiscal effort (state and local tax rates) to twentieth—from \$148 to \$100 per \$1000 of personal income over the 1980s. The deficit is therefore in large part a fraud. Restoring the income tax and the property tax to the rates of 1970—before the inflationary run-up of the 1970s—would virtually eliminate it, despite revenue losses from a sour economy.²⁶

The failure of leadership begins with those occupying the governor's office. Ronald Reagan launched his political career as governor from 1966 to 1974 and began testing his revanchist policies. But he nonetheless raised taxes and was opposed by a Democratic-controlled legislature by an effective machine-style politician, Jesse Unruh. Nor had the electorate given up on liberalism, as it gave Democrat Jerry Brown landslide victories in 1974 and 1978, while electing Alan Cranston to the Senate from 1968 to 1992. Progressive Republicanism of the Earl Warren variety survived until the late 60s, in men like Senator Thomas Kuchel, who refused to back Reagan, and state gop chair Cap Weinberger (who later jumped on Reagan's bandwagon). But this branch of the party was pushed out by the New Right's spear-carriers, including such luminaries as George Murphy, Max Rafferty, and S.I. Hiyakawa (the John Silber of his time).

Jerry Brown was a curiosity. Infused with the spirit of environmentalism, spiritualism, and labourism, he came in with a left liberal agenda. But his monkish inclination for the simple life carried over into a budgetary

²⁵ Cf. Davis, 'Who Killed LA?' Part 1. Regressive state and local taxes further impoverish the property-less class and lead to such absurdities as \$2.87 parking fines in San Francisco or a suburb of LA refusing a manufacturing plant in favour of a retail outlet because the latter pays sales taxes.

²⁶ Goldberg, *Taxation* ... The state deficit would disappear if California even taxed real estate at the average national rate. Advisory Commission on Intergovernmental Relations, 1988. *State Fiscal Capacity and Effort*. Washington, DC, cited in Davis, 'Who Killed LA?', Part 1, p. 28. Tax critics like to point out that reductions have been partly offset by high fees for services and that California has the seventh highest taxes of any state if you include federal taxes, but parking tickets are not doing the job (and are regressive), while federal taxes are high because state income is high.

hospitals. Accused of ruining the state's business climate, Brown began backpedalling to avoid the on-rushing conservative tide. Brown began capitulation came after the passage of Proposition 13, when he did an abrupt about-face from principled opposition to propositional opportunism; from then on, no one trusted him again. Brown was swept out of office in 1982 by a latter-day Calvin Coolidge from the Central Valley George Deukmejian, who set about dismantling key regulatory structures such as the Coastal Commission, vetoing any new legislation, and letting the rest of government fall into disuse. He was re-elected at the height of the Reagan boom and sat on his hands for another four years. Deukmejian embodied Michael Huffington's blunt proclamation that a good Republican wants a 'government that does nothing'.

California government suffers from advanced legislative sclerosis, as well. Like all American legislatures, this one is an unruly system of personal fiefdoms lorded over by long-standing members of the Senate and Assembly. The liege-lord of them all is Willy Brown, longest running Speaker of the Assembly in state history, who has deftly kept his minions in line by careful distribution of state Democratic Party funds. General distaste for Speaker Brown's methods overlays a deeper sense of outrage at a legislature grown increasingly venal over the years. In the 1990s California was touted for its model legislature, made up of professionals and operating year-round, but full-time politicians proved as corruptible as any others in the money-saturated environment of big-time lobbying and expensive election campaigns. Several key legislators of both parties have been successfully entrapped and prosecuted by federal agents for accepting bribes.

Political parties have become mere shells in California, which has set the pattern for modern media-driven election campaigns that focus on free-range candidates rather than party platforms. The Man on the White Horse syndrome goes back at least to Hiram Johnson's election as governor in 1910, followed by the ever-smiling Sunny Jim Rolph. The newspapers of the nineteenth century were so politically jaundiced that they produced at least two editorial shoot-outs and the first national media mogul, William Randolph Hearst, master of 'yellow journalism'. Hollywood later entered the fray with gusto, with its sustained attack on Upton Sinclair's radical EPIC campaign of 1934. Meanwhile, so-called reformers have vigorously peddled the snake-oil of 'non-partisanship' as a cover for bourgeois class and Republican Party dominance by other means. Abolition of parties was twice almost written into the state constitution, and candidates for many state and local offices—including Attorneys General, judges, and county Boards of Supervisors—are prohibited from wearing party labels. It is no surprise, then, that monetary discipline substitutes for coherent party ideology, candidates run on their bank accounts rather than their principles, and media careers are considered ample experience for political office.

Michael Huffington's run for the US Senate in 1994 was no aberration to Californians. Leland Stanford bought himself a Senate seat a century ago; W. R. Hearst was no less bold in using inherited wealth to buy an office in another state; Reagan and Murphy were no less pretty faces and empty

Hollywood.²⁷ Only the quantity of money spent has gone up: Huffington spent over \$30 million of his unearned Texas oil loot, while winner Diane Feinstein (married to a rich financier) spent another \$24 million, versus an average nationally of \$4 million to purchase a Senate seat.²⁸ Nor did Kathleen Brown's \$21 million defeat for governor come as a shock, despite a vast early lead in the polls: she had nothing on offer, except softer versions of incumbent Pete Wilson's vile pledges on crime, immigrants and welfare mothers. The Democrats have ceased to represent a viable alternative, but after all they only did so in California for about twenty years after Edmund Brown, Sr.'s election as governor in 1958. When radical movements have arisen in California, they have had to create their own organizations, such as the Workingmen's Party in the 1870s, Union Labor Party of the 1900s, EPIC in the 1930s, and the Peace and Freedom Party in the 1960s (or local variants such as Berkeley Citizens' Action or the Black Panther Party in Oakland).

The general sclerosis of representative government in California has led to unnecessary and possibly terminal bypass surgery. In the absence of effective political leadership, party structures, and law-making, political activists have bypassed the ordinary channels of government. One striking means is use of the Ballot Initiative, or law-making by direct vote. Many of the most vital issues of the last twenty years have been decided by this means. Conservatives have had a field day with the initiative game, passing Proposition 13, a Victims' Bill of Rights, Proposition 183 (three strikes) and funds for prison building. Liberals have responded in the same coin, as with toxic substance control, insurance control, and coastal preservation, but have more often lost. Initiatives are subject to the same vagaries of money flows and media campaigns as ordinary legislation, as it turns out, and the number of initiatives has grown so vast that ballots have become overgrown monsters incomprehensible to any but the most politically educated and dedicated of voters.

At the same time, judicial law has been filling in the gaps in government. Here again, the conservative agenda has had the upper hand and helped to freeze government in its tracks. The state and federal judiciary have been carefully selected by Republican executives. To speed matters along, the Right (led by LA's Richard Riordan) pulled off a stunning coup d'état in 1986 by removing the three most liberal justices of the California Supreme Court, targeting for particularly vitriolic attack the first woman Chief Justice, Rose Bird. Unbelievably, the liberal justices and the Democratic Party sat on their hands throughout the campaign. California's high court, once a paragon of legal scholarship and activism, is now notorious

²⁷ For a devastating portrait of Huffington, see Sidney Blumenthal, 'The Candidate', *The New Yorker*, 10 October 1994. Blumenthal is right to deny any real parallel with Reagan and his movement, however.

²⁸ National figure drawn from Jamin Raskin, 'Challenging the Wealth Primary', *The Nation*, 21 November 1994. A progressive Proposition 73 passed in June 1990 put ceilings on campaign contributions, but was overturned in the courts on the eve of the November election—money having been determined to have rights of free speech by the Supreme Court in 1976 in *Buckley v. Valeo* (which Raskin aptly compares to *Plessy v. Ferguson* in the 1880s). On Feinstein's checkered career as a New Democrat, see Larry Benske, 'The Best Senator Money Can Buy', *East Bay Express*, 18 November 1994.

toward business and unparalleled eagerness to uphold death sentences.²⁵

California further suffers from an electorate drifting away from politics. Voting has declined steadily since early in the twentieth century, reaching all-time lows in the 1990s of about 54 per cent of eligible adults in presidential elections, 40 per cent in gubernatorial elections and 25 per cent in midterm primaries. Of those not voting, almost half are working people who pay no attention to government and politics, while a quarter are actively alienated from the process (the last quarter are the contented apathetic).²⁹ Voter apathy reflects the euphoria of government: a non-functional state is hardly worth bothering over; the two big parties are indistinguishable; long lists of propositions are daunting; anti-government rhetoric teaches people not to care; vitriolic campaigns teach voters not to trust politicians; and the open purchase of politics cheapens voting. Another major reason for the receding electorate is the enormous growth of the state. With caps on the number of legislators, size of representative districts has ballooned. A state senator today represents an average populace of 800,000, far more people than us Congressional districts; LA City Council members represent a quarter-million people apiece.

The death of government and electoral politics has sources deep in California's monied culture, rootless people and middle-class libertarianism, and in its adherence to a modernist form of denatured politics—now rampant throughout the capitalist world—in which parties without away, candidates offer personalities not plans, and political sales-pitches are sold in sound-bites. But it has, like the failures of the economy and of social integration, much to do with the political imagination of the bourgeoisie and the rightward flow of politics, to which we now turn.

Dead-End Discourses

Californians are supremely unprepared for the scope of the three-pronged crisis. Public discourse on the economy, race relations and the public weal, except of the most celebratory kind, has virtually died out. No one anticipated such failure; no one thought it could come down so hard. Faced now with economic restructuring, governmental deadlock, and social recomposition, the higher circles of California business and politics have little on offer. In place of industrial policy debates, education and rebuilding programmes, or strategies for political renewal, we get a steady diet of propaganda and irrelevancy around three major axes: salvation through the free market, the criminalization of the poor and the dark, and fiddling with the ends of the governmental Gordian knot. The bourgeoisie revel in smug self-congratulation, golden parachutes and

²⁹ 'Decline of the State Supreme Court', *San Francisco Chronicle*, 16 November 1993. The tactic of attacking individual officials proved so successful it was repeated in 1993 with the removal of the liberal, popular and effective State Superintendent of Education, Bill Honig. Honig was indicted by the vicious Dan Lungren, conservative Republican State Attorney General and tried by a Republican judge, James Long (a former Democrat) who made any defence of Honig's reputation and honesty beyond the narrowly incriminating evidence impossible. *San Francisco Chronicle*, 30 January 1993.

³⁰ Mervin Field poll, as reported in the *San Francisco Examiner*, 1 May 1994.

police patrols, and reduced social expenditure for the working class.

Free Market Evangelism

The first prevailing delusion is the neo-liberal cant that economic well-being rests exclusively on the free market and private initiative of business firms. While the rest of the booming Pacific Rim is run with the strong hand of government at the helm of industrial policy, us capitalists are still beating the bible of the entrepreneurial spirit. California's new class of cowboy capitalists think too highly of their own resourcefulness, and too little about the contributions of the labour force, public infrastructure, or the collective nature of industrial achievement. They have been encouraged in this by the way Silicon Valley, Hollywood and the biotech industry have become global icons of free-wheeling initiative, as well as how American military prowess is second to none, as if there were nothing more to it all than wily businessmen, engineering and venture capital.³¹ Like earlier generations of Californians who waxed fat from the natural wealth of the land, today's bourgeoisie lives off the fruits of social investment and labour involved in their spectacular success. Little do they realize that California needs an industrial policy, or a set of investment strategies and mechanisms of sectoral governance, geared to long-run innovation, improving business organization, upgrading labour skills, providing collective infrastructure, and enlarging markets—i.e. for keeping the state on the high road of development.

Little recognition is given to the state's long history of industrial policies reaching back to the Gold Rush era, when water and land laws were reinvented on the spot. Subsequently, railroads were planned, aqueducts laid out, irrigation systems rationalized, urban land development systematized, ports carved out of the coastline, long-distance communication and electricity systems put in place, and new universities founded—all with massive government intervention at every level, collective effort led by key capitalists like Charles Crocker, and by carefully engineered class alliances to insure wide popular backing. And all this happened *before* anyone heard of the New Deal (which California hardly noticed, in the event). After World War II, California's developmental policies, backed generously by government muscle and finance, included the world's largest and most advanced highway network, higher education system, water projects, and university and public research apparatuses for agribusiness, medicine and electronics (among others), as well as important port modernization schemes, land use management reforms and the like.

A most egregious bit of ideological blindness is the treatment of the military industries as if they weren't a form of state planning and subsidy on a colossal scale. Reagan talked a good line about reducing government interference and 'welfare' but happily pumped up military spending to

industrialization since the 1960s has also been remarkably sterile in terms of industrial process and consumer product development, given the logic of keeping ahead of the world in arcane weaponry, and increasingly walled off from the competitive and multiple-use character of production for the open market. Even modest post-Cold War cuts have left the state frantically trying to induce some kind of 'reconversion' of military bases and weapons companies to peaceful uses. So far, projects such as the electric car, trolleys and base-recycling have shown little promise for economic revitalization, and though these efforts have stimulated some public discussion of alternatives and the need for collective direction, one also hears whines from the governor on down that the federal government (and specifically Clinton) have 'abandoned us'.³²

The main thrust of policy in California has been more relevant to a backwater like Arkansas rather than to a premier industrial region.³³ The last two governors have established expensive programmes to advertise California, as if no one knows we're here. Huge enterprise zones have been carved out of San Francisco, Oakland and LA to promote urban economic renewal, as if sweatshops and cheap labour had not already been a hallmark of growth. And the business wolves bay after more tax cuts, less spending and fewer regulations, their howls amplified by the current recession. They have had a friendly hearing from Pete Wilson, who appointed a Council of Economic Advisors consisting of Reagan veterans Milton Friedman, Bruce Boskin and George Schultz, as well as a Council on California Competitiveness under LA's Peter Ueberroth whose report recapitulated the usual liturgy against taxes, red-tape, litigation and regulation. As for the Democrats, Speaker Brown called a State Economic Conference early in 1993 in imitation of Clinton's national conference to serve as a public forum for business belly-aching. A package of bills shot through the legislature in 1993 to limit worker's compensation claims, blunt environmental regulations and lower business taxes by another \$400 million. The president of the California Manufacturers Association called it 'an unbelievably happy occasion for all of us'.³⁴

³² For excellent discussions of the military industries and California, see Ann Markusen et al., *Rise of the Gimbelts*, and Ann Markusen and Joel Yudken, *Dismantling the Cold War Economy*, New York 1992. On the long history of Western whining about the federal government, see Patricia Limerick, *Legacy of Conquest*, New York 1987.

³³ Storper and Walker, *The Capitalist Imperative*, Saxonian, *Regional Advantage*. Scott, 'The New Southern California Economy' contains an insightful statement on the right and wrong paths for that region. For the delusional version of the high-road notion of development, in which only 'symbolic analysts' count, see Robert Reich, *The Work of Nations*, New York 1991. For a sober assessment of rising costs in California, see Martin Kenney and James Gordon, *Japanese Manufacturing Investment in California*, California Policy Seminar Report 1992.

³⁴ See again Council on California Competitiveness, *California's Future and Jobs*. On the Chamber of Commerce's coalition of industry lobby groups called Californians Against Red Tape, and their legislative and media blitz, see the *Bay Guardian*, 30 June 1993. CMA quote from the *San Francisco Examiner*, 7 October 1993.

³¹ E.g. John Zysman, *Political Strategies for Industrial Order*, Berkeley 1977. See the critique of the 'Silicon Valley fever' idea by Annalee Saxenian, 'Let Them Eat Chips', *Society and Space* 3 (1991).

community think the city's future rests on clean streets to please the tourists and cutting back City Hall to revive downtown, and they have organized an association called Jobs to promote this superficial agenda under the battle cry that the city has the highest tax rates and city payroll in the country. In Silicon Valley, Intel—the world's most successful semiconductor maker—has extracted \$30 million in state tax credits and \$5 million in local property tax rebates for a new \$500 million chip factory, after blackmailing the state over two assembly plants located in Arizona and New Mexico on the excuse that California was too expensive; never mind that this pattern of investment replicates Intel's spatial division of labour of the last twenty years. (Intel's hubris led to disaster in the Pentium affair, when it tried to bulldoze customer complaints over a flaw in its latest processor chip.) Meanwhile, Los Angeles tried a private enterprise scheme under Ueberroth to 'Rebuild LA' after the 1992 riots, which came to nothing, and up in the north end of the Central Valley people are mesmerized by a hare-brained scheme of a rogue Walt Disney (indicted in Ohio for a pyramid scheme in the 1970s) to pull off a 1,600-acre, \$3 billion country music theme park called 'Celebrity City'.³⁵

Cost cutting in the name of competition is the low road to development, more vulnerable to low-cost production from abroad, and is the wrong route for California to follow. Nonetheless, the last generation has seen a ballooning of the cheap-labour mode of production in furniture, agribusiness, hotels and restaurants, especially in Southern California. For example, the number of male workers in L.A. earning under \$20,000 per year has tripled since 1973, and the average wage of production workers fell by just over 20 per cent in real dollars. This trend may well send California on a disastrous slide.³⁶ Unfortunately, a mean-spirited yet innovative middle route to growth can survive for a long while, if class and race contradictions can be contained. Certain sectors and places can enjoy the best of high productivity and cheap labour as the new us auto plants in Mexico demonstrate. In California, the garment industry, electronics and agribusiness have long been highly productive and dynamic while depending heavily on mass cheap labour for standardized tasks in a bifurcated division of labour.³⁷ But could the whole state survive as a high-tech sweatshop or tomato field?³⁸

³⁵ On LA see Eric Mann, 'Los Angeles—A Year After, (I) The Poverty of Corporatism; (II) The Left and The City's Future', *The Nation*, 29 March and 3 May 1993. On SF the *Bay Guardian* is the best source on the activities and ideology of SF jobs.

³⁶ Figures from Davis, 'Who killed LA?' (II) p. 47 and Scott, 'New Southern California Economy', Table 3.

³⁷ For a current view of agriculture, see Don Villarejo and Dave Runsten, 'California's Agricultural Dilemma: Higher Production and Lower Wages', California Institute for Rural Studies, Davis 1993. Standard critiques of Silicon Valley are Lenny Siegal and John Markoff, *The High Cost of High Tech*, New York 1985, and Denis Hayes, *Beyond the Silicon Curtain*, Boston 1989.

³⁸ For a more sophisticated treatment of possible capitalist roads of development than the high and low duality used here, see Storper and Walker, *Capitalist Imperative*, and Richard Walker, 'Regulation and Flexible Specialization as Theories of Capitalist Development', in Helen Liggett and David Perry, eds, *Spatial Practices*, Thousand Oaks, CA 1993.

informal networking and cooperation, which is a mainstay of the continued success, but building more permanent institutions has proved more difficult. 'Silicon Valley: Joint Venture', a recent effort to map out a collective strategy for the region's electronics industry, is stuck on a false base.³⁹ They have agreed to no more than a modest proposal for a regional clearinghouse for information and intra-industrial contacts. It has been left to the city of San Jose to run a programme to help firms network with one another and to set up a Center for Software Development where small firms can test their programs on a wide spectrum of expensive machines. Thus it is that high-tech hopes in the Valley—and across California—pinned primarily on GATT and NAFTA, for reasons of greater export cheaper inputs, easier offshore production and control of intellectual property rights. Some fifty-two of the top hundred high-tech 'global manufacturers' in the us are in California, twenty-six in Silicon Valley alone.⁴⁰

The most encouraging sign of a larger vision is William Hewlett's donation of \$70 million to create a West Coast think-tank for social policy formation. But during all the years when California capitalists and the house intellectuals should have been thinking about the next stage of development, they were busy speculating in buyouts, junk bonds, and political careers. The golden ship was left to drift. Now that it has run aground, the business class needs to demonstrate some measure of unit creativity and foresight for the fortunes of the state to be maintained instead they remain wedded to entrepreneurial initiatives, cost-cutting and buying politicians for selective private advantage.

Crimes of Poverty

The second trope in the ideological mystification of the state's woes is the criminalization of the poor and foreign. While the argument is woven from several strands, the common theme is very clear: the homeless gangsters, unwed mothers and illegal aliens are to blame for California's descent into the maelstrom. What is covered up very nicely in the process is any reckoning of the responsibility of the elite who have long dominated California for its current abysmal state of affairs.

California—particularly Los Angeles—has led the way in a national wave of hysteria over crime and a profound transformation of the criminal justice system in America over the last thirty years.⁴¹ This has been a

³⁹ Silicon Valley: Joint Venture is backed by the executives of dozens of companies including Intel, Selectron and Hewlett-Packard. It is the brainchild of Tom Hayes, whose company, Applied Materials, has recently regained the lead from the Japanese in supplying silicon wafers. On the networking of Silicon Valley firms see Saxenian, *Regional Advantages*, and on the weaknesses inherent in this arrangement see Richard Florida and Martin Kenney, *The Breakthrough Illusion*, New York 1991.

⁴⁰ Ranking from *World Trade*, reported by San Jose Office of Economic Development, November 1994.

⁴¹ I thank Tony Platt, CSU-Sacramento, for many of the following ideas. Ironically, California's execution of Caryl Chessman in 1956 was the symbol for the movement that ended capital punishment in the us for the next quarter century. Chessman was gassed for forcing a woman to perform oral copulation.

ning with the Nixon presidency, the War on Crime was unleashed under the banner of restoring 'law and order' in the face of mass social unrest and urban revolts, above all the Watts Rebellion. Large doses of federal money pumped into state and local governments added new battalions to the police legions, gave them new armaments of repression, put more bite into criminal penalties, and built hundreds of new prisons. All this was radically intensified under the banner of Reagan's War on Drugs, when LA's 'gang wars' were engraved on public consciousness and Northern California marijuana fields came under aerial assault.⁴³ The anti-crime wave has been newly topped off by the \$30 billion Crime Bill passed by Clinton and the Congress in 1994—with LA's recent revolt and the kidnapping-murder of the Bay Area's Polly Klass (the Lindbergh baby of our time) in the forefront.⁴³

Since the early 1980s, California has made prison-construction its main form of infrastructural investment, spending over \$5 billion on 19 new prisons, and has raised the number of people incarcerated from 23,000 in 1980 to 125,000 today (200,000 if one includes local jails and youth camps). Vacaville (near Sacramento) is now home to the world's largest prison, a title soon to be taken away by planned expansion of San Quentin. California jails more young black men than South Africa, and ranks along with Mississippi among the worst states in prison brutality. A federal court has just ruled that Pelican Bay, the state's 'model' high-security prison, violates constitutional protections against inhumane tortments. Prison guards average \$47,000 per year, equal to a full professor in the state college system. The 'three strikes' law will require new prisons, costing fifteen to twenty billion dollars, to be stuffed with tens of thousands of aging men—the least likely to be repeat offenders—wasting away in the American Gulag.

The Democrats have fallen in line with the ideology of the crime-stoppers, with candidates across the country vying for the honour of dispatching the occupants of Death Row most quickly. Gubernatorial candidate Brown's stance on crime was made of the same smarmy hypocrisy as Bill Clinton's views on pot, war and gays: she was morally opposed to capital punishment, but would pull the lever anyway. While crime and violence are endemic to the United States in a way that exceeds by far all other wealthy capitalist nations, the spectre that haunts the white middle and upper classes is out of all proportion to the danger, and they

⁴³ For a telling portrait of the War on Drugs, see Davis, *City of Quartz*. Gangs are a central issue in the south, but much less prominent in the north. At a recent conference in Oakland, Attorney General Dan Lungren brought his programme for criminalizing and gassing more teenage gang members and was rebuked by Oakland city councilmember Ignacio De La Fuente for failing to address the root of the problem, unemployment.

⁴⁴ Without the Polly Klass tragedy, 'three strikes' would not have passed the California legislature or been included in the national crime bill. But even Polly's father, who lobbied in Washington for the Crime Bill, thinks California's version is 'ill-conceived and unfocused', because three out of four felonies are not violent crimes. The 'three strikes' proposition's three biggest financial backers, by far, were Michael Huffington, the California Correctional Peace Officers, and the National Rifle Association.

arrested and incarcerated in larger and larger numbers (the highest rates in the world), but crime rates have been level since 1970. Crime is still blamed on lack of deterrence, despite millions of new police and security guards and all the hardware thrown at the problem. Affluent whites are locking themselves away in gated communities, even though most crime befalls the poor and most violence is wrought against family members. Crime has been radically racialized, so that people of colour are now incarcerated at six times the rate of whites, even though 90 per cent of murders are perpetrated against members of one's own race.⁴⁴ Jails have grown into vile schools of inhumanity that breed racism and brutality. And politicians are busy appealing to 'angry white men' when these are the largest single group committing crimes of violence.

The attack on the poor is equally long-standing, beginning with Nixon's dismantling of the War on Poverty and Great Society housing programmes. But it was Reagan who launched the most virulent campaign to punish welfare mothers, subsidized renters, and free-lunching schoolchildren. Social assistance cutbacks threw millions into poverty and thousands onto the streets without shelter. California's economic decline and stinginess continue Reagan's evil work. Statewide AFDC (child-based welfare) cases rose 40 per cent from 1988 to 1993, more than doubling in Orange County, even though benefits had fallen 20 per cent in real terms since 1973.⁴⁵ While poverty is back at Depression levels, general assistance has been cut to the nub by counties in the name of budget balancing. Wilson's effort to perform major surgery on welfare support, barely defeated in 1992, is back again in his post-election programme. Homelessness catapulted into public consciousness by the middle of the 1980s, but as time has worn on the evocative power of street beggars turned from pity to disgust, as the bourgeoisie tired of the homeless littering the streets. LA police began sweeps to rid downtown of thousands of vagrants in the mid 80s. In 1992, San Francisco elected ex-police chief Frank Jordan mayor, and draconian sweeps soon began under the 'Matrix Plan', with hundreds arrested for sleeping in the Civic Center, a permanent police patrol assigned to bum-detail, and police accompanying social workers to urge homeless to go to shelters.⁴⁶ We are presently being treated to the delicious irony of people being arrested for trying to feed the poor in front of City Hall. Up and down the West Coast, severe anti-panhandling laws are being passed easily by city councils and voter initiatives, throwing us back to the days of 'anti-loitering' laws enacted to deal with 19w organizers and Depression-era hoboes. Even Berkeley electors just approved two measures to limit begging and public lounging where it would discomfit those with money, having already

⁴⁴ Figures from Tony Platt and from Doug Henwood's *Left Business Observer* 62, 7 March 1994.

⁴⁵ *San Francisco Chronicle*, 13 December 1993. On the Reagan era cutbacks generally, see Fred Bloch, Richard Coward, Barbara Ehrenreich and Frances Piven, *The Mean Season: The Attack on the Welfare State*, New York 1987.

⁴⁶ On homelessness in LA, see Jennifer Wolch and Michael Dear, *Malign Neglect: Homelessness in an American City*, San Francisco 1993; on Jordan and Matrix, see Scott Winocur, 'Frank Jordan's War on the Homeless', *San Francisco Examiner*, 6 November 1994.

that they intimidate ordinary (i.e. white, middle-class) citizens.

The Anti-Immigrant Backlash

Now it is immigrants' turn to be criminalized for their poverty, as the deplorable 'Save Our State' initiative, Proposition 187, shows. Numbers alone could be expected to trigger a nativist reaction among those whose ancestors arrived far enough back to qualify them as *real* Americans, as happened in the 1850s and 1900s. The refrain is always the same: former immigrants were good, hard-working assimilators, while the new ones are inferior, parasitic and implacably foreign. California has an ignoble history of this sort of distinction. By the 1920s, Lewis Terman of Stanford, co-developer of the IQ test, was calling Mexicans 'uneducable' and practical eugenicists were sterilizing more 'defectives' in mental hospitals and prisons here than anywhere in the us. More recently, William Shockley of semiconductor fame and Arthur Jensen of UC Berkeley were the foremost exponents of African genetic inferiority. Today biologists Paul Ehrlich of Stanford and Garrett Hardin of UC Santa Barbara provide scientific cover for the Federation for American Immigration Reform (FAIR), the major force behind 187. The political brains behind the sos initiative are Californians Alan Nelson and Harold Ezell, former National and Western Regional directors of the INS under Reagan, while the popular movement issues forth from the bowels of white suburbia in Southern California and the Central Valley.⁴⁷

But nativism is overlain with economics. The recession has recruited a certain number of working people, including many African-Americans, to the argument that immigrants take away jobs from locals. No doubt there is some competition, but labour-market segmentation channels immigrants heavily into jobs expressly meant for them: a sector such as garments may bloat up with sweatshops full of cheap immigrant labour but would not expand at all with more expensive resident labour had immigrants not been available. Migrants are thus drawn overwhelmingly by labour demand rather than pushed out of their home countries by poverty, as the close correspondence of business cycles and migration cycles shows. The 1986 Immigration Reform and Control Act recognizes this fact by strong employer sanctions (never enforced by Nelson and Ezell's INS). At the same time, blacks remained unemployed in large numbers at the height of the boom, having lost thousands of union jobs in the shutdowns of 1980-82 and being uninvited to the industrial banquets in Orange County and Silicon Valley. Nor do immigrants make unemployment worse in recessions: while labour supply tends to overshoot job demand at the beginning of an economic downturn, people soon learn not to come or decide to return home; as a result, net migration to California hit zero in 1993 as the recession bottomed out.⁴⁸

⁴⁷ *San Francisco Examiner*, 12 December 1993; Mike Davis, 'California uber Alles', *Red Pepper*, January 1993; Elizabeth Kadetsky, 'Bashing Illegals in California', *The Nation*, 17 October 1994.

⁴⁸ On migration, labour demand and cycles see Brinley Thomas, *Migration and Economic Growth*, Cambridge 1974; and, for California, Margaret Gordon, *Employment Expansion and Population Growth*, Berkeley 1954. On black unemployment

crisis and political opportunism in the absence of any other plausible ideas for solving California's problems. New people do, in fact, need schools, health care and other government services which a bankrupt state cannot provide. Hence the sudden spasms of concern over the social costs of poor foreigners crowding schools, clinics and welfare offices. Proposition 187 denies all public services to illegal immigrants and their children. In fact, new immigrants and especially those who are illegal make little use of health and welfare services, either out of unfamiliarity or fear; the only large groups to do so are *political* refugees invited in by the us government, principally Laotians, Cambodians and Russians, who are ill-prepared for the capitalist labour market.⁴⁹ Overall, new immigrants, whether legal or illegal, cost the us less in government services than they pay in taxes. Although estimates differ from study to study, even Pete Wilson says that the problem for California is that the tax revenue goes to the federal government, while the expenses are felt by the state.⁵⁰ This was a made-to-order club with which a Republican governor could beat a Democratic administration—despite the glaring contradiction that the same revenue-gap has been enthusiastically forced on local governments by the governor.

In the xenophobic Right's flawed calculus, well-to-do white people are fleeing California for the lower-cost states of the West (representing a loss of real productive power), while poor immigrants (who are nothing but a fiscal burden) are flocking in to take their place.⁵¹ In fact, few Californians have left, and those are poor whites looking for jobs or lower-cost retirement in Las Vegas and around the West. Conversely, the great majority of recent immigrants to California are not poor (two-thirds of Latinos, three-fourths of Asians, and almost everyone else coming from the rest of the us). Immigrant labour has brought a bonanza of surplus value to be pocketed by affluent whites. All the much-publicized calculations of government revenues and costs from immigrants ignore

ment in LA, see Mike Davis, 'The LA Inferno', *Socialist Review* 92 (1992), and on Orange County see Allan Scott, *Metropolis*, Berkeley 1988. On discouraged immigrants returning home, see *San Francisco Examiner*, 9 January 1994, and *San Francisco Chronicle*, 2 September 1993 (600,000 people left California for the rest of the us, June 1992-93, while only 450,000 went the other way).

⁴⁹ Latinos have very low welfare rates, about one-fourth of those eligible, in a San Francisco study by the National Council of la Raza. Immigrants to California have slightly lower welfare rates than established residents, according to the Tomas Rivera Center, *uc Riverside*. Children born out of state make up 25 per cent of youth but only 15 per cent of the AFDC caseload, reports the Women's Economic Agenda Project, Oakland. The Legislative Analyst's report concluded that poor people do not move to California to collect welfare.

⁵⁰ The Urban Institute estimates the revenue gap for undocumented immigrants (as high as 1 million in California) at \$1.8 billion against Governor Wilson's estimate of \$2.5 billion, most of which is for schooling. A striking comparison is that the 50,000 gunshot wounds suffered each year cost the state roughly the same amount in medical costs as undocumented workers' children cost to educate (about \$1.1 billion). Calculation on gun violence costs by the California Research Bureau, reported in the *San Francisco Chronicle*, 22 October 1994.

⁵¹ *Los Angeles Times* exit polls showed that 187's main backers were Republicans, men, whites, and older people (income was not a good indicator, however, and blacks and Asians were midway between white and Latino voters).

employers and workers. Considering Latino wage-workers only, the excess profits from hiring them (instead of an equivalent number of better-paid white workers) were about \$8.5 billion in 1990 (up from \$2.5 billion ten years before)—compared to a total cost for all primary and secondary schools of \$1.5 billion that year. Equally important, the enormous costs of raising and educating the millions of new immigrants to California, from which this state has gained so much, were borne by the parents and countries from whence they came—and no one is suggesting a Proposition 188 to pay reparations for *that*. A progressive capitalist project would welcome the influx of adaptable and often skilled labour. It would fund needed social infrastructure. But so far only Latinos embrace this vision, leaving the Anglo bourgeoisie defending a bygone age.

Latinos (especially Mexican-Americans) see Proposition 187 in a very different light. To them it is unquestionably racist, and a threat to citizens and legal residents as well as illegal immigrants. Everyone with dark skin feels subject to suspicion for their presence in California, and taunts to 'go back where you came from' are now regularly heard. Whites' hypocrisy seems boundless, hiring migrants to mow their lawns, clean house and tend their children, while at the same time voting against them (typically, both Huffington and Feinstein were found out during the campaign to have hired illegal immigrants for domestic labour for years). The whole concept of legal and illegal migration is dubious to Mexicans who move in a continuous circuit back and forth across the border, wherein workers return to their villages for holidays, weddings, health reasons, between jobs, and after building a nest egg of repatriated wages to buy a little land. Half of those crossing the border 'illegally' already have jobs in the us to which they are returning. Most Anglos also have no sense of history and of the long relation between Mexico and the American Southwest, typified by Wilson's post-election remonstrance to President Zedillo to 'butt out of California's business' when he expressed concern over Prop. 187. And the bi-nationalism of Mexican-Americans means that waving Mexican flags while singing civil rights songs, as the kids in the recent LA demonstrations did, is considered unremarkable by that community but inflammatory by rabid Anglos (the LAPD was, as usual, out in force at the young people's demonstrations and busy poisoning the airwaves with rumours of potential riots).¹²

California has long embodied the best and the worst of the American 'white republic'. It has been a place where millions of enterprising people of pale hue have been able to work for good pay, send their children to college, exploit the abundance of nature, buy a little property, exercise their imagination, cast their ballots, and maybe even come away with a fortune. But the very definition of 'whiteness' (in the face of thousands of years of intermeine strife among European 'races') had to be cast in the hollow of a mould shaped by surrounding native peoples, Africans, Latins and Asians. In California the natives were murdered, the Mexicans

¹² On the migratory circuits of Mexicans see Douglas Massey, Rafael Alarcón, Jorge Durand and Humberto González, *Return to Aztlan*, Berkeley 1987. On recent binational politics see Jesus Martinez Saldaña, *At the Periphery of Democracy*, dissertation, UC Berkeley 1993.

enterprise proved threatening. This is the tragic face of a land in which fortune smiled on so many, one hidden so well that most whites have lost the memory of their own creation as the select children of America's Israel. Once again, the ruling class has conjured up the spirit of the White Republic in hopes of healing class wounds, but will the genie perform its magic this time round?¹³

Fiddling While Sacramento Burns

The third dead-end discourse is about reorganizing state and local government. Popular wisdom refers to 'gridlock' in Sacramento, and frustration with government failure is high across the political spectrum. The growing travesty of non-governance has triggered an ardent debate on reworking the machinery of state. But such efforts are likely to fail, on two counts. Many arise from the classic Progressive impulse to depoliticize government and remove it from the hands of evil in the form of 'politicians', i.e. duly-elected representatives of the people. The rest flow from the Right's anti-statist agenda, which is intended to hamstring government action altogether. Both are palliatives meant to reduce the input of the unruly masses rather than increase effective democracy, and neither addresses the forces in civil society that are garotting popular political impact: a colour-barred citizenry, purchase of political office, one-party politics, the triumph of the Right, and the power of the business class.¹⁴

Fiscal mechanisms are another favourite target for embrocation. Governor Wilson wants a new budgetary process over which the executive branch has firm control. But the only way to restore functioning representative control would be to remove the two-thirds rule from the legislature and local governments imposed by Proposition 13 (for taxes) and an obscure constitutional amendment from the 1930s (for appropriations and budget approval). Furthermore, as long as taxation remains anathema to the aged, white, well-off electorate, while voting is minimal among the young, nonwhite masses who most need state services, the affliction of budget deficits is incurable.

How to increase citizen participation? The newly passed federal 'motor voter' law is intended to make registration easier (though Wilson has refused to implement it in California). Even so, the main barriers to voting are not registration but lack of effective citizenship and mass disaffection from the whole idea. Ending the initiative process is proposed as another tonic, and it is true that anti-politics does not help voters to face up to real trade-offs; after all, decisions made in the heat of

¹³ On California's legacy of racism see, e.g., Sucheng Chan, *Asian Americans*, Boston 1991; Rodolfo Acuña, *Occupied America*, third edn, New York 1988; Roger Daniels, *The Politics of Prejudice*, second edn, Berkeley 1977. On the general thesis, see Alexander Saxton, *The Rise and Fall of the White Republic*, Verso, London 1991.

¹⁴ For a sharp commentary on 'California's elected anarchy' see Peter Schrag, *Harper's*, November 1994. Schrag, however, stresses 'perfectionism' as the cause of the problem (what I am calling Progressivism), and neglects the systematic rightward swing in politics and the class and race power behind it.

namstrung the regular processes of government. Let the unquering source of malformation is the same as in the legislative route to governance: a limited and ill-equipped citizenry, the power of money to buy results, and the capacity of the Right to mobilize such campaigns effectively.

Then there are the legislative emetics, another species of anti-politics. Californians have installed term limits on legislators, passed as Proposition 130 in 1992, an idea now swallowed throughout the West. Term limits are touted as a means of driving the money-changers from the temple, but they were really meant as a time bomb to drive the Democrats from office—by conservatives frustrated by the inability of the Republican Party to secure hegemony in the state. (Now that the GOP has majorities in Congress and California, term limits are losing their lustre.) Term limits' effect will chiefly be to reduce the power of the legislature vis-a-vis the governor, the courts and the initiative process. Redistricting is another favourite tonic. It has had good results in San Francisco and LA County, but in Berkeley it was turned on the Left to break the grip of Berkeley Citizens Action on citywide politics. Statewide it has been a Republican device to weaken the Democrats (by having legislative and congressional districts drawn up by independent commission).

The most bizarre fruit of government deadlock is a proposal to split the state into three parts. This idea plays well in far Northern California, where voters approved it in 27 of the 31 counties where it was on the ballot in 1992. There is now a legislative committee to draw up plans for division, but it is unlikely to succeed where two hundred previous proposals in the history of the state have failed.⁵⁵ And if it did, it would produce two viable states and another West Virginia. A better idea would be for California to secede from the United States, helping break up the leading capitalist imperial state and quarantining the rest of the country from California's infectious politics of decline. While extreme, the secessionist movement points more clearly than anything else to the utopian hopes buried beneath the rubbish of political discourse in California today. What people want, in one sense, is for the commonweal to be made self-evident and the commonwealth to be made whole again. They imagine a community with a common interest and bonds of citizenship; they want to be working productively and protected from the buffeting of international, economic and political winds; and they actually want government to function and to be responsive to their needs. The tragedy is that these impulses have too often been channelled into the most retrograde forms possible: seeking after the Golden Age of the white republic, walling up the border to keep out the invading 'aliens', or building prisons to contain the werewolves of poverty and despair.

Counter-Revolution in One State

How did things come to this impasse? Certainly the problems facing the state are real, and would challenge any ruling elite or system of

voters has been to make matters worse. Why such immobility, arrogance and fear in the face of California's tripartite crisis? Today's malaise must, I believe, be laid at the feet of the political counter-revolution that stanchied the radical critique of American society which peaked in the 1960s. The argument is not that only a true revolution would have saved the state and the country, but that every capitalist order requires periods of economic, political and class renewal; that is, new people must be allowed to rise to the top, new ideas must be heard, and new institutional arrangements must be put in place. If they are not, market adjustments alone are unlikely to be sufficient to retool the economy, nor a few more pieces of patchwork to keep the machinery of state functioning. This is the dilemma facing California today.⁵⁶

Over the course of the last fifty years, an alternative path of political renewal and social transformation was explored and then decisively rejected by the ruling class, led by a political mobilization from the Right. The course of upheaval in the 1960s is too well known to bear rehearsing. What is striking about such proto-revolutionary epochs is the range of criticism brought to bear on the institutions and fundamental principles of society—despite the fact so many premisses of those in revolt were not revolutionary at all but steeped in the dominant ideology. The most publicized assaults on convention featured free speech, the anti-war effort, the civil rights struggle and sexual liberation. But the flood-tide of protest spilled over a wider embankment. Arguments against university governance carried over into distaste for big corporations and big government. Anti-war sentiment turned its ire against the military-industrial complex and us imperialism throughout the world. Civil rights for blacks triggered a host of parallel movements among Chicanos, Puerto Ricans and Native Americans, all of whom questioned the racist premisses of Anglo culture and its tactics of domination. Cultural revolution went far beyond sex, drugs and rock 'n roll to deconstruct the one-dimensional life of bourgeois accomplishment. The 60s rebels were anything but economic and narrow in their protests (the sectarian turn came later); they were political and countercultural in the broadest sense, which is what made the movements so engaging to large numbers of people, and the ripple effects so disruptive to the ordinary business of the country beyond the collegiate and bohemian enclaves. Environmentalism, feminism, gay liberation and other 'new social movements' all took off in the tumult of the decade. This was particularly true of the California New Left, which was more countercultural and free-wheeling than its eastern twin.

Among the bourgeoisie a reaction quickly set in against the central achievements and ideological gains of the radical protesters and liberal reformers caught up in the surge of popular dissent. Vietnam war resistance, affirmative action, feminism and abortion, drugs and sexual

⁵⁶ My argument is akin to that of the Regulation School's notion of a mode of regulation, but the latter is institutional rather than political in nature, and their economic analysis is deeply flawed. See Robert Brenner and Marc Glick, 'The Regulation Approach: Theory and History', NLR 188, and Walker, 'Regulation and Flexible Specialization'.

⁵⁵ Rosaline Levenson, 'State Splitting Saga Rolls On', *California Historian*, September 1993.

points to right. These currents converged in a united front as the tide of counterrevolution rose through the 1970s: to take back the commanding heights of the state through a political offensive, to recapture the past hegemony of Anglo-American racial and cultural dominance, and to restore the rule of money-making, business legitimacy and free-market principles. The rollback hit with full force with the election of Ronald Reagan to the Presidency in 1980. The significance of Reagan's geographic origins should not be minimized: he was thoroughly a product of California, especially of Southern California. The geography of insurgency and counterinsurgency is crucial here.

The counter-revolution built on the foundations of post-World War II reaction to the New Deal, wartime social change, and the prerogatives of international power. At the war's end, California's business and political classes were ready to step into the national and global driver's seat. The key figure here is Richard Nixon, who catapulted from obscurity to the Vice-Presidency in a few short years. Nixon was instrumental in forging a Cold War ideology and politics of arch anti-communism. Nixon began by red-baiting Jerry Voorhies, a liberal Congressman backed by the movie and aircraft unions, then turned his guns on Senator Helen Gahagan Douglas, who was not only liberal, but wealthy, well connected and a good pit-fighter. She lost all the same, thanks to the juggernaut of Nixonian Cold War rhetoric backed by a ruling class committed to turning back the evils of the New Deal, unionism, and communism. Eisenhower never liked Nixon very much and came to regret the growing power of the 'military-industrial complex'; perhaps he knew that Nixon represented the new power centre in the West, Los Angeles, fueled by exactly such war industries. Nixon's surprise loss in 1960 only came because John Kennedy out-hawked him, beating the young Cold Warrior at his own game, and because the Democratic Party could still deliver union and central city votes in bushels. But Nixon had the last laugh, winning over a badly split Democratic Party in 1968, stopping the Great Society in its tracks, and crushing McGovern and the Left in 1972.

Still, Nixon had to face a liberal Congress and a wide range of popular organizations, so his ability to reverse the tide was limited. And with the Watergate debacle, the Democrats were given another brief shot at the White House, under Jimmy Carter, though this was but a brief interlude before the deluge. The Right was better prepared and better armed ideologically the next time around, having learned to imitate the Left's popular organizing methods and the liberals' think-tanks. They were also prepared to be ruthless beyond the Presidential campaign and the White House staff: Democrats and liberals were carefully targeted for elimination from office in Congress and throughout the executive branch and judiciary. Ronald Reagan was the new white knight riding out of Southern California by this time, chosen for the role of President and national patriarch after many years of careful grooming for the task. Reagan's administration ushered in a full-blown programme of renewed militarism, economic neo-liberalism and social reaction, destroying the Democratic alternative utterly during his two-term reign of New Right terror, and George Bush followed on Reagan's coattails. The combined force of Nixon and Reagan served to dislodge and ultimately root out

Clinton victory was in name only, as another rudderless operation from the Democratic margins of the sunbelt was turned around before it hit open water. The sweeping loss of Congress in 1994 is no more than an epitaph to a lost age.

Reagan's preparation for the national and world stage was crafted in California. He cut his teeth as a turncoat to the New Deal and labour, working as a spy for the FBI while head of the Screen Actors Guild during the purge of communists from left-leaning Hollywood in the 1940s. Southern California has spawned a viperous strain of reaction reaching back to the turn of the century, which was contested by unions, Mexican radicals, socialists and utopians but never held at bay. Despite a huge growth of unions and a vigorous Left in the 1930s and 40s, the threat was again turned back by the 1950s. The landscape of the region was deeply etched by right-wing political currents of many sources: the war industries, the Veterans of Foreign Wars and LA police, triumphant Anglo-Saxonism facing off a Mexican proletariat, evangelicalism coming west with the Oakies, and more.¹⁷ The southland's proliferation of right-wing groups, such as the John Birch Society, Church of Scientology, Concerned Women for America (anti-ERA and largest women's organization in the country), the Full Gospel Business Men's Fellowship International, the vfw—and today's sos and FAIR—is legendary.

A New Right versus a New Left

Meanwhile, a similar social base and economic success produced a very different political tradition in the Bay Area. Militant labour reached a stand-off with the capitalist class, the latter were prone to quarrel among themselves, the children of the robber barons leaned toward Progressivism and the middle class in general took to a more secular libertarianism than the zealots of the south. This was an extraordinary turnabout for a city of imperial ambitions and white supremacy, as San Francisco had been at the turn of the century, and a region that had launched such conservative luminaries onto the national stage as William Randolph Hearst, Herbert Hoover and William F. Knowland ('the Senator from Formosa').¹⁸ At the same time, the north had a lock on political power right up to the 1950s, because every California county had two senators, allowing the county-rich north to retain control over the bicameral legislature for a half-century after losing its popular majority. Similarly, virtually every governor and senator had been a northerner, mostly Republicans of a liberal stripe. This kind of colonial politics leant the added force of regional revenge to the counterrevolution coming out of Southern California by the 1960s.

¹⁷ See generally, Carey McWilliams, *Southern California Country*, New York 1946; Mike Davis, *Prisoners of the American Dream*, London 1986; and Sara Diamond, *Spiritual Warfare*, Boston 1989. Many similar trends apply to the Central Valley and rural hinterlands, where the Right has long been hegemonic. See, e.g., Dan Morgan, *Rising in the West*, New York 1992.

¹⁸ The best single source on San Francisco up to 1930 is William Issel and Robert Cherny, *San Francisco: 1867-1930*, Berkeley 1986.

cultural revolution in the Bay Area in the 1950s and 60s. San Francisco came to represent everything the Right hates: militant workers, race-mixing, beatniks, hippies, free love, drugs, homosexuals, and bleeding-heart liberals. During the 1950s, San Francisco had become the nation's countercultural capital, beacon of resistance to conformity and Cold War repression. Anarcho-pacifism was the guiding idea for a rebellious generation equally wary of Stalinism, anti-communism, and militarism, but never shorn of its radical impulse against American conformity. The first chord was struck by Beat painters, poets, jazzmen and bohemians, who stressed the immediacy of personal expression in the arts and in lifestyle as the political went underground to shake up everyday life and morality. The Hippies' Summer of Love grew directly out of the Beat scene, with its experiments with drugs, sexual freedom, integration, and spiritualism.⁵⁹

Civil rights and black-white coalitions for open employment and open housing also began in the late 1940s, and the peculiar history of African-Americans in Oakland laid the basis for successful legislation in both arenas by the early 1960s, followed later by the Black Panthers, pre-eminent symbol of the black power movement. The first demonstration against the red-baiting of the House Un-American Activities Committee took place under the cascade of police fire-hoses on the steps of San Francisco City Hall in 1959. The Grape Boycott of the farmworkers seized the Bay Area by storm in the mid 60s. Student activism took off with the Berkeley Free Speech movement of 1964, putting the campus in the eye of the subsequent hurricane of student protest. Antiwar protests exploded by 1965, not only on campus but at Selective Service centres, the Concord Naval Weapons Station, and Dow Chemical company (maker of napalm). The pioneer Ethnic Studies programmes in the country were established at San Francisco State and UC Berkeley after gargantuan clashes with university authorities and police in the late 1960s. The first environmental struggles in the US broke out in San Francisco and Berkeley against freeways, bay fill, and water projects in the mid 1950s, catapulting the Sierra Club to national prominence in its battle to save the Grand Canyon a decade later.⁶⁰

Hence, the counter-revolution first marched north from its strongholds in Southern California to wreck vengeance on the hated liberals, insurrectionists, hippies and faggots of San Francisco and 'Berzerkeley'. Reagan won the governorship in 1966 on the strength of his attacks on Berkeley's 'spoiled children' and the anti-Fair Housing movement. His first military intervention against a small, unarmed populace took place in Berkeley in 1969. The process of social change and political protest did not stop at that moment, of course, particularly in the Bay Area. Brushfires of rebellion continued to burn outward to the larger society, including Los Angeles, occasionally flaring up in major political events. A

⁵⁹ See e.g., Michael Davidson, *The San Francisco Renaissance*, New York 1989, and Sherry Cavan, *Hippies of the Haight*, St. Louis 1972.

⁶⁰ There are no real overviews of the Bay Area in the 1960s (or 50s), but see, e.g., W.J. Rorabaugh, *Berkeley at War*, New York 1989, and Sheldon Wolin and John Schaar, eds, *The Berkeley Rebellion and Beyond*, New York 1970.

among the state's engorged middle class of college-educated technicians, professionals, skilled craft workers, entrepreneurs, and office workers, allowing a general relaxation of bourgeois morals and the business grip on local government. The Age of the Yuppie unfolded with the growing affluence of the 60s generation and their return to the commercial mainstream: California cuisine, wine tasting, hot tubs and other accoutrements of the cosmopolitan good life became the middle-class norm of consumption, at odds with fast-food America. Alongside mainstream Yuppie consumerism ran important countercultures of experimentation and self-realization through psychology, New Age spiritualism and the arts. Alternative medicine flourished, while the once-vilified Kaiser-Permanent Health system became the state's dominant health-care provider and the largest alternative system in the US. The most notorious legacy of the politics of the personal was the gay and lesbian mass coming-out. San Francisco became the gay mecca, creating the first truly liberated homosexual space in the modern world. Gays became the only radical group of white men in the US, mobilizing for political representation and against the punitive Right behind the leadership of Harvey Milk (assassinated for his trouble in 1978). The Bay Area has achieved the closest thing to popular opposition to capitalism in America, showing both the civilizing potential of such a stance and the limits of the Left in the country of Babbity.⁶¹

But let there be no doubt: the titanic struggle for the soul of California unleashed in the 1960s was resoundingly won, on the political front, by the Right. After that, the Bay Area was no more than a political and moral thorn in the side of conservative America. Northern California (and west LA) sent a steady stream of liberal Democrats off to Washington. McGovern, Carter, Mondale and Dukakis all won wide majorities in most of the Bay Area. Congressman Phillip Burton of San Francisco put together a liberal political machine with amazing clout. California became the first state to send two women to the Senate, both Bay Area politicians. Locally, the Left took control of electoral politics in Berkeley and harassed the downtown power structure of San Francisco unmercifully. John Birchers, the Moral Majority and Operation Rescue all made forays into the Bay Area only to be beaten back. In the 1980s, Central American refugees helped make this a hotspot of opposition to US intervention in Nicaragua and El Salvador, and when Bush went to war against Iraq in 1991, the peace movement gathered in explosive force. But the latter only showed how far out of sync the region had become with the rest of America.

A New Ruling Class

Hopes rose when Pete Wilson was elected that he represented a return to a milder form of Republicanism. He made Clintonesque noises about change, but none survived his first year in office. By that time his voter approval ratings were in the basement, victimized by the collapsing

⁶¹ For an overview, see Walker, 'The Playground of us Capitalism'. On gay liberation in the 1970s, see Randy Shilts, *The Mayor of Castro Street*, New York 1982.

Christian lunatic fringe. Unminged by the sudden death of his liberal political manager, Wilson careened to the Right. Whereas in 1990 he said that building prisons was no answer and the emphasis ought to be on crime prevention, not punishment, today he is riding the lock-em-all-up bandwagon. Astoundingly, Pete Wilson played Reagan to his own Carter in 1994 and won, a truly devastating judgment against Kathleen Brown and the Democrats—who lost all but one statewide office and their majorities in the state assembly. Wilson is now being touted as Presidential timber and is offering a Reaganesque fantasy budget that promises economic growth and a 15 per cent tax cut to a bankrupt state. Typically, the liberal Bay Area refused to go along with the Republican sweep of 1994, voting against both Wilson and Proposition 187 while the rest of the state went the other way. San Francisco elected five liberal to left supervisors, including a gay comedian, two lesbians (one a Latina), a Chinese-American activist, and the son of a former labour mayor.

What has transpired over the last fifty years, then, is not only a 'new Republican majority' but a powershift among the us ruling class toward a massive new centre of accumulation, Southern California, and a successful political and ideological offensive against the New Deal, the working class, civil rights and the Left. The counter-revolution tested on California was subsequently visited on the whole country, and the rest of the world. Its success has been a tragedy for (almost) all concerned. It has meant graver injustice, poverty and social disintegration at home. Abroad, it has meant militarism and warfare, as the us ruling class laid siege to all its enemies: anyone who dared question the right of America to rule the globe and the right of the bourgeoisie to make money as they see fit. But counter-revolutions do more than punish the poor and decimate the Left. They turn back the hands of the clock, even as the inner works of history keep ticking onward. In the end, no ruling class can freeze time and space and hold on to their golden moment of triumph forever. The counter-revolutionaries erupting from the fumaroles of California's seismic economic uplift have easily deluded themselves that everything is well with the capitalist order of America, and nothing important needs to change. I think they are wrong.

A Future Unborn, or The Late Great State

Every historic epoch is a mortal thing which eventually sickens. It may give way to rebirth of the social order or to perpetual senility—or even to barbarism and calamity. California's extraordinary record of expansion has left the state with a massive set of strains on its economy, governance and social cohesion. Yet, on almost every significant issue of public policy, the state seems unable to make a breakthrough into new configurations vital to capitalist social order and economic revival—let alone radical alternatives to bourgeois forms of work, consumption, politics and social life. The hasty termination of the social experimentation and political revolt of the 60s has left Californians unable to see their way to reconversion of the war industries, racial integration, reconstruction of rotting cities, corporate reconfiguration for greater innovation, salvaging of public education, dramatic spending programmes for recovery and employment, or universal health care.

ability of its ruling class (crucially white and male) to change their ways of thinking and acting. The failure of imagination rests partly on bourgeois ideological reflexes, but behind that lies a political impasse born of the right-wing Republican hold on government and the political agenda. And where did this come from? An organized movement of the business class, winning over key sectors of the petty bourgeoisie and the workers in the name of 'liberation' from government, freedom to strike it rich through the market, defence of law and order, and maintenance of the white republic. This was not just an ideological campaign, but a political war declared on the Left, the poor, the dark-skinned and organized labour, with the Democratic Party as the Maginot Line of the benighted. The victory of the Right in this war left the structures of governance in disarray but those of class and race power intact, and that power is the thing that still matters. It won't be given up voluntarily, and if we are not to be mourning the passing of the late, great Golden State, there will have to be a change at the top caused by a boiling of energy and anger from below.

So often defeated and dispersed, can the forces of social reclamation rise again? A promising challenge to the white establishment is now coming from the disenfranchised minorities of the new immigration: Mexican-, Nicaraguan-, Chinese-, Filipino-, Vietnamese- and other hyphenated Americans of post-Anglo California. There are signs of life in this sleeping giant of the new peoples of colour, exemplified by struggles over redistricting and the election of the first Mexican-American County Supervisor in LA County, the first Chinese-American city council majority in Monterey Park, or the first Filipino-American to the city council of Daly City. So far, much of this is a strictly petty-bourgeois awakening, however. It represents, for better or worse, certain urban quarters, such as Oakland, where a vigorous Asian or Latin business presence has replaced absent Anglo capital and revitalized abandoned swathes of the cities.

Still, Pete Wilson may have written off the future votes of millions of Latinos for the GOP in order to win this election and put new lustre on his once-tarnished Presidential hopes—which is why Jack Kemp and William Bennett of the national party actively opposed Proposition 187. Hatred for Wilson and the racism behind the anti-immigrant hysteria is rife among people of color, and will grow with every new report of someone dying for fear of seeking health care.⁶²

Significantly, ten of thousands of Latino high-schoolers with little if any political experience turned out in marches up and down the state over Proposition 187—one of over 100,000 in Los Angeles may be the largest demonstration ever held in the city. And new groups sprouted up, like the October Student Movement.⁶³ It is not only people of colour or high-

⁶² Aspiring minority burghers have a conscience when it comes to race, as indicated by the furious reaction to anti-immigrant drum-beating, including the formation of the Coalition for Immigrant and Refugee Rights in 1993.

⁶³ Elizabeth Kadetsky, 'School's Out', *The Nation*, 21 November 1994.

⁶⁴ Study by Dr Steven Asch, USC School of Medicine, reported in *San Francisco Examiner*, 19 October 1994.

school kids who are mobilizing against 187, of course. Immigrant rights activists, the Mexican-American Legal Defense Fund, local school boards (e.g. LA city), among others, are suing to stop enforcement of the new law on the grounds that it is unconstitutional. Because 187 requires school, health and social service workers to report on suspected illegals to the INS, thousands of teachers, doctors and social workers are signing refusals to participate. Otherwise conventional school administrators and public health officials are warning of the disruption that enforcement would bring to their institutions and of the spread of TB and other diseases.⁶⁴ Latino activists have called for a boycott of California, in emulation of the successful economic sanctions against Arizona after it refused to honour Martin Luther King, Jr's birthday.

Meanwhile, among the Democrats one hears the same old bleating about capturing the centre, as if every jump they've made that direction for a generation hasn't missed an ever-rightward moving target. In the wake of defeat, state party chairman Bill Press declared that white males see Democrats as 'the party of the have-nots': 'That is a problem. We have lost our appeal to the haves. The haves are heavily white males, angry white males. I think we are doing a lot that appeals to white males, but the perception is that we don't care about them ...' Press has the relation of class, gender and American party politics down pat, but has lost any vision of an alternative to the ways things are. In California, more than anywhere else in the us, the Democratic Party simply must be a multiracial party or it will be nothing.⁶⁵ Today, it is revealed in its full emptiness, which helps clear the way for progressive popular movements to make an impact.

Nonetheless, the immigrant awakening of the 1990s has a long way to go if it is to overcome the political legacy and economic somnolence of the Anglo bourgeoisie. In the revolution that never came, the right-wing *fronde* from Southern California triumphed over the incipient Jacobins of the north, re-establishing the Republican monarchy of capital in its rightful throne throughout California and, ultimately, the rest of the United States. The ruling class of California is, as a result, politically, morally and economically bankrupt as it faces the end of the American century. Instead of undertaking the hard work of renewing the bases of industrial dynamism, government action and political participation, the elite serve up dead-end discourses on illegal immigration, crime, and enterprise zones in order to evade their own complicity in the tragedy. So, as California watches its sun setting over the Pacific, a leaderless and ideologically embalmed citizenry can only rage against the dying of the light.⁶⁶

⁶⁵ Paraphrase of Robert Borosage, 'There's Only One Way Left', *The Nation*, 5 December 1994.

⁶⁶ Many thanks to Iain Boal, Mike Davis, Michael Johns, Jeff Lustig, Joe Matthews and Michael Watts for commenting on a previous draft of this paper, and to Jorge Lizzáraga and Anders Schneidermann for research help.