

Reconstructing Los Angeles and U.S. Cities from the Bottom Up

**A Strategy for the crisis of the cities
after the 2016 presidential election**



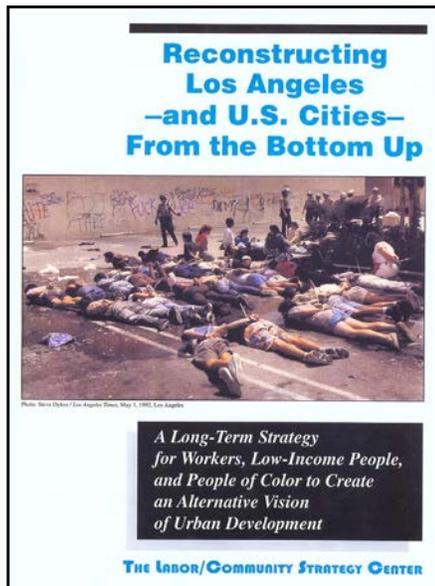
**The Social Welfare State not the Police State
the Climate Justice State not the Warfare State**

**Fight Spiritual and Economic Poverty
and Anti-Black Animus in Public Policy**

Strengthen the Movement of Black, Latino, and Working Families

Overview:

The Presidential election of 2016 reflected a profound economic, social, and spiritual crisis and mass alienation from the political and social systems in U.S. society.



Two candidates—Bernie Sanders and Donald Trump—ran as insurgents claiming the system was broken—with radically different views of the problem and the solution. Another, Hillary Clinton, ran based on “experience” and continuing the best traditions of the past 8 years though few people could articulate what that experience meant or what traditions should be upheld or rejected. We believe the entire electoral process and campaign, not just that of one candidate, represented a larger political, economic, racial, ecological, societal, and spiritual crisis of our society. We also believe this period in history, while very challenging if not daunting, offers great opportunities for organizations that have a radical, structural vision of social change and a clear tactical plan to carry it out. That is the challenge we have placed in front of us and this strategy paper is our own answer to the questions we and so many others have been raising for years.

For those of us working in major urban centers in the U.S., we have been witnessing a crisis of monumental proportions especially in Black and Latino communities. While these problems and proposed solutions will be developed in our upcoming Strategy Paper—*Reconstructing Los Angeles and U.S. Cities from the Bottom Up—25th Anniversary Edition*, a few preliminary thoughts are included to help shape a longer conversation..

In our view, the great hopes of the 25 years of the “Sixties” (1955 to 1980) were realized and then overthrown through a great backlash with the rise of Ronald Reagan. Today, more than 35 years after the elections of Reagan and Thatcher, the social fabric of society continues to move backward and decline. Institutions—political parties, labor unions, churches, community organizations are declining in membership and influence. The concept of “one society” in which we all participate has long been rejected through growing class and racial conflicts and contradictions. If Michael Harrington’s *The Other America* in 1965 generated a “War on Poverty,” the lived experience for tens of millions of people in the U.S. and billions throughout the world has actually been a “war against the poor.” While the election of Barack Obama offered the hope for greater racial justice and mutual understanding—and his actual campaign did momentarily offer that hope—on the ground we are faced with the reality that those objectives were not met at a structural, national policy level. Today we are facing growing white anger against people of color—but also profound conflicts inside Black and Latino and Asian Pacific Islander communities and among different “peoples of color” as well. There is a need for a new politics—An Internationalist Vision of Urban Organizing—that combines a challenge to poverty, racism, militarism, and ecological destruction and offers a sense of collectivity, community, and hope.

While we urgently need a societal solution to the growing and exacerbated poverty, in our view, the hope of a private sector solution is a cruel myth. Candidates promising “jobs” seem very removed from the actualities of the market in which mass unemployment and mass low-wage labor is now the norm. This cannot be resolved by the chimerical, and at times demagogic, calls for “job training” “a new job market,” “small business growth” and “a tech-centered job market.” In fact, it is government that has always been the most effective employer and the public sector, while long under attack, has provided the most jobs and the most socially beneficial jobs. Reconstructing U.S. Cities will require rebuilding our schools, hospitals, mental health clinics, parks, arts, physical activities, family support centers. In fact, many of the great ideas of the Works Progress Administration that were perceived as “stop gap” solutions during the Great Depression are in fact the long-term hope for women, children, and working families. Thus, the Strategy Center’s focus on “the social welfare state not the police state” “the climate justice state not the warfare state” is among many things a true Job Creation strategy. Our focus on “the social wage” argues that people’s income from market-based employment (if they even have any) must be radically enhanced by holistic, comprehensive, first-rate universal social services—“from the cradle to the grave.”

There are many layers to this crisis that we will discuss in more detail in a future publication. Here, we want to call attention to 4 interrelated crises: the crisis of climate, the crisis of the police/warfare state, the crisis of society’s attacks on the Black community, and the profound spiritual crisis of collective life and the growing alienation and isolation of individuals absent of mutual support and respect.



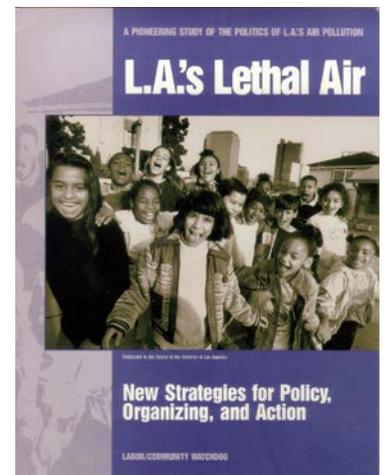
The Profound Climate Crisis

The Strategy Center spent the last year re-focusing our study, knowledge, and participation in the international movement for climate justice. We read Elizabeth Kobert’s *The Sixth Extinction* and worked to produce Eric Mann’s new book, *Katrina’s Legacy: Challenging U.S. Genocidal Climate Crimes*.

We actively participated as an ECOSOC NGO at the United Nations Framework Convention on Climate Change. Eric Mann and Barbara Lott-Holland attended preparatory meetings in Paris and Bonn and then were joined by Manuel Criollo, Channing Martinez, and Ashley Franklin in Paris for 2 weeks of organizing. We also carried out a “From South L.A. to Paris and Back” organizing plan to involve working families in direct involvement in the Paris conference—for most of them we were the first people to even inform them of its existence let alone the high stakes.

We left Paris very frightened by our awareness of the even-greater-severity of the climate crisis and the stakes for the peoples of Asia, Africa, and Latin America and the most vulnerable Black and Latino low-income populations in the U.S. The specter of droughts, floods, famines, epidemics, climate riots, and mass suffering in Africa in particular are daunting. The public discourse is about the danger of moving to a 2 degrees Celsius world but in fact those who are most knowledgeable believe that is already in the pipeline and irreversible. For nations in sub-Saharan Africa the terror of 3 degrees in the next decades is both possible and probable.

We have begun studying the specific projected impacts on cities like Los Angeles and want to include our analysis and clear recommendations—work that has already been initiated but which requires more study (and yes, funding to carry out.) We believe that our demands to dramatically cut auto use in the Auto Capital of the World and the Fight for Free Public Transportation are some of the most visionary and concrete plans to reduce the production of greenhouse gases, air toxins, and “criteria pollutants” (smog producing emissions). We also want to integrate a strong public health component to climate justice organizing—as we did in Eric Mann’s *L.A.’s Lethal Air* in 1992—for in fact many of the same chemicals from the tail pipes of autos that generate greenhouse gases are accompanied by emissions that also cause asthma, cancer, leukemia, and emphysema.



The Military and Police State

It is hard to grasp that our government has a \$600 billion military budget—55% of all discretionary spending by the U.S. Congress (and hundreds of billions more in supplemental and hidden expenditures.) Recent estimates are that more than 40% of the City of Los Angeles budget expenditures are for police. As our society continues to talk about “police conduct” and even “police brutality” we see the need for a significant campaign to cut both military and police spending by 50%. We are facing profound problems of democracy as our entire society is armed from the top down. Focusing on “gun violence” by individuals when we allow such high levels of state sanctioned militarization and violence is unacceptable. *Reconstructing Los Angeles and U.S. Cities from the Bottom Up* is an effort to generate a deep introspective conversation and very specific demands to challenge the military and police state.

Anti-Black Animus and Racism in U.S. Policy

The Strategy Center is a multi-racial organization centered on Black and Latino working people and communities and from there reaching out to the broadest city-wide and national constituencies. All of our members believe that The System’s systematic attacks on Black people, Black communities, Black culture and Black political resistance are the central crisis facing our Movement and our society.

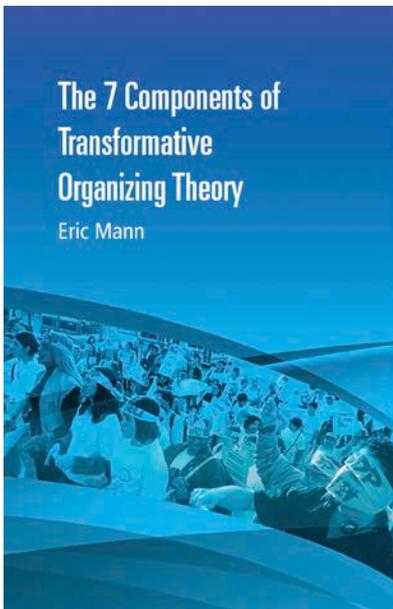
The Strategy Center just filed a major civil rights complaint to the U.S. Department of Transportation and Department of Justice against the Los Angeles Metropolitan Transportation Authority (MTA). We are charging the MTA with a “pattern and practice of racial discrimination through ‘stop and frisk’, citations, harassment, and arrests in the fare collection process that represent a systematic and egregious violation of the civil rights of Black bus and train passengers.” We document that while Black people represent 18% of all MTA bus and rail riders they are more than 50% of all passengers receiving citations and arrests—a factor of more than 250% in comparison to white riders.

The Strategy Center decision to open Strategy and Soul at the corner of King and Crenshaw in South L.A., in the heart of what is left of Black Los Angeles, reflected a decision of all of our members. We are heartbroken, outraged, and challenged that as late as 1970 there were more than 700,000 Black residents of Los Angeles and today that number has been cut in half to no more than 350,000—through a process of de-industrialization, driving Blacks out of the job market, and constant police surveillance, harassment, mass arrests and long-term incarceration.

The Strategy Center’s Fight for the Soul of the Cities and *Reconstructing Los Angeles—and U.S. Cities—from the Bottom Up* will raise demands to reverse this process—public and private priorities to hire Black workers, radical expansion of Black student admissions at private and public colleges and universities, dramatic reductions in police harassment, brutality, and budget, and the dramatic expansion of public sector services, public housing, and public sector jobs for Black and all workers.

Our objective is to generate a heated and focused public debate about the future of Los Angeles, U.S. cities, and our entire society and an historical perspective that values and valorizes the great contributions of Black progressives, radicals, and social revolutionaries in improving our society—for which they should be rewarded not punished.

Challenging mass alienation, individualism, and isolation



In progressive and revolutionary theory, historically there was hope that a united working class, a proletariat united through the factory system and the leadership of revolutionary organizations would provide a unified political, economic, moral, and spiritual force to transform the entire society away from capitalist materialism and towards progress and socialism. The once great hope and later decline of the labor movement from those objectives will be discussed in upcoming Strategy Center publications. After the great hopes of the labor movement during the 1930s, in the post-WW II period, it was the Black community, the civil rights movement, and the Black Liberation Movement that provided what Dr. King called “a revolution of values” and an international human rights perspective. The Black movement caught the imagination of Latino, Asian/Pacific Islander, Indigenous, and white people with the vision of a new society. Dr. King’s “Poor People’s March,” shortly before he died was an effort to challenge the materialism of U.S. society and also to challenge the Black and Latino middle classes to realize that the fight against structural racism, poverty, and militarism would involve sacrifices from those who would first benefit from the civil rights movement.

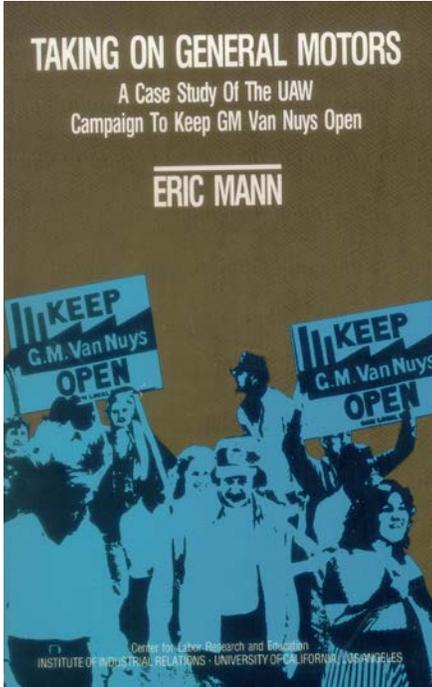
The story of what happened to that “beloved community” is a story of government and societal repression and the system’s inability to address the structural demands that the Movement was proposing. (It also declined because of sectarianism and infighting within the movement). Today, the crisis of our society goes beyond environment, racism, poverty, and militarism to a deep spiritual poverty that is infecting every element of our society—including young people in low-income communities. The growing fetishizing of celebrity, technology, violent video games, cell phone obsession, consumerism, voyeurism, and alienation (yes reflected in the recent presidential elections) is challenging organizers of every progressive point of view. We are working with young people in 4 Los Angeles High Schools, under the leadership of Ashley Franklin, to help lead a revolution of values, to challenge the culture of escape and alienation, and to help reconstruct people’s attention spans and worldviews. We are excited that Strategy and Soul can construct a new physical community-on-the-ground where we can offer our communities and young people a real place, a political home.

There, we can model multi-racial cooperation and multi-generational organizing to address “the totality of urban life.” We can offer people in every community in L.A. things for which they have a genuine hunger—a physical space taking up half of a city-block where they can engage with books, films, art, health, and challenge themselves and society to offer a positive model of collective life that is far more attractive than alienated individualism. For us, our Strategy and Soul Food sign says, “Feeding the community body and soul.”

The fight to restrict the power of the auto and the corrosive power of the individualist auto culture, the fight for “free public transportation,” the fight for a “social wage” and excellent public schools, public parks, and public hospitals, is a fight for a collective vision and a war against rampant individualism and narcissism—“we are all in this together.”

The Strategy Center as a Think Tank for the Movement

The Strategy Center has always conceptualized itself as a “think tank/act tank” and has consistently carried out what we call “theory driven practice” and “practice driven theory.” As our society is facing such a grave crisis, we want to re-emphasize the “think tank” aspect of our role.



From its inception, the Strategy Center and its director Eric Mann have initiated the concept that every major LCSC campaign will be framed by a strategy and vision paper. This allows us to recruit people to a broader politics, create the moral, spiritual, strategic, and tactical worldview for the work, and prevent the work from falling into narrow instrumentalism.

When he worked as a UAW organizer and coordinated the Labor/Community Campaign to Keep GM Van Nuys Open Eric Mann wrote *Taking on General Motors*.

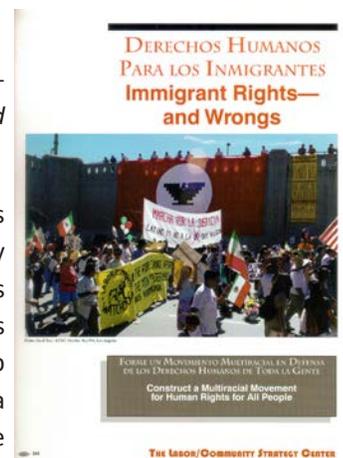
When the Strategy Center began in 1989 we soon published *Apartheid in an American City: The Case of the Black Community in Los Angeles* by Professor Cynthia Hamilton—a Strategy Center founder whose work is still guiding Strategy and Soul today.

When the Strategy Center began its involvement in environmental work, Eric Mann led a collective research and writing process that led to the publication of *L.A.'s Lethal Air: New Strategies for Policy, Organizing, and Action*. This was followed by Mann's editing/writing of two other major policy and strategy papers—*Immigrant Rights and Wrongs* and *A New Vision for Urban Transportation*.

After the urban rebellion in Los Angeles in 1992, the Strategy Center formed the Urban Strategies Group to challenge what we believe were the market-driven false solutions of Rebuild Los Angeles. That led to the publication of *Reconstructing Los Angeles—and U.S. Cities—from the Bottom Up*. This involved a one-year process of studying every aspect of public and corporate life in Los Angeles and coming up with the most specific programmatic proposals for a new city. In this process, Eric Mann was the primary author along with a powerful theory/research/organizing team including Anthony Thigpen of AGENDA and Robin Cannon and Charlotte Bullock of Concerned Citizens of South Central Los Angeles.

In 2014, as the Strategy Center gave greater emphasis to the fight against the School-to-Prison Pipeline, Manuel Criollo led a collective writing project that produced *Black, Brown, and Overpoliced in Los Angeles*

Today, the Strategy Center plans to carry out another major study on the state of the city— Los Angeles— in 2017-2018 —the 25th anniversary of the 1992 Urban Rebellion and the 25th anniversary of the publication of *Reconstructing* in 1993. Our objective is to impact on the strategic discussions among organizations and movement leaders to develop a more unified vision for the next years of our work leading to a national conference in 2018, based on the work in L.A. We want to help generate a common political program that can be carried out in every major city in the U.S.—e.g. a 50% reduction in police spending and staff, ending all stop and frisk, 50% reduction in greenhouse gases, 50% reduction in the U.S. military budget—generating national policy from the bottom up.



The Specific Campaign objectives:

Building the Fight for the Soul of the Cities into a stronger city-wide social justice organization

From 2013-2016 the Strategy Center was able to successfully merge and integrate two very successful projects/membership organizations—the Bus Riders Union and The Community Rights Campaign into a new city-wide structure—the Fight for the Soul of the Cities (FFSC). FFSC has its strongest base in four Los Angeles high schools—Augustus Hawkins, Roosevelt, Manual Arts, and Central, 3

major bus lines—Wilshire, Vermont, and Crenshaw—and 3 major neighborhoods/political areas—South L.A., East L.A., and Koreatown. The plan for 2017-2010 is to both deepen that base into the 6th, 7th, and 8th City Council Districts and expand that base onto Los Angeles City College, UCLA, and USC in a systematic step by step process.

2017 Strategy Center, FFSC, and Strategy and Soul will play a major role in city-wide coalitional work on the 25th anniversary of the Los Angeles urban rebellions of 1992.

We want to challenge the entire history of civil rights, anti-poverty, and environmental organizing to ask why in every major index of objective progress we have in fact moved backwards since that time. We reject a false triumphalism and funder-driven self-proclamations of “victories” that are not consistent with objective historical and statistical indices. For example, in 1990 there were 770,000 people in local, state, and federal prisons and now it is 2.3 million. Seven million people circulate through U.S. prisons every year. We want to do more complex statistical analysis as part of this work. Again, in our own work we know the monthly bus pass when the Strategy Center won its Consent Decree against the MTA in 1996 was \$42—today it is \$100. Again, the Black population in Los Angeles was 750,000 in 1970 and 350,000 today. We want to push groups to take a more introspective and self-critical reflection of their work and stop the self-promoting avalanche of “Victory” emails that run contrary to the actual conditions of our own members and communities.

We are not at all depressed, in fact we are very dedicated, motivated, and hopeful—but we want to begin with an accurate assessment of the actual conditions of Black, Latino, and working class L.A. and want to encourage people in other cities to do the same.

The Fight for the Soul of the Cities Urban Reconstruction Campaign

The Strategy Center bases its moral and political influence on a series of high-visibility, high-stakes, high-success campaigns that have shaped its history.

- **UAW Labor/Community Campaign to Keep GM Van Nuys Open**
- **Campaign to End the federal Weed and Seed Program in Los Angeles**
- **Bus Riders Union Billions for Buses Campaign**
- **Strategy Center ending of student curfew/police ticketing of high school youth**
- **Strategy Center ending of Department of Defense 1033 Program in Los Angeles public schools**

2017—Fight for the Soul of Cities Campaign

Cut U.S. Military budget by 50%

Cut U.S. Greenhouse gas emissions by 50% of 1990 levels by 2025—starting now

No Cars in L.A.—radical restriction in auto use with a 50% reduction in vehicle miles traveled—auto free zones, auto-free rush hours, auto-free freeways

Free Public Transportation—a 24/7 bus/rail zero emission system already paid for by extensive sales taxes

End Stop and Frisk in L.A. – honor system until free transit, no police and sheriffs involved in fare collection

Cut L.A. Police Budget by 50%

The Primary objective in 2017 is to win a federal lawsuit against MTA for police brutality/abuse against Black bus/rail passengers including LCSC back as class representative in oversight of MTA treatment of its passengers

Getting measurable public recognition and support of the comprehensive program

Elements of the Organizing Plan

LCSC participates in city-wide events in 2017 based on 25th anniversary of L.A. Urban rebellion

LCSC re-publishes *Reconstructing Los Angeles—and U.S. Cities—from the Bottom Up*

(published in 1993) with a new introduction and programmatic recommendations for the present—based on the FFSC program above by March 2017 before the April 2017 25th anniversary of the L.A. Urban Rebellion



LCSC opens Strategy and Soul January 2, 2017—elaborates its comprehensive organizational model and its theory of “the totality of urban life”

The Strategy Center has opened a 4-storefront Strategy and Soul Movement Center at the corner of Martin Luther King and Crenshaw Blvds in South Los Angeles—Strategy and Soul theater, Strategy and Soul Bookstore and Organizers Library, Fight for the Soul of the Cities city-wide office, and Strategy and Soul Food.

We need a collective vision of a new society and the construction of new community-based institutions (such as Strategy and Soul) to embody this new society in the present. Strategy and Soul is already experiencing explosive growth. The Strategy Center has always understood the need to go beyond “campaign based” participation—Drum and Chants corps, political education, holiday parties and the creation of a multi-racial Black and Latino based community. But Strategy and Soul is allowing us to dramatically expand that understanding into a 7 day a week community center. We are already partnering with the Pan African Film Festival for special showings and receptions, community based health groups seeking a facility and a community, neighbors coming by to invite us to their block clubs, and an explosion of ideas about book and film clubs, yoga classes, and health food. We are also discussing job training for Black and Latino youth in film, theater, bookstore, facility, and restaurant management with a more general Transformative Organizing framework in which their primary job description would be “organizer.” We want to be methodical and address our administrative capacity but we have clearly touched a profound un-met need in the community and we are receiving wonderful responses.

Dramatically expanding our Civic Engagement/voter education and mobilization capacity

The Strategy Center has focused on long-term structural demands on governmental and corporate entities but we have also carried out small and occasionally expansive experiments in voter mobilization on critical ballot measures.

This past November the Strategy Center:

- Initiated a Take the Initiative Voter Guide that was sent to an email list of 8,000 and also involved 2 major one-hour segments on Voices from the Frontlines at which we received dozens of calls
- Worked in the 8th, 9th, and 10th City Council districts as part of our Vote No on Measure M Campaign. This involved door to door canvassing, distributing 500 lawn signs, 1,000 door hangers, phone banking, and community education campaigns.

Given our simultaneous opening of Strategy and Soul on October 8th, the construction of a civil rights complaint against the Los Angeles MTA for racial profiling of Black passengers just submitted to the Department of Transportation and Department of Justice, and our national campaign to get President Obama to end the DOD 1033 Program, we did not have the time, money, and energy to run the GOTV program at nearly the capacity we had wanted. Still, we feel that now that we have the Strategy and Soul office our capacity can be dramatically expanded. We want to develop a tactical plan to significantly test and expand our capacity in those three key, Black majority districts but also citywide and countrywide work in 2017, 2018, and 2019 with quantitative and measurable results.

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CAUTION MILITARIZED ZONE

Join us on April 22nd 3:30pm @LAUSD
Rally w/ Fight for the Soul of the Cities
 to End the federal 1033 Program
 Supported by the National Dignity in Schools Convening

HELP SUPER PASAJERA FIGHT THE PRIVATIZING AND POLLUTING AND POLING OF OUR NEIGHBORHOODS!

FIGHT SOUL CITIES

NOVEMBER 8TH VOTE

NO on Measure M

#NO3M #NOFORVERTAN #ENDSTOPANDFRISK #ENDBLACKGENOCIDE #ENDTRANSITAPARTHEID
 TWITTER @FIGHTSOULCITIES
 FOR MORE INFORMATION PLEASE CALL (213)387-2000

The Labor Community Strategy Center and Voices from the Frontlines
Take The Initiative Voter Guide
 Recommendations for Liberals, Progressives, Radicals, and Revolutionaries

YES	NO
Proposition HHH VOTE YES ON L.A. CITY BALLOT MEASURE HHH FUNDING FOR HOMELESS HOUSING	Measure M VOTE NO ON MEASURE M METRO'S RACIST IDENTIFYING REGRESSIVE SALES TAX NO NO NO!
Proposition 55 YES ON PROPOSITION 55 CONTINUATION OF TAX ON WEALTHY	Proposition 56 VOTE NO ON PROPOSITION 56 CIGARETTE SALES TAX ON THE POOR
Proposition 57 VOTE YES ON PROPOSITION 57 INCREASED PAROLE CHANCES FOR PRISONERS CONVICTED OF "NON-VIOLENT" ACTS	Proposition 60 VOTE NO ON PROPOSITION 60 ATTACKS ADULT FILM WORKERS
Proposition 62 VOTE YES ON PROPOSITION 62 DEATH PENALTY ABOLITION	Proposition 66 VOTE NO ON PROPOSITION 66 DEATH PENALTY ACCELERATION AND CRUELTY
Proposition 64 VOTE YES ON PROPOSITION 64 LEGALIZATION OF MARIJUANA INITIATIVE	

Take In Today Monday November 7th @11am
 for a special Broadcast of **Voices From the Frontlines**
 Hosted by Eric Mann & Produced by Channing Martinez
KPFK Pacifica 90.7fm Monday Nov. 7th @11

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Building Friends of the Strategy Center

The Strategy Center itself has never had a “membership structure” because we have deliberately wanted to protect the membership integrity of the Bus Riders Union and Community Rights/Taking Action groups that had their own membership structures and rules. We are currently experimenting with a new Friends of the Strategy Center membership program that would involve a supporting dues structure, an opportunity to volunteer at Strategy and Soul, and discounts on all Strategy Center books, events, films, and public programs. Again we want to set very ambitious but realistic metrics on this for 2017, 2018, and 2019, e.g. 500 new “Friends” in 2017, 500 in 2018, and 500 in 2019, but with a very high retention rate—with the goal of at least 1500 new friends by 2019. These numbers are projections now but in the next 3 months we will start a pilot project and an ambitious “Friends” campaign and continue to develop more accurate targets.

Spring 2018 National conference Reconstructing Los Angeles—and U.S. Cities—from the Bottom Up

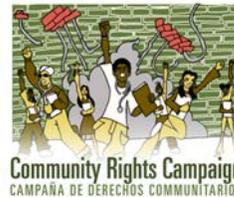
The Strategy Center has a strong reputation as a convening group. We have successfully organized a Future of Transportation Conference in 1995 and organized 2 major National Organizers Exchange meetings. The goal would be to publish Reconstructing Los Angeles and U.S. Cities from the Bottom Up by January 2017 and organize a major conference in the spring of 2017 of the best organizers in the United States (with some international guests) in the fields of racial, social, economic, and climate justice. The conference would involve serious discussions and debates about national program and see if it could reach agreement on a few targeted campaigns that would try to shape national policy by carrying out large-scale, long-term campaigns in major cities in the U.S. We do not see at present a national organization that can win the allegiance of organizers on the ground to truly agree and implement national programs. This is the challenge we are willing to undertake for 2017-2018.

The LABOR/COMMUNITY
Strategy Center February 2-4, 2012
NATIONAL ORGANIZERS EXCHANGE

**BRU Five-Year Plan for
 Countywide New Bus Service**
 January 14, 2005

**The Future of Transportation
 Conference, Los Angeles**
 Feb. 18 - 20, 2005
 Labor/Community Strategy Center

The Labor/Community Strategy Center Organization Chart



**Strategy and Soul
Theater
and Art Gallery**

**Strategy and Soul
Bookstore
&
Organizer Library**

**Strategy and Soul
Food
Feeding
the community
Body and Soul**

**Fight for the Soul of the Cities
Citywide Office**

Frontlines Press

Books and Films for Movement-Building



**The Urban Strategies Group
LCSC Legal Center**

NSSO

The National School for Strategy Organizing

National Center for Civil Rights and Climate Justice Strategies

From its inception, The Strategy Center has been based on addressing the “totality of urban life” and developing an ambitious organizational structure for a Comprehensive Movement Center. This was based on a reading of U.S. history and successful models of the Student Non-Violent Coordinating Committee, Mississippi Freedom Democratic Party, Newark Community Union Project, and the Black Panther Party. “Freedom schools,” Freedom Votes, Freedom Ticket independent electoral campaigns, Breakfast for Children’s programs, Community Newspapers and radio stations, schools for organizers have framed the Strategy Center vision.

In 2016 and moving forward, the Strategy Center has developed a complex and multi-faceted organizational structure that creates the internal components to allow such an expansive vision of The Fight for the Soul of the Cities and Reconstructing Los Angeles—and U.S. Cities—from the Bottom Up.



Funding

The Strategy Center’s 2016 budget is \$2 million. This is down from our high of \$2.5 million in 2014-2015. But this was also a conscious decision to accept the phasing out of several very long-term grants and a need for internal consolidation, cost-cutting, streamlining, and greater strategic and tactical focus. We did not want to keep fighting to make a budget with such small margins and chose to reduce our core costs as a new baseline from which we could expand into more cost-effective fundraising. We now want to move to expand our base budget to at least \$2.5 million in 2017 and if possible \$3 million by 2018. But we also want the tactical flexibility to operate well with the funds we have while being able to rapidly expand our operations if and when funds become available.

Fundraising from individuals

The Strategy Center believes that foundation funding has the greatest capacity to generate the largest and most long-term grants. But from the outset we have placed great attention and priority on funds from individual members and supporters. These have always been important sources of funds and measures of the actual level of support we were getting (votes of confidence or no confidence). These metrics gave us information about the strengths and weaknesses of our work.

Strategy and Soul was built with more than \$500,000 from individual donors. We are still in the process of doing the most specific accounting of this process. Our first “rough count” is that from our 25th anniversary Political Party in June 2014 to the Revolutionary Opening of Strategy and Soul in October 2016 we have raised more than \$800,000 from individual donors--\$300,000 of which went into general support for our work and \$500,000 for all the costs of constructing and furnishing Strategy and Soul—averaging more than \$250,000 a year. This inverse pyramid began at the top with more than 200 member contributors of Bus Riders Union/Community Rights Campaign averaging \$50 a year, 25 people giving \$1,000 or more, one person giving \$25,000, 2 people at \$15,000 and one donor contributing \$100,000. We are in the process of constructing a chart of every level of giving and developing specific campaigns to sustain and expand each level of contribution.

Conclusion

In 1992, after the urban rebellion following the Rodney King verdict, there was a profound sense of anger, hope, despair, introspection, and determination among some of the best organizers in the City. We all shared a sense that something more comprehensive, radical, and structural was needed and that a political vision paper was necessary to help guide the work. We felt that we were losing in the realm of ideas, even in the Black and Latino communities where we were carrying out our main work, and that we had to re-invigorate our organizing with more work in the realm of ideology, analysis, strategy, and tactics. That led to the formation by the Strategy Center, with the great participation of many other community leaders from other organizations and community-based scholars, of the Urban Strategy Group and the publication of *Reconstructing Los Angeles—and U.S. Cities—from the Bottom Up*.

Today, after the recent presidential elections, we feel there is a similar challenge to all of us in every city in the U.S. We believe we have experienced some positive pieces of the puzzle in Los Angeles. Groups in Los Angeles have more cordial and even truly cooperative relationships. There is less competition and factionalism than in some other urban centers, and people are doing some gutsy, impressive work. For the Strategy Center, our recent major victory to get the Los Angeles Unified School District and the Los Angeles School Police Department to withdraw from the Department of Defense 1033 Program, to return all the weapons, to give a complete detailed accounting of each weapon received and each weapon returned, and to issue an apology to the Strategy Center and the community, was one of our greatest programmatic victories in the realm of material changes in people's lives and winning the battle of ideas to confront the growing police and military state. Our participation in national civil rights structures such as the Dignity in Schools Campaign, the Department of Justice Working Group on the DOD 1033 Program, the growth of Voices from the Frontlines, the successful integration of Fight for the Soul of the Cities, and of course our Revolutionary Opening of Strategy and Soul, gives us a sense of optimism and possibility and the strongest hand we have had in a long-time. We are also profoundly aware of the great gap between our capacity and the conditions we want to change. Nonetheless, we feel we are very well positioned to make a major breakthrough in urban organizing work. We have the team in place, the vision, and the will.



Reconstructing Los Angeles -and U.S. Cities- From the Bottom Up

A Long-Term Strategy for Workers, Low-Income People, and People of Color to
Create an Alternative Vision of Urban Development

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CHAPTER ONE

The L.A. Uprising and the Poverty of Corporatism

Four years have passed since the Los Angeles rebellion, and the much heralded revitalization program launched in May of 1992 by former Mayor Tom Bradley and his corporate allies has been a fiasco. Rebuild Los Angeles (RLA), a nonprofit corporation headed by '84 Olympics wizard Peter Ueberroth (and now by Linda Griego), had put forth a private sector, no nonsense strategy that promised jobs and prosperity for the city's most desperate communities. At the time, the sense of possibility was enormous. Liberal columnist Robert Scheer extolled Ueberroth as "a winner...[whose] confidence and ambition are infectious" and who would meld volunteer recruits "as he did Olympics volunteers, into a vast, grassroots work force—interracial, productive, and cheerful—hopefully suggesting a 'model of community life' that might come to pass."

For a brief period the social explosion in L.A., and the anger and violence that spread through the streets of inner cities across America, sparked a national discussion about urban policy. Within the political mainstream, from the White House to Congress to the think tanks and editorial offices advising then candidate Bill Clinton, there came variations on the theme of "public private partnership": enterprise zones, business incentives, deregulation, and personal responsibility. Then, as suddenly as it had flared up, this national discussion ceased. Bush cowered and Clinton ran an "issue oriented" campaign that deliberately skirted issues of race, poverty, and the crisis of cities.

In L.A., however, where the establishment was being pressed to *do something*, Bradley and the business elite represented by Ueberroth sought to turn the rhetoric of partnership into reality through RLA. Its purpose was to assess the needs of low-income communities and attract job-creating investment, while cutting through government "red tape."

Today, the balance sheet registers dashed expectations, outright misrepresentation, and chaos. Drive through South L.A. on any afternoon, and you will see thousands of unemployed women and men. Ueberroth was

right about one thing: Joblessness is the greatest single material obstacle to rebuilding the inner city. A consultant hired by RLA reported that 75,000 to 90,000 jobs are needed in South L.A. alone. Yet today not one major factory is under construction there, and the hard and soft pledges of Ueberroth involve fewer than 5,000 jobs. The growing perception is that the best jobs RLA has created are in its own P.R. department.

Within a few months following the rebellion, Ueberroth cheered when General Motors announced that it would channel \$15 million in contracts from its Hughes Aircraft subsidiary to inner city suppliers. The move, which would generate a few hundred jobs at most, was hyped by RLA as corporate benevolence in action. One month later, G.M. shut down the Van Nuys automobile assembly plant, its last in L.A., eliminating 3,000 workers, about two thirds of whom are Latino and African American.

Southern California Edison, meanwhile, donated \$35 million in buildings and services for the inner city, but generated virtually no jobs. Pioneer Electronics promised \$600,000 for a job training center, but no jobs. IBM made a five-year pledge of \$31 million in cash and computer equipment, but no jobs. Vons has said it will open ten to twelve supermarkets in the inner city, eventually employing up to 2,000, but so far only one, which employs 150 in the South L.A. community of Compton, has broken ground. Ueberroth took credit for Vons's investment decision, even though it was made months before the rebellion, when RLA did not yet exist¹.

In October of 1992, Ueberroth announced a list of 68 companies from which he claimed pledges of \$1 billion in investments, but the *Los Angeles Times* reported that more than a quarter of those—among them American Honda, Apple Computer, Bechtel, Ford, and Goodyear—had no such plans². "What I call them is ghost funds," community activist Lynne Joy Rogers said. "They're supposed to be there, but nobody's seen them."

Yet despite RLA's failure to generate jobs, the ideology of partnership that it advances—corporatism dressed up in the language of cooperation—continues to dominate the discourse. Even many community leaders, focusing on who does and does not have a seat in RLA, have done little to dispute the project's basic assumptions. Following the Watts rebellion in 1965, public discussion was about racism, police brutality and the need for a more militant response to

address the failings of “the system.” Today, it revolves around making inner city communities “attractive to investment.” The result has been infighting both within and between African American, Latino and Asian American communities over the imagined dividends of such investment, and demands for “inclusion” in a revitalization process that these communities have had virtually no role in shaping.

This phenomenon extends far beyond Los Angeles. In New York and other cities, “partnership” is increasingly the catchword of policy initiatives, and it has been the centerpiece of the Clinton Administration’s agenda for the cities. Any alternative urban strategy from the left will have to challenge this ideology directly. To understand it, let’s look at its most advanced and telling models: RLA and the bipartisan political culture of Los Angeles that spawned it.

1. A Government of Convenience

During the peak of its greatest ideological and policy influence, in 1992 and 1993 under the command of Ueberroth, the central assumption of RLA was that government intervention in the economy is bankrupt financially and politically, whereas the corporate sector can best guarantee economic vitality. But in fact, Ueberroth envisioned an aggressive role for government—providing tax incentives, de-regulatory legislation, enterprise zones, and expedited procedures to, as he puts it, “eliminate obstacles to investment.”

At the same time, RLA functioned as a shadow government, drafting legislation, reviewing development plans, even approving public art projects. Although several dedicated community activists and advocates were recruited to RLA (some having serious misgivings about its legitimacy), the power on the board was firmly in the hands of representatives of Arco, IBM, Warner Brothers, Southern California Edison, U.S.C., Disney, and the Chamber of Commerce. At the staff level, power was held by Ueberroth and his cochairmen, Bernard Kinsey, a former Xerox vice president; Barry Sanders, of the corporate law firm Latham and Watkins; and Tony Salazar, formerly with a St. Louis based housing developer.

As a private, nonprofit corporation, RLA deliberated in closed session, without public scrutiny or participation. When board members Tom Bradley, Governor Pete Wilson, State Treasurer Kathleen Brown, Police Chief Willie Williams, and City Councilman Mark Ridley Thomas sat down with the Chamber of Commerce and

corporations to make decisions affecting the city—such as the introduction of a deregulatory bill—there was no accountability. According to RLA, when the mayor walks into the City Council he is a public official; when he walks into its own board meeting he is a private citizen. Several reporters expressed shock upon being barred from RLA sessions. When they argued that under the state’s Brown Act public officials cannot meet behind closed doors on matters of public policy, they were told that RLA is in no way public.

Ueberroth was hardly a newcomer to the privatization of public processes. A year before the L.A. rebellion, he was appointed by Governor Wilson to chair the California Council on Competitiveness, whose objectives paralleled those of Dan Quayle’s former federal agency of the same name. Ueberroth’s council advocated that government reverse “California’s national reputation for being hostile to business, largely due to its complex system of environmental and land use regulations.” It imagined the California E.P.A. as a one-stop shopping center for pollution permits. To that end, it supported decreased public health protections against toxic chemicals, increased corporate power to influence the rules regulating business, and circumscribed authority of environmental agencies.

When he took on Rebuild L.A., Ueberroth denied that he would move to slash environmental standards in poor communities. But within weeks Assemblyman Curtis Tucker, who represented Inglewood, carried a bill at the behest of Bradley and RLA that would have dramatically enhanced the city’s power of eminent domain as well as “streamline” the procurement of land, the granting of permits and the environmental impact review process in order to facilitate industrial and commercial development in South L.A. In a letter, Ueberroth told legislators the bill was necessary “to adopt swiftly or amend redevelopment plans in riot torn areas. This is exactly the type of help RLA needs from Sacramento as we form an effective partnership between the public and private sector.” Community opposition in South L.A. thwarted the bill, exposing it as an effort to hasten developers’ land grabs and undermine community oversight, ultimately jeopardizing public health.

Ueberroth also initially spoke of bringing “good jobs at good wages” to economically devastated areas of the city. But when RLA put out a twenty two point call to industry there was not a word about wages, benefits, or working conditions. At a job training conference

sponsored by Toyota and the Urban League in the fall of '92, however, Ueberroth hailed *minimum* wage jobs as bringing “dignity to those who labor in them.” Workers from Justice for Janitors, a campaign of the Service Employees International Union, marched on RLA shortly after to tell him that for hundreds of thousands of Angelinos who already have full-time jobs, the minimum wage means living below the federal poverty line, usually without health insurance or job security.

The skirmishes over regulation and wages pointed out a central contradiction in RLA strategy. Its vision of 75,000 to 90,000 jobs implied the need for large corporate employers. But since all the major industrial companies that left Los Angeles in the past fifteen years—G.M., Ford, Firestone, Goodyear, American Can, Bethlehem Steel, etc.—did so in search of lower wages and corporate consolidation, what could Ueberroth offer to lure them back except for low wages, tax concessions, and waivers on environmental regulation, all of which have existed *de facto* in South L.A. for some time?

Enterprise zones, which existed for five years before the rebellion, created a total of 837 jobs—only 159 in Watts, 220 in the Central City zone and 157 in the predominantly Latino east side. The attendant tax breaks, which contributed to the city's \$180 million budgetary shortfall in '92, were often claimed by companies *already* operating in the inner city.³

Ueberroth, far more socially concerned than most corporatists, came up against the limits of his own market driven strategy. He was confident, no doubt owing to his success in the travel and public relations business, that he could convince corporations of the long term political importance of investing in the inner city even if it meant a short term reduction in their profits. A nation with cities going up in flames, he argued, is bad for business as a class. What's more, a business led rebuilding can preempt the prospect of more radical efforts. But Ueberroth's approach failed precisely because of the ruthlessness of the market forces he tried to cajole. With growing competition and a decline in their own fortunes, U.S. corporations are unwilling to invest much, whether for socially responsible or politically strategic reasons.

Unfortunately, Ueberroth was not just ineffective; his model of market driven urban development is dangerous. He traded on the perception that he was the savior of the inner city to advance a *deregulatory*

agenda statewide. Just recently a high ranking official of the California EPA told Eric Mann, Director of the Labor/Community Strategy Center, that the agency was barraged by companies seeking weakened regulations in the year following the rebellion, arguing that Ueberroth had encouraged this to advance his efforts in L.A. And many Latino and African American legislators went along. Latham and Watkins, RLA's chief law firm, is the driving force in the Regulatory Flexibility Group, the most sophisticated lobby attempting to push the South Coast Air Quality Management District away from regulation. The group also opposes stringent reduction of toxic emissions. So while RLA's key players didn't produce many jobs, their policies *did* produce emphysema, nervous system disorders, reproductive damage, and cancer for a new generation of inner city youth.

2. Corporate Liberalism and Its Limits

Although Ueberroth and Bradley touted RLA as an innovation in L.A. politics, both its corporatist approach and its failures mirrored Bradley's own over the twenty years of his mayoralty, which ended in 1993.

In 1973, Bradley, a former police officer and civil rights moderate, led a coalition of blacks and liberal whites to take power in a city formerly run by overt racists. Promising good government and a mild reform package, he at first focused on procuring federal funds to increase social services. Even then, however, the Nixon administration's budget cuts encouraged Bradley to see the private sector as a collaborator in government's work.

His economic strategy calculated that L.A. would gain more than it would lose from the growing mobility and internationalization of capital. Bradley thus gave no support to movements against plant closings. Most of the factories that left, costing more than 75,000 jobs, were in basic industries—steel, auto, rubber—with work forces that were from 25 to 75 percent African American and Latino, earning \$10 to \$15 per hour with excellent benefits. By contrast, the industries that came in—furniture, garment, electrical assembly, hotel—paid \$5 per hour or less, offered no health benefits, and often were not unionized⁴. Today, some 500,000 Angelinos, almost all of them immigrants, labor year round for less than \$10,000 full time in a *de facto* sweatshop sector of the economy—one that by its nature simultaneously fails to attract and virtually excludes African Americans⁵.

Meanwhile, Bradley focused his energies on attracting international trade and revitalizing L.A.'s downtown business district. To accomplish this, especially after the Proposition 13 taxpayers' revolt further limited city resources, he placed increasing power for planning and land use policy in the hands of the city's Community Redevelopment Agency (CRA). In what author Mike Davis termed "the municipalization of land speculation," in his book *City of Quartz*, the CRA bought up large parcels of land and sold the most expensive real estate in California to private developers at fire sale prices. Socially beneficial redevelopment in South L.A. was a low priority. The lion's share of funds it amassed went toward construction of more luxury and business high rises. As Professor Cynthia Hamilton has documented in her study *Apartheid in an American City*, the result was havoc in the African American community stretching south of the new downtown skyscrapers. Stripped of its heavy industrial role, its economy reduced to mini malls, check cashing and nail parlors, South L.A. became "a community in the way," riven by an expanded Harbor Freeway, the Century Freeway, a Blue Line high speed rail bringing suburban commuters into downtown, and the planned Alameda corridor for transporting goods from the harbor to the business district.⁶

3. The Bradley Legacy

Although Bradley did quite a bit to advance a small stratum of black elected officials, business people, and professionals, he assiduously avoided even the appearance that as an African American he had a special concern for the African American working class and the urban poor. He also never confronted the racist ideology behind the Reaganite evisceration of funding for cities. Bradley's record with the city's Latinos was similarly dismal. From 1963 until 1985, while L.A.'s Latino population soared from 340,000 to 1 million, not one Latino sat on the City Council. The Bradley machine did not challenge the white black political framework that kept Latinos without representation. Bradley himself stood aloof from the organizing efforts of the largely Latino Justice for Janitors campaign and the Hotel and Restaurant Workers union, a stance that effectively legitimized the low wage standards in the downtown hotels and office towers subsidized by his own government.

While supervising the immiseration of the city's working class, the Bradley administration forged a truly multinational, multiracial coalition *at the top*. In

his dealings with Japanese American businesspeople, Korean American merchants, Hollywood studio heads, members of the Jewish establishment, Latino political and economic leaders, labor union bureaucrats, international investors from Japan, Hong Kong, and elsewhere, and members of the African American capitalist/managerial class, Bradley created a model for the inclusion of the broadest spectrum of elites into the political life of the city.

Feeling no significant grassroots pressure from the left, he aligned with well organized forces functioning through such institutions of corporate planning as the Central City Association, the Downtown Strategic Planning Group, and the L.A. 2000 committee. His administration became the vehicle for implementing their ideas, with deputy mayors from Ray Remy (who now heads the Chamber of Commerce) to Mark Fabiani, currently in the post, orchestrating deals between competing business interests, local politicians, and, occasionally, community groups brought in to provide legitimacy.

Bradley was no figurehead, but as with most big city mayors, his perception of himself as the organizer of a coalition collided with business leaders' strategies to use the office of mayor for their own objectives. The Bradley era offers a chilling case study of the limits of a racially defined insurgency that focuses on changing the color or ethnicity of elective office holders without also addressing issues of class and accountability. The driving force for the long overdue displacement of white racist urban mayors were militant mass movements, primarily of black working people, many of whom had extremely low income, along with significant sectors of the middle class. But in the transition from the mass protest movements of the 1960s to the complex multiracial electoral coalitions of the 1970s and 1980s, too often the story has ended with self promoting, racially identified candidates, never accountable in the first place, quickly becoming attached to far more powerful corporate forces.

Twenty years of the Bradley administration resulted in the impoverishment, de-industrialization and decline of L.A.'s black community. Had a white mayor carried out such destructive policies, there would have been furious, organized resistance. But by cultivating a black elite and appealing to the black urban poor to attenuate their protests so as not to risk electing a white racist (a renewed threat that was realized when the rightward move of the white electorate in Los

Angeles resulted in the shocking racially based support for corporate mayoral contestant Richard Riordan who won in 1993), and by doing so at a time when black radical movements were on the decline (partly because of infiltration and repression by the police), Bradley was transformed from an aspiring middle-class politician to a true member of the comprador class. It is thus fitting that following his retirement from public office in June 1993, Bradley went to work for Brobeck, Phleger, and Harrison, a corporate law firm specializing in international trade.

L.A.'s experience added a sobering note to Bill Clinton's manipulation of the demands of African Americans, Latinos, and women by appointing a Cabinet that "looks like America" but in fact uses racial and gender symbols—in the form of Ron Brown, Hazel O'Leary, and Henry Cisneros—to create a multiracial elite that *acts like corporate America*.

4. Critical Mass

The uprising in the streets of April 1992 and the images of unpunished police violence that inflamed it provided a fitting coda to the Bradley era.

Bradley loathed Police Chief Daryl Gates, a racist and political rightist who had been his antagonist since the 1970's. But the city's corporate elite had come to support police violence as insurance against any interruption in the upward distribution of wealth during the Roaring Eighties. Gates *the enforcer* proved an invaluable complement to Bradley *the coalition builder*.

All that changed not with the beating of Rodney King but with its recording. The videotape crystallized years of outrage in the African American community and generated the first significant antiracist protest in more than a decade. Suddenly the LAPD's standard procedures were hurting L.A.'s image as a world-class city, so Chief Gates became expendable.

In the wake of the King beating, Bradley again subcontracted out the government's job by appointing Warren Christopher, a leader in downtown business circles (now U.S. Secretary of State), to head a blue ribbon panel to investigate police abuse and propose reforms. After hearings attended by thousands of angry residents and organized civil rights and civil liberties groups, Christopher's panel recommended that Gates retire, that his successor's term be limited and that the Police Commission have greater powers of oversight. A black police chief from Philadelphia, Willie Williams, was duly hired, and demands for a *civilian review board* that would have given community residents statutory authority to curb police abuse were successfully diverted.

While the city's captains were congratulating themselves on the "responsible" reform agenda of the Christopher Commission, however, forces from which they had been largely insulated for almost two decades began to converge. The crippling social service cuts of the Reagan years, the deindustrialization of entire communities, the decline of social movements, the rise of white racism among former liberals, the increase in poverty, drugs, gangs, police brutality, and despair—all surging beneath the surface of a long dormant hope for justice, momentarily rekindled by a videotape, and then extinguished by an acquittal—combined to create a social explosion.

CHAPTER TWO

A Strategy for Environmentally Sound, High Wage, Democratic, and Sustainable Community Revitalization

SECTION I

Overview

South Central Los Angeles is a community in need and also a symbol of America's cruel and unusual punishment towards its inner cities: predominantly low income, people of color, increasingly immigrant, home to enormous human resources neglected and rejected by a profit oriented social system.

Both the reality and symbolism of South L.A. in flames is tragic. But the tragedy contains within it hope: possessing limited physical plant, minimal industrial base, depleted housing and urban infrastructure, and marked by a devastated economy, South L.A. now has the opportunity to advance bold and innovative proposals—instead of the tired, old “way it has to be.”⁷ Moreover, South L.A., already in transition with a population that is approximately 50 percent African American and 50 percent Latino, offers many other communities in Los Angeles and throughout the country a glimpse at the multiracial movement necessary to revolutionize the national debate about urban policy.

1. Public/Private Partnership or Labor/Community Strategies for Corporate Accountability?

A sustainable, democratic model of community development has to operate on the basis of some reasonably comprehensive theory. Chapter One, “The Poverty of Corporatism,” argues that a corporate led, profit oriented strategy of development—reflected in the policies of the Bradley administration, Rebuild Los Angeles, and the Clinton administration—can not possibly lead to dramatic improvements or even conditions of adequacy for most working people, low income people, and people of color.

In Los Angeles today, most community based efforts in economic development to help low income people and people of color are carried out—voluntarily or under duress—under the corporate strategy's rubric of the “public/private partnership.” With few exceptions such partnerships subordinate social movements to the interests of business and the profit system, preempt the development of strong and independent community based movements, and do not push either the government or the corporate elite to radically change its policies or share, let alone relinquish, power.

A counter strategy is needed that shifts the locus of power, a big picture idea that takes into account the many necessary but sometimes contradictory factors that must be incorporated into sustainable, democratic economic development: full employment; liveable incomes; adequate social services; the highest environmental quality; justice for workers, people of color, and women; community revitalization; and innovation. In an increasingly internationalized economy and in a society in which so much of the power is concentrated in the hands of economic and government elites at the top while racial and ethnic tension grows among the vast majority at the bottom, what strategy can challenge the public private partnership?

A counter strategy begins with the proposition that the domination of society by the most monopolized and internationalized forms of corporate capital is against the interests of the vast majority of people. This kind of class analysis can galvanize a *multiracial anti-corporate united front*: workers (employed and unemployed), people of color of all classes except the most corporate, poor people, small business owners, progressive intellectuals, and even segments of the middle class. It allows diverse social forces to share a common critique of corporate behavior and to cooperate on relatively long term strategies for radical and even revolutionary reform. Such a united front must reassert the role of government in redistributing wealth and regulating corporate behavior; advance a democratic and environmentally driven concept of development; and confront institutional racism, beginning with police power.

This united front strategy challenges relationships of exploitation and domination—of both human beings and the natural environment. It argues that corporate profit and “the market,” while not irrelevant or dismissable, must be made subordinate to human

and ecological need. In our society, “public” and “private” interests are at odds. Corporate profit and human need are on a collision course and choices need to be made: Should government funds be spent for hospitals or corporate tax breaks, for bailing out L.A.’s projected \$500 million per year budget deficit or trying to rescue Boris Yeltsin’s failing market economy? Should government bail out the S&Ls or build at least 500,000 units of very low cost public housing? Should corporations be allowed to subordinate the public health to “cost/benefit analysis” or be required to abide by the strictest environmental standards? Should workers be supported in their right to organize collectively or should companies be supported when they hire union busting firms and suppress and oppress their workforce? Should corporations be pressed to locate major facilities in low-income communities of color in the inner cities of the U.S. or excused to run away to Third World countries in search of far lower wages and an absence of environmental regulation? Should the government initiate a real graduated, tax the rich plan in which most revenue is collected from corporations and those with incomes over \$200,000, or continue the present regressive tax plan in which loopholes for corporations and the rich are codified into tax policy while the cities are on the verge of fiscal bankruptcy?

These are just a few of the real choices that are reflected in the debate over the programmatic policies of a multiracial, anti-corporate united front in contrast to the “public private partnership.”

For communities such as South L.A., East L.A., the Wilmington/San Pedro Harbor area, Pacoima/San Fernando, Pico Union (as well as Harlem, Detroit, New Orleans, Chicago, and Oakland) the public/private partnership offers no leverage, no independence, and no hope. The anti-corporate united front strategy combines a critique of corporate policy and behavior with a strategy for positive action. It focuses on its own internal partnerships—between people of color and working class and middle class whites, between Latinos, African Americans, and Asian Americans, between workers and professionals, between employed and unemployed, between women and men, and between middle class and poor. But it also is willing to challenge concentrations of power that operate against the interests of the vast majority of people. And yes, it is willing to *Just Say No* to funds from repressive Justice Department programs such as Weed and Seed and those of cooptive corporations whose policies in the

community should preclude progressive community organizations from even considering taking their money.

As a longtime South L.A. community activist, Robin Cannon, points out about what she calls “the PPP” (so called “public private partnerships”): “I see what government gets out of it, keeping business happy, getting campaign contributions, and getting reelected. I see what business gets out of it, more tax breaks from the government and more profits. But what can we offer this partnership except for environmental deregulation and low wages, which they can get without us. And anyway, delivering low wage labor isn’t the role of community activists.”

Contrary to what some might assume, a multiracial, anti-corporate united front strategy does not mean that social movements do not negotiate with or have meaningful discussions with corporate executives and staff.

- At the Air Quality Management District, for example, the Strategy Center members sit on many policy committees with top executives from Southern California Edison, Hughes, Lockheed, and the Disney Corporation.
- During the entire U.A.W. *Campaign to Keep GM Van Nuys Open*, a predecessor to the Strategy Center, we pushed hard to get a meeting with then GM president, F. James McDonald. At that meeting McDonald threatened the Labor/Community Coalition with a plant shutdown and asked for government concessions to keep the plant open. The Coalition responded that it would not support either union or community concessions, and instead, would initiate an L.A. County boycott of GM products if McDonald and then GM chairman Roger Smith decided to close the plant. That meeting, (in 1984) which involved a knockdown, drag out conversation led McDonald to agree to keep the plant open at least two more years, and established the basis for the plant remaining open until its final closure in 1992.
- In the Gallo wine boycott, the antiapartheid divestiture movement, the Hotel and Restaurant workers campaign to reinstate union workers at the Koreana hotel, as well as in any future meetings with banks to demand changes in redlining and with corporations to

demand community investment, discussion and negotiation with corporate executives is essential. What distinguishes the multiracial anti-corporate united front approach is that those negotiations and discussions take place from a position of political independence, constituency based power, and from an understanding that the interests of workers and community residents are diametrically opposed to the interests of corporations motivated primarily by profit maximization.

2. A Comprehensive Plan for Economic Development that Reflects the Interests of Those at the Bottom

There is an urgent need for a discussion throughout low-income, working class, and predominantly African American, Latino, and Asian American areas of the city that will generate a *comprehensive, long term economic strategy* for each particular community and the region as a whole. In order to generate 10,000 new jobs, let alone the 75,000,95,000 RLA itself projects as needed just to solve the problem of structural unemployment in the South L.A. area, a community must have a comprehensive economic plan. While Ueberroth talks a lot about “the private sector,” in actuality there is no comprehensive plan for economic development behind RLA’s corporatization strategy.

When South L.A. was a center of heavy industrial production, plants such as GM South Gate, Goodyear, Firestone, Bethlehem Steel, and American Can provided more than 25,000 unionized, good paying jobs. These facilities also helped generate jobs in supplier industries, subcontractors, local restaurants that served the large work forces, and neighborhood businesses partially supported by the purchases of working class families with some disposable income. When those major employers left they literally pulled the plug on the entire economy of the area, and the incoming nonunion, low wage, sweatshop jobs have not provided a viable alternative. The most productive way to generate jobs is to build an integrated regional economy, so that investment builds on investment and attracts related firms—such as Route 128 in the suburbs of Boston, the garment districts in New York and L.A., the refinery/harbor area in Wilmington/San Pedro, and L.A.’s film industry. In such an *integrated regional economy*, a few large facilities can constitute a hub: For example, a network of medium sized component manufacturers, suppliers, and professional

firms generating thousands of additional jobs in the so called “flexible manufacturing” sector. In addition, another network springs up made up of merchants—from restaurants to school supply stores—who service a higher paid workforce.

One possibility for such integrated economic development for South L.A. and other low-income, high unemployment areas of L.A. would be their reconstruction as *centers of environmentally sound production of technologies of the future*, focusing on solar electricity, nonpolluting prefabricated housing materials, electric car components, and public transportation vehicles, both buses and trains.

For anything like a comprehensive urban strategy to exist, of course, it takes *planning*. During the height of the Reagan period, the rhetoric was that planning, especially by government, was both undemocratic and socialist. In reality, all social systems involve planning, either toward socially beneficial or socially destructive ends. For example, the Reagan administration *planned* to break down civil rights laws, labor unions, and high wages in industry, to end the safety net for social services, and to place more wealth in the hands of the rich: it succeeded on all counts. The Bradley administration *planned* to construct Los Angeles as a monument to downtown business interests and international capital and as a center for low wage industries: it succeeded. Today, the Clinton administration is *planning* to help the middle class and not the urban poor, *planning* to bail out the S&Ls and the aerospace industry and not the homeless and unemployed, and *planning* to give higher priority to deficit reduction than to investment in environmentally innovative technologies.

For community and labor organizations, thus, the real choice is not between “the free market” or “planning” but whether planning is done to benefit the majority or the elites. In other words, for working people, an aggressive commitment to a planned economy is in our best interest. The content of that planning must begin with the interests of communities and workers, engage the many differences of opinions and sometimes conflicting interests among the groups in the united front, and after arriving at a unified strategy and set of demands, confront the representatives of corporate and government elites from a position of independence and strength. With these strategic premises asserted, let’s look at a positive vision for *reconstructing Los Angeles from the bottom up*.

The following discussion puts forth components of a counter theory of regional and community economic development that simultaneously accounts for the market's existence while not accepting its values and priorities. While this document makes concrete and specific proposals for action, its primary objective is to generate discussions and debates about the future of our cities and the future of our society among community and labor organizers, activists, scholars, and public officials.

This document invites others like it to be written in the spirit of furthering a coherent philosophy, strategy, and organizational plan that can unify community, labor, and environmental activists, as well as generate long-term structural demands which, if won, can lead to significant changes in people's lives.

Much of this discussion focuses on South L.A. as a model for analysis and proposals. But the broader focus of this report is to address the politics and economy of Los Angeles as a large metropolitan region, and to generate a discussion of urban policy that is relevant to communities throughout L.A., and inner cities throughout the U.S. Moreover, while the limits of our resources cause us, at present, to focus our practical work in the large enough arena of L.A. County with its 9 million residents, at all times the over arching framework for our political analysis and strategy is international in perspective.

This chapter addresses primarily the potentials for community impact on the behavior of the *private sector*. In the subsequent chapter we focus primarily on community and democratic control over public and *governmental policy*. However, the relationship between corporations and the government is so intertwined, in each section there will be some overlap.

SECTION II.

Environmental Quality and Public Health Establish the Ground Rules for any Economic Plan

Last year in Rio de Janeiro, Brazil, an Earth Summit was held to discuss the growing ecological threat to the future of the Earth and develop new international strategies to deal with that threat. The most destructive force at the conference was the Bush administration and the U.S. delegation, which almost single handedly vetoed virtually every proposal for constructive change.

But we would be fooling ourselves to assume that it was only the Bush administration that opposed the radical changes in the economic and political organization of the world that will be necessary to carry out an environmental revolution to reverse the devastating attacks on the Earth's ecological viability. Progress was stalled by conflicts between the world's wealthy North and impoverished South, between individual Third World nations, between political forces of each nation, and even among the most environmentally committed, as well as by conflicts over the best strategies for integrating environment and development in a world organized into nation states that are themselves stratified by class, race, and gender.

Given all these problems, Los Angeles County, as an economic unit of 9 million people, and as an air basin of 14 million people (including Orange, San Bernardino, and Riverside Counties) has both an enormous responsibility and opportunity to do something "locally" (meaning regionally) that can have national and international impacts.

Unfortunately, there has been a vicious public relations and policy campaign, initiated by organized corporate forces such as Governor Pete Wilson, RLA Chair Peter Ueberroth's California Council on Competitiveness, the Western States Petroleum Association, and the "Regulatory Flexibility Group" of the law firm Latham and Watkins. The campaign has cynically posed the "jobs versus environment" issue so as to enlist low-income communities of color in a movement to gut environmental regulation and public health. Also, even those in the arena of community development

who are attempting to integrate environmental concerns into an overall plan, are often hamstrung by the “practicalities” of the market and the halfhearted environmental measures that pass as “reform” in this regressive period in history.

The Strategy Center is proposing that environmental and ecological policy must be given a far higher priority in overall regional economic planning—with the highest priority given to rapid reduction and elimination of chemicals and processes that present a clear and present danger to the public health and to the viability of future life on the planet, that is to say, that threaten the health and happiness of our children today, and of future generations.

L.A.’s Lethal Air: New Strategies for Policy, Organizing, and Action, a book published by the Strategy Center, makes the case that toxic chemicals that are released into the air in Los Angeles (and by obvious analogy, in other communities in the U.S. and the world) dramatically increase the risk and incidence of asthma, lung dis-function, heart disease, stroke, respiratory problems, central nervous system disorders, the weakening of the immune system, reproductive problems, birth defects, emphysema, leukemia, and cancer. Moreover, these industrial and transportation products and policies significantly contribute to the depletion of the world’s ozone layer (which can cause, among other horrors, a massive increase in the incidence of skin cancers) and to global warming (which will lead to cataclysmic changes from floods to destroying the capacity of entire geographic regions to grow food).

Perhaps fifty years ago we could honestly say that we were not aware of the public health threatening and earth threatening consequences of our normal way of “doing business.” But such ignorance, real or feigned, is no longer acceptable. In our efforts to *reconstruct Los Angeles from the bottom up* we have to develop a methodology and discourse about “development” in which the environment is a driving force. The Strategy Center is grappling with the relationship between ecology and development as part of a worldwide conversation. Our initial analysis leads to the following guidelines for economic development planning that will guide specific proposals for the Los Angeles region.

The products that are produced by an enterprise must utilize renewable sources of energy and raw materials, or be produced in a way that can guarantee the replenishment of scarce resources at the same quantity as those it has used. It should be self-evident that resources that it has taken nature to accumulate over millions of years should not be devoured in less than a century. Coal, oil, forests, soil, minerals, are limited in quantity, and development plans must place radical limits on growth and consumption in contrast to how these are presently defined.

The final products produced must be made of materials that can be recycled and are genuinely biodegradable. The Earth’s “carrying capacity” is being pushed to its limits. Our economic system’s need to produce more and more products is on a collision course with its capacity for waste disposal. Much of the present fad of “recycling” has to be challenged. Organizations such as Greenpeace report that many products that are not biodegradable are being “collected” under the name of recycling and dumped in the Third World. Recycling programs need comprehensive planning, rigor, and oversight.

Products and the processes used in their manufacture (from automobiles to prefabricated housing units) must not generate chemicals that poison the air, water, or earth—or damage public health. This means, as Barry Commoner points out, that “environmental clean up” can’t take place after a factory has been built or after a chemical process causes massive public suffering. ⁸ Environmental regulation must simply ban many harmful chemical processes all together and demand that entire industrial processes be designed from the beginning with the highest environmental standards.

Industrial and economic processes must not jeopardize the health of existing animal and plant species, nor jeopardize the public health or ecological sustainability of future generations—whether in the United States or anywhere in the world. We do not want to fight to stop the dumping of toxic chemicals in landfills in L.A. only to have them dumped in Tijuana or the West Coast of Africa. ⁹

Ecological economics means that every industrial facility, every chemical process, every source of energy, every transportation system—both present and future—would be examined from the point of view of energy efficiency, recyclability, non-toxicity to humans and other animal species, and the most

rigorous protection of the ozone layer, plant life, species diversity, waterways, and other natural processes that are essential for the future of the planet. As Manfred MaxNeef, director of the Development Alternatives Center, Santiago, Chile, explained, “Ecological economics’ transforms our destructive economic logic because it subordinates economics to the process of life, rather than, as has been the rule so far, placing life in the service of economics.”¹⁰ The Strategy Center adds the conviction that environmental ecology mandates a *sustainable economy* rather than the constantly expanding growth economy mandated by free market capitalism.

In recent years, moreover, a new component to environmental and public health discussion has emerged—an *Environmental Justice perspective based on a class and race analysis of environmental hazards*. Not surprisingly, the public health dangers of environmental contamination are not suffered equally by rich and poor. It is in working class neighborhoods across from polluting factories, in low-income communities riddled by freeways and plagued by high traffic density that emissions from both industry and autos produce a lethal mix. The ground breaking study, *Toxic Waste and Race* by the United Church of Christ, pointed out that untreated toxic waste sites were located overwhelmingly in areas of African American, Latino, and Native American populations.¹¹

The Strategy Center’s book, *L.A.’s Lethal Air*, documents the intensified impacts of air pollution on people of color both because of the structural racism of our society in which “risks” are consciously distributed disproportionately, and because people of color reside overwhelmingly in working class communities. It is into these communities that our society exports many of the environmental, as well as social problems that it cannot solve. Today, young Latino children in Wilmington at Wilmington Park elementary school regularly experience headaches, nausea, and bloody noses as they attempt to learn and play while immersed in emissions from the nearby Texaco and other refineries. And children in East Los Angeles, Huntington Park, and other unregulated industrial areas are placed at far greater risk for emphysema, mental retardation, and cancer than children in Pacific Palisades or Rancho Palos Verdes. Furthermore, today in South L.A. and throughout low-income communities, the debilitating problem of lead paint poisoning is eating away at the central nervous systems of African American and Latino youth.

On the positive side, some of the most inspiring community movements for environmental justice have been launched in low-income and working class communities of color. Concerned Citizens of South Central Los Angeles led a now famous battle to stop the siting of the LANCER incineration project in their community, and the Mothers of East Los Angeles were also successful in building a broad movement to stop the siting of a hazardous waste incinerator in nearby Vernon. Today in Wilmington, dozens of Latino and Asian American high school students, joined by parents and workers from a largely Latino and immigrant community, are attempting to challenge management’s “prerogative” to attack their health. In a long-term campaign led by the Strategy Center’s WATCHDOG environmental group, these community activists are demanding the reduction of emissions, as well as reduction in the risk of explosions, from the entire oil refining industry, beginning with Texaco.

Contrary to the deregulatory strategies of Peter Ueberroth of RLA and the corporate law firm of Latham and Watkins, any positive vision of reconstructing Los Angeles must begin with the public health of our children as its centerpiece. What does a public health centered, democratic, sustainable, regional economic development look like in Los Angeles?

1. Strict Environmental Regulation

As Barry Commoner, the noted biologist points out, it is impossible to really reverse environmental destruction unless the toxic and destructive chemicals in our air, water, and earth are *eliminated*: Not reduced, but eliminated. Over the past 25 years, environmental laws, such as the federal Clean Air Act of 1970, have attempted to eliminate dangerous processes and chemicals by demanding they be reduced dramatically, and then giving companies relatively generous time lines (often a long as ten years or more) to phase out the use of those chemicals. The government set up agencies—the federal Environmental Protection Agency, the California Air Resources Board, and the South Coast Air Quality Management District for example, to set more specific standards and timelines and to supervise enforcement.

Almost 25 years after Earth Day pushed the environment into the popular conscience, big business has done a much better job of “regulating” government and evading any serious challenges to their practices than government has done regulating them.

Because communities of color are most impacted by environmental poisons, this is not a minor or abstract point—it has life and death implications. Strong environmental laws can protect specific, economically vulnerable communities such as South L.A. from having to “bargain” with treacherous companies demanding environmental waivers. The whole idea of setting strong federal and state standards is to prevent the competition between communities and states, orchestrated by corporate polluters, as to who can give away more of their children’s future. Examples of what communities can do to support environmental standards are:

Oppose any efforts to gut environmental protection in the name of “streamlining” economic development in low-income communities. For example, right after the urban rebellion of 1992, Mayor Bradley, the CRA, and RLA’s Peter Ueberroth developed a bill, carried by Inglewood Assemblyman Curtis Tucker, that would have waived many environmental procedures and given the CRA greater eminent domain powers in the rebellion torn areas. The bill was dropped by Assemblyman Tucker after public protest and his own recognition that the bill’s proponents had misrepresented its benefits and risks.

Oppose big business’ entire de-regulatory campaign in the state legislature. This year, more than fifty sellout bills are being introduced in the state legislature to take away our already weak environmental protections. While written and pushed by groups such as the Western States Petroleum Association, they are too often “carried” by representatives from vulnerable communities, such as Charles Calderon and Richard Polanco. These bills propose: weakening the authority of agencies that are mandated to protect the public health, such as the South Coast Air Quality Management District and the Cal EPA, as well as demanding that management’s profits be given the central role in setting environmental policy through a “cost/benefit” analysis model that is stacked to give the greatest weight to the slightest economic inconvenience to business and the least weight to the public health risks for the most vulnerable populations.

Oppose the AQMD’s RECLAIM plan to buy and sell air pollution credits. The AQMD is putting forth a plan that it claims will revolutionize the process of reducing air pollution in the entire L.A. basin—the area with the most polluted air in the United States. In reality, this *FALSECLAIM* plan will allow some companies to

make a profit by reducing (or claiming to reduce) their emissions below a certain level, in order to sell the surplus to companies that are unwilling to reduce their emissions and instead, want to buy their way out of the legal requirement to do so. This will mean that in some communities companies may make some reductions in emissions, while others will take advantage of the self-reporting provisions to fraudulently claim reductions that they can then sell at a profit, while in other communities, children, adults, and the elderly will be subjected to continued or even *increased* toxic emissions by companies that, instead of reducing emissions, decide to buy permits to pollute. *What an indictment of a “market economy” that a company can pay for the “right” to jeopardize the public health, and that such a plan can be sanctioned by a government agency set up by state law to protect that public health.* The Strategy Center is working to both oppose these de-regulatory bills in the legislature and to defeat the RECLAIM pollution selling plan. A great deal of additional help is needed in these campaigns against highly capitalized opponents.

2. Environmentally Advanced Products

The environmental movement has, through its demands, challenged many of the existing technologies and the companies that have produced and profited from them. Environmental laws, on the rare occasions when business is not able to weaken their provisions or evade their mandates, both limit some technologies and create a “market” for new, hopefully safer, ones.

The “greening of capitalism” is a double edged sword. At several recent environmental expo conferences from Vancouver to Los Angeles, it was clear that on issues of affirmative action, union rights, fair taxation, or other social issues environmental entrepreneurs, for the most part, no different than their more polluting competitors. Thus, it is helpful to evaluate the new environmental industries and entrepreneurs for what they can contribute to the goals of ecology and community economic development, but also from the perspective of how social movements will have to push them far beyond their class limited objectives.

From the point of view of common interests, these new industries have the potential to produce products that will be better for the public health and the world’s ecology, and which have significant job development potential. Many of these fledgling industries, such as solar power and hydrogen fuel cells, need popular

support and even government startup funds. On the other hand, virtually none of these industries would exist without the pressure of the environmental movement, and, without further pressure, cannot be expected to carry out progressive policies on labor relations, taxation, affirmative action, and location in the most hard hit communities.

Already, California's efforts to comply with the federal Clean Air Act have led to the implementation of several important regulations that are resulting in the emergence of new industries and job development. For example, the California Air Resources Board has mandated that by 1998, 2 percent of all new vehicles sold in the state of California must be zero emission vehicles, and by the year 2010, at least 10 percent. Thus, even if Los Angeles did not expand its auto use (a highly unlikely prospect) 800,000 cars in Los Angeles alone must be running on electricity by 2010.

This regulation, with a guaranteed market for electric vehicles, has encouraged the development of CALSTART—a public private consortium led by Southern California Edison, Hughes Aircraft, and Lockheed, among others—which is working to bring an electric vehicle component industry to Los Angeles.

CALSTART estimates that it will create 1,000 jobs by the end of 1993 in immediate program activities, and 50,000 jobs by the year 2000 if it is able to capture one third of the component and services market for the electric vehicle. The company argues that this job base could expand at a 50 percent compounded annual rate for several years after the year 2000 because the worldwide demand for electric vehicles is expected to grow.

Similarly, the growing nationwide emphasis on public and mass transit, another environmentally sound development, also offers significant job creation potential. In 1991, Congress passed the Intermodal Surface Transportation Efficiency Act (ISTEA), known as "IceT." ISTEA designates \$150 billion for transportation in the U.S., but unlike the traditional transportation funding earmarked specifically for highways, this money can be used to build mass transit systems as well. It is estimated that \$5.4 billion of ISTEA funds will become available to Los Angeles over the next 30 years. These funds will be supplemented by \$135 billion generated locally from 74 percent of the Los Angeles County sales taxes recently passed through propositions A and C which authorized two 1/2 cent sales taxes for transportation funding.¹²

In total, 183.3 billion dollars will be spent on mass transit in Los Angeles over the next 30 years. While most forms of public infrastructure, from libraries to public housing to public health services, are losing desperately needed funding, within the realm of mass transit there is actually new money available.

The newly formed Los Angeles County Metropolitan Transit Authority (MTA) has a 30-year plan that includes an increase in buses from 2,500 today to 3,900 in 2020, as well as the electrification of 300 miles of bus routes. Since air quality regulations require that all the buses in the fleet will have to be either low emission vehicles or no emission vehicles by 2003, this will also involve replacing many of the existing fuel burning buses—again creating an opportunity for more jobs.

The point of these examples is to show that the environmental demands on society are forcing the growth of dynamic new industries eligible for federal and state funds that will generate, potentially, relatively large numbers of jobs in the next decades. However, the public debate about which companies get the contracts, where those jobs should be located, and what standards of wages, working conditions, and union rights are imposed on those employers must be sharpened.

3. Ecological Production Processes Regardless of Product

It is generally assumed that some industries are inherently "dirty" and others inherently "clean;" for example, that the gasoline engine and the auto plant are dirty while an electric car plant is clean. But the manufacture of any vehicle (and many products) can be very environmentally dangerous.

For example, the General Motors Assembly Plant in Van Nuys, which provided almost 5,000 jobs at its peak, was also the single largest emitter of air toxics in Los Angeles County—generating more than 4 million pounds a year of methyl chloroform, xylene, and acetone among other chemicals. At the GM Lordstown plant, a group of chemically injured workers built a movement called WATCH (Workers Against Toxic Chemical Hazards) because of the high incidence of deaths from cancer, heart disease, and respiratory problems. What is the sense of having a factory that produces zero emission public transit vehicles or high mileage cars if the paints, epoxies, and solvents kill the workers and surrounding residents?

Similarly, the electric vehicle and components industry has enormous job development and ecological possibilities, but it also depends on battery manufacture and disposal. At present, batteries are one of the single largest sources of lead, cadmium, and other heavy metals, and in both their manufacture and disposal create significant health problems. The point again is simply that every new technology, while often correcting the environmental problems of its predecessor, often creates new hazards that have to be addressed soberly.

As Jerry Mander observed in his recent book, *In the Absence of the Sacred*, “All new technologies are introduced in terms of their utopian possibilities. The downside of the story is left for a later generation to discern and experience, when the technology is much more difficult to dismantle.”¹³

4. Environmentally Retrofitting Existing Industries

Residents of East Los Angeles, where there is a high concentration of body shops and metal plating factories, are well aware that these factories are highly toxic. Indeed, many of the smallest industries, such as furniture, metal plating, foundries, dry cleaners, and electronics, are among the most toxic companies. The goal, however, isn't to get rid of them (they also produce thousands of jobs in the community) but to find ways to clean them up.

Juana Gutierrez of Mothers of East Los Angeles (Santa Isabel) pointed out, “We are happy that there are industries in our community, but why should we have to suffer environmental poisoning? We are not *that* happy! We want the jobs, but these companies must clean up their toxic emissions.” Charlotte Bullock of Concerned Citizens of South Central L.A. and the Strategy Center explained, “I worry that when we keep talking about bringing in all this new environmental industry, we won't help the *existing* small businesses in our community that are polluting the environment but often can't afford to clean up their own mess. Because we have seen so many industries and jobs leave our community, people are afraid that if we push too hard on the environment, we will drive away the few businesses that are left. We have to find ways to push these companies to change the chemicals they use and to dispose of their wastes properly, without driving them out. I think government has to play a role in this.”

Some mainstream environmental groups with little understanding of industrial processes are too quick to label industries either “dirty” or “clean.” The reality is that virtually *all* industrial facilities that use solvents, paints, fuels, synthetics, and chemical processes pose some type of environmental problem. The difficulty is, how do we achieve the “state of the art” for each industry—make it as clean as possible?

What if, in California, government policy directed dry cleaners throughout the state to phase out the use of the chemical perchlorethylene, a known carcinogen, within two years? This would give manufacturers of “perc,” such as Dow Chemical, two years to find a nontoxic alternative. Or, government sponsored research and development could generate a project involving dry cleaners, community activists, universities, and some government funds to find and *produce* an alternative. In this way, “public” funds could be used both to protect the public health, keep jobs in the community, and strengthen the hand of community based environmental movements.

SECTION III.

Public Control Over Capital (Private and Public): Why Worker and Community Demands for Socially Responsible Investment Must Replace Pleas to “the Market”

By now, there are readers who may be saying, “Many of these ideas are quite interesting, and even innovative, if a little utopian, but let’s get *realistic*. We are living at a time when companies are running away, when community movements and the labor movement are weak, when racial tensions between and within communities are growing, when big business seems to hold all of the cards as it operates internationally, and when the Clinton administration is obsessed with the middle class, deficit reduction, and business incentives. Face it—the market is defining everything.”

Our response is to point out that when people think about civil rights, or an end to police brutality, or a demand that existing firms hire women or people of color, there is some sense of activism and of having some “rights.” This consciousness is not innate, but is the product of social movements and actual historical experience of the past century, when civil rights, women’s, and labor struggles shaped oppressed people’s sense of *the possible*. In the arena of “community economic development” and “industrial policy,” however, the rhetoric and the practice is very conservative, even among people whose overall politics are quite progressive. This is reflected in the campaign slogans of the day that tell us that in the name of “realism” we must: make communities “attractive to industry;” “work together with business in a “public private partnership;” “streamline permitting processes” to get rid of “unnecessary environmental regulations” and “red tape;” “restructure union contracts” to give away wages and benefits; and embrace “labor/ management cooperation.”

To some degree this behavior is understandable. Given the growing internationalization of capital, the more ruthless behavior of corporations in the past few decades, and the failures of most social movements to check the behavior of multinational companies, many labor and community activists have been beaten

into compliance. For example, in virtually every movement in Los Angeles to keep open Goodyear, Firestone, GM Southgate, and GM Van Nuys, there was a pattern of contract concessions by workers, sellouts by international union leaderships that refused to challenge management’s rights, and a complete refusal by the Reagan (Republican), Jerry Brown (Democrat), Deukmejian (Republican), or Bradley (Democrat) administrations to challenge the “right” of companies to come and go as they please. *Isn’t bipartisanship wonderful?*

And today, it is certainly reasonable to ask, “Given that the virtually nonunion and low-wage furniture industry has already run away to Mexico (even after the AQMD negotiated very reasonable air quality rules for the industry), how can we demand high wages, unions, and stricter environmental standards without driving many other companies and entire industries out of the Los Angeles area? Moreover, with the advent of the North American Free Trade Agreement (NAFTA) and very weak labor and environmental protections, these problems will get even worse. How can low-income communities demand higher wages, community standards, and environmental protection if the existing low-wages, and weak environmental standards have not succeeded in attracting companies?” After twenty years of Bradley, twelve years of Reagan and Bush, a year of Peter Ueberroth, and a few months of Bill Clinton, the common mantra in the country and the city is, ‘the only way to bring in business is to play ball with business.’

These are real challenges to community environmental and economic sustainability. These challenges must be met by a strategy that ensures democratic intervention in the economy, that is, public control over the use of capital, both private and public.

To begin with, remember that it was the “market strategy” that *de-industrialized* South L.A.: For the past twenty years, the Bradley administration (and the power elite behind it) gave business the keys to the city, which included substantial funds from the CRA and the unfailing support of local government that might as well have renamed itself ‘the Chamber of Commerce.’ So, if the market strategy is so effective, and after 20 unimpeded years in which to operate, where are all the decent paying jobs?

Similarly, recall that for a full year Peter Ueberroth and RLA have been given a honeymoon by the press and virtual *carte blanche* by Mayor Bradley and

Governor Wilson. What have they accomplished? As we showed in Chapter One, Peter Ueberroth, our greatest advocate of the role of the market in urban development, has hit a dead end precisely because of the *inability of a market strategy to meet the needs of low-income communities*. Companies don't want to invest in the inner city, especially in predominantly African American communities, when they can get cheaper labor and lower environmental standards elsewhere. They hope to avoid the historical militancy of the African American movement, the assertiveness of many African American workers who are union veterans, and the potential for another rebellion. Thus, for those who say it's time to be "realistic," a practical look at the work of RLA should indicate that the disadvantaged can expect to see, realistically, very few of their urban problems solved by the market.

Rather, urban communities in need must challenge the market strategy and place our demands directly on capital. A multiracial anti-corporate united front thus advances a vision of society in which a job is a right, not a privilege, in which low-income communities have a voice in industrial policy and community economic development, and in which corporations are subject to socially responsible criteria of behavior, not avaricious pursuit of profit.

1. Setting Standards with Companies that Need to or Want to Locate in Los Angeles

Companies have cleverly made it seem like capital flight is a weapon that all can use equally, but in fact, L.A. attracts many companies who want or need to locate here.

First, the hotel and restaurant industry needs to operate here. There are nine million people in L.A. County: for Mc Donalds and Wolfgang Puck, for Motel 6 and the Beverly Wilshire, there is nowhere to run.

Second, there are industries and utilities that need to be near Los Angeles, from Southern California Edison to the Gas Company, from Union Pacific to Harbor Area oil refineries that need to be near tankers and the harbor.

Third, government should become the model employer. The L.A. Unified School Board's cutting of public school teacher salaries by 10 percent and the County of Los Angeles' contracting out of services to sweatshop employers are policies that must be challenged. It

will be more difficult to win higher wages and more jobs in the private sector if government is cutting back essential social services and public workers. Conversely, if government becomes a higher wage, pro union employer, this can place "market pressure" on private industry and pull wages and conditions upwards.

2. Pressuring Companies with Substantial Markets in Los Angeles for Socially Responsible Investment in L.A.: The GM Van Nuys Model

The Campaign to Keep GM Van Nuys Open pressured GM to postpone closing down its last auto plant in Los Angeles.¹⁴ The union local, warned of a closing by GM in 1982 with the anticipation of gaining contract concessions, organized a proactive movement against GM, focusing on the rights of workers and the special concerns of L.A.'s Latino and African American communities (given that the plant was 50 percent Latino, 15 percent African American, and 15 percent female). The workers and their union, The United Auto Workers (UAW), organized a Labor/Community Coalition to Keep GM Van Nuys Open. Made up of a broad cross section of groups—Catholic priests and Baptist ministers, Latino and African American student groups as well as students of all races, other labor unions, entertainment celebrities, and even some elected officials, the Coalition threatened GM with an L.A. county boycott of its products if it ever closed the plant. Because L.A. was the largest new car market in the U.S., GM was particularly vulnerable to that threat; and the plant was kept open with almost 4,000 jobs maintained for another decade before it eventually closed in 1992.

While the movement was eventually broken by an unholy alliance between GM and the UAW International in Detroit (including the firing of the local union president Pete Beltran with the complicity of UAW). However, that struggle at its height showed the possibility of social movements changing capital investment decisions. From the United Farmworkers' lettuce, grape, and Gallo wine boycotts to the movement for disinvestment in South Africa, large-scale consumer pressure, as part of an overall social movement, can force changes in corporate policies. What if all L.A. high school students refused to buy Nikes or Reeboks unless they built a manufacturing plant in L.A., or churches, unions, and governmental bodies with relatively large budgets demanded that

a certain number of key companies invest in L.A. or lose their business? This strategy has the potential to compel capital investment, as well as generate a long overdue debate about the responsibilities of firms to invest in oppressed communities where they earn significant profits.

3. Companies that Receive Government Contracts, Subsidies, or Grants

The critical principle here is that *government funds are a public trust, and business cannot receive funds and then operate contrary to broader public interests.*

The Capital Flight Contract Model. Capital flight or its threat—when companies constantly say they will relocate their factory if unions organize or if governments regulate—is the single greatest obstacle to any model of sustainable community economic development. If companies continue to have that trump card, how can workers or communities have any leverage, and how can government and elected officials attempt to regulate corporate behavior without being threatened with “having driven jobs out of Los Angeles or California”?

Again, government and the public have more leverage than is admitted, for virtually all “private companies” in fact look for ways to have their businesses and profits subsidized by public funds. What if L.A. City and the State of California passed legislation stipulating that any funds passed from government to business, whether research and development grants or government contracts, must include contractual prohibitions against capital flight? Companies violating this agreement would have to repay the grants or a substantial portion of the contract before being allowed to leave the city.

This overall approach differs sharply from both the Ueberroth RLA strategy of deregulation and overall business subsidy, and also differs from the “targeted business subsidy” strategy of Joel Kotkin and David Friedman of the Progressive Policy Institute. While Ueberroth proposes subsidizing the entire business class and granting wholesale environmental deregulation, Kotkin and Friedman focus on subsidizing and deregulating only the winners—cutting edge companies with greater job development potential.¹⁵ Kotkin and Friedman oppose social welfare spending in the inner cities, oppose race specific solutions to address centuries of race specific discrimination,

and essentially, call for a targeted and selected use of government funds to back the winners in a world economy. They argue that this approach is necessary to fuel economic growth. By contrast, the Strategy Center, which embraces economic sustainability as a strategic goal rather than the economic growth inherent in the mechanism of the “free” market, supports targeted investment to help certain business entities; however, its definition of “winning” industries is determined by more socially responsible characteristics, of which job development is certainly one, but so is strict adherence to environmental regulation, a high wage strategy, responsible policies towards surrounding communities, acceptance of higher corporate and upper income individual income taxes, and noninterference in union organizing efforts.

As Chapter Three will discuss in detail, the Strategy Center asserts that the main subsidies of government should not be to private business but to those without income, food, or housing who are written off by the market. However, those companies that are government funded must be held accountable to public interest.

All of these ideas are complex and will have to be refined in the realm of organizing. But they all point to a diametrically different approach to economic development, one in which a broader social agenda must govern business behavior, and one in which workers and communities have rights in directing capital investment.

SECTION IV.

Organizational Components of an Integrated Economy

A sustainable democratic model of economic development in which workers and communities can have power over capital requires not just a few commitments via RLA for a few jobs or a few small business loans; it requires an integrated regional economy, comprised of large, medium, and small businesses, government employment, and a strong work force.

1. Large-scale, Highly Capitalized, and Labor Intensive Enterprises

The Los Angeles Chamber of Commerce reports that the forty largest employers in Los Angeles Five County Area (L.A., Orange, Riverside, San Bernardino, and Ventura) generated 923,363 jobs—employment for almost one million people. There are 1,481 organizations in the five county L.A. area, both private and public, that employ 500 or more workers. Those enterprises employ *more than one third of all people who are employed* (36 percent).¹⁶

For this discussion, 500 workers or more will define “large.” “Small is beautiful”—the slogan of many progressives and environmentalists—has its limits. Large-scale industry, well known for its offensive behaviors, nonetheless provides the context for greater capital investment, higher wages, and a large multiracial workforce. When communities are seeking jobs and resources, large business must not be overlooked or let off the hook.

A plant that produces nonpolluting buses or an auto plant that produces 100,000 electric cars per year could employ several thousand workers, and generate countless other jobs through the suppliers of “just in time” inventories of battery cells, tires, low compression engines, wheel rims, and countless other products. Moreover, several such plants could give a number of adjacent communities an economic character that would attract related industries.

A new large hospital, as another example, could stimulate the construction of a new office complex, attracting medical offices, medical supply companies, a new nursing school, and other related job producing businesses, both public and private. Cedars Sinai Medical Center employees 6,000 people, the Harbor

UCLA Medical Center employees 3,500 people, and the L.A. County USC Medical Center employees 10,400 people¹⁷. Given the crisis of untreated medical problems in the city, there is a need for a *doubling the medical centers* (with an emphasis on community based and decentralized treatment) and this could generate tens of thousands of socially useful and decent to good paying jobs.

Aside from the obvious issue of the number of jobs created, large-scale production, as part of large-scale corporations, has three key characteristics particular to its role in a comprehensive economic plan.

First, large corporations are more highly capitalized, and thus are able to invest more in environmentally sound technology and to pay higher wages. In that many of the best environmental processes *do* cost more money—which is why in a profit driven system companies avoid installing or using them—companies with larger capitalization, and with larger corporate resources have the financial capability of making the appropriate technological changes. Also, because their profits are based on productivity maximization and economies of scale, rather than on squeezing every last cent out of a low-wage workforce, they are more able to pay higher wages. Of course, union and community pressure is necessary to assure such expenditures.

Second, large corporations bring together large multiracial work forces with the potential for a more progressive political worldview. Large-scale production gives workers a sense of power, and often attracts a more diversified, union oriented, and politically independent workforce. If South L.A. today still had the now closed GM South Gate, Firestone Tire, and Goodyear Tire plants, there would be more than 10,000 workers, about one third Latino, one third African American, and one third white, with at least 20 percent women, working together. The left has historically theorized that large-scale production brings together a diverse workforce and establishes the conditions for greater class-consciousness. The Strategy Center, rooted in the struggle within large-scale industry to stop plant closures, has found this theory to be empirically valid.

Third, through interlocking ownership structures and control over the distribution of contracts, these large companies dominate the overall economy and determine corporate policy far beyond their own individual firms. Thus, dealing with them directly makes the process of communities exercising control over industrial development more straightforward.

2. Medium Sized Businesses and the Idea of Developing Interrelated and Supportive Firms

According to the L.A. Chamber of Commerce report, the median (“middle”) employee in the five county area works for a company that employs between 100 to 250 employees. Thus, while it is again somewhat arbitrary, the category “medium” will cover firms that employ from 100 to 500 workers. These mid-sized companies are important sources of jobs and need to get greater attention because many large national employers are no longer operating at large-scale. For example, in the 1960 and 1970s, a new auto factory would open and hire as many as 5,000 workers. Today, because of automation and speed up and other “labor saving” devices, a factory producing the same number of cars might employ at a maximum, 2,000 workers. In newer industries, such as micro processing or computer manufacture, a plant size of 200 to 500 workers is in fact large. For these reasons, in spite of the greater job generating capability of large employers, when communities are trying to find sources of leverage, medium sized firms have to get more attention.

But there is also a lot of mythology about so-called medium sized firms that can confuse community and regional movements for economic development. Joel Kotkin and David Friedman, in their center right polemic, “The Los Angeles Riots: Causes, Myths, and Solutions” pin almost all their hope on a government supported flexible manufacturing strategy for L.A.¹⁸ They argue that on a purely job related level, mid-sized firms produce the vast majority of jobs in the economy. They criticize the old, large-scale firms such as GM auto factories or IBM main frame production facilities as having layers of bureaucracy and being very slow to react to changing markets and conditions of international competition. By contrast, they praise smaller, more “flexible” plants that, in their view, can adjust to changes in the market and, thereby, increase their profits and employment. As a result, they call for government policy to stop subsidizing larger “dinosaur” plants and to favor medium, flexible firms as the centerpiece of future economic investment.

However, most successful mid-sized businesses and “flexible” plants are not independent, mellow, and groovy entrepreneurs like Ben and Jerry, operating free from the strictures of larger corporations, but rather, as economic development analyst Goetz

Wolff of Resources for Employment and Economic Development points out, they are inextricably tied to the larger multinational corporations. There is no guarantee that when multinational companies develop subcontracting plans, Los Angeles or any other city could count on becoming a hub of *locally based* medium sized companies. Revolutions in technologies of production and transportation have enabled the corporate arsenal to “farm-out” subcomponent production to anywhere in the world. Suddenly in the last two decades the pool of medium sized suppliers that large-scale manufacturers can play off against each other might include plants located in a Chicago urban enterprise zone, in the maquiladora “offshore” manufacturing belt of Northern Mexico, or in the economically devastated Philippines.

Moreover, in the absence of an effective union counterforce, corporations have vastly increased their use of the weapon of *short term subcontracting* to force the costs of market fluctuations, responsible environmental and workplace safety standards, etc. onto medium sized subcontractors. David Harvey has pointed out, “What is most interesting about the current situation is the way in which capitalism is becoming ever more tightly organized *through* dispersal, geographical mobility, and flexible responses in labor markets, labor processes, and consumer markets.”¹⁹

In other words, “smaller and more decentralized” are currently the very structural characteristics that have led to even larger and more *centralized* transnational corporations—exactly the reverse of the romanticized center right view. In the present era of unrestrained global mobility of capital, medium sized companies are not accountable to communities. Just the opposite, they are structurally accountable to transnational corporations that they serve and supply increasingly on the basis of short-term subcontracts. Transnational corporations rove the planet in search of marginally more profitable sub manufacturing suppliers to which they can switch contracts, often in mere months.

Social theorists such as Kotkin and Friedman, who are part of President Clinton’s Democratic Leadership Council, create a romantic view of medium sized companies as if there is something more democratic, “independent” and socially responsible about them *because of their size*. There is no automatic relationship between worker and community accountability and the small or medium size of a company. *Accountability comes from organized communities and workforces*

articulating a social vision that differs significantly from that of both transnational corporations and the medium sized, flexible companies that are part of their orbit. To point communities of color toward the more “flexible” medium sized firms in counter position to “big business” is to let big business off the hook, and to further marginalize the economic and political impact of communities that are already far too dis-empowered. For the purposes of an urban development strategy, the main value of medium sized firms is that *they exist*, and thus, must be understood and organized by worker and community movements.

3. Small Businesses and Very Small Businesses: Their Contributions and Limits in an Urban Revitalization Strategy

The category “small businesses” covers companies that employ between 10 and 99 employees. The Strategy Center distinguishes these small businesses from another category, “very small businesses,” which covers firms that employ fewer than 10 workers; this is the group most often referred to when small business is discussed regarding the need for loans and the importance of these neighborhood businesses to the stability and character of a community. In total, 90 percent of all workers in the five county area work for employers who hired 10 workers or more. Thus, while more than 75 percent of the total *employers* in the five county area are enterprises with nine or fewer workers, *they provide only 10 percent of all the jobs!* In other words, the role of these very small businesses does not primarily lie in their potential for job development.

The political fight for the rights of small and very small minority businesses, however, has been consistently uphill and needs to be supported in any serious reconstruction effort. To begin with, in every economically viable community, a small business class is a valuable, and at times essential, component. During America’s long history of segregation, small businesses in the black community often prospered because of a segregated but nonetheless available market, as well as due to the lack of competition from “outside” department store and supermarket chains, for example, that did not want to open facilities in black communities.

As Professor Cynthia Hamilton, a longtime resident of South L.A. and now the Director of the African and African American Studies Program at the University of

Rhode Island, points out, with the long overdue end to segregation, many black enterprises suffered the worst of both worlds—large department stores and chains began to penetrate the black community in search of new markets without providing many jobs in return. As a result, the small entrepreneur in the black community was often one of the victims of a very selective “integration.” Moreover, with discrimination far from over, the Small Business Administration made little effort to dramatically rebuild an African American or Latino entrepreneurial class. In 1991, for example, the Small Business Administration made only 1065 loans in the Los Angeles/Long Beach area. Of them, only 15 percent went to Latino and African American businesses combined²⁰. On top of that, many banks have engaged in “redlining” practices whereby they refused to give loans to African American businesses. With all of the strictures of segregation, and none of its previous “benefits,” the black small businessperson in particular has been a major casualty in the social and economic restructuring of black communities. Given those pressures, the demands of small businesses for some level of government support are both justified and necessary as part of an overall economic strategy.

Additionally, as Jorge Mancillas of the Union of Latino and Affiliated Merchants has pointed out, there is a promising movement among Latino small businesses that offers some encouraging possibilities. To begin with, many immigrant workers from Mexico and Latino America are coming to the U.S. in search of work, and are offered a choice between very low-wage labor and starting their own businesses. Many of these immigrants were former blue and white collar workers in their countries, but today, there are more than 90,000 immigrant Latino merchants in Los Angeles attempting to make it despite discrimination, and at times harassment, from government agencies. Progressives like Mancillas are attempting to impart a more collective politics to the process, to go beyond the ideology of individualism and competition to the ideas of collective organizing, mobilization, and the possibility of setting up merchant cooperatives.

Given that many of these merchants are very poorly capitalized, they are discussing more cooperative ideas of pooling capital, purchasing or renting space together, collectivizing inventories, and splitting the proceeds. In countries like Mexico, for example, there is a radical history of cooperatives, and those traditions may be able to help shape a new way of understanding economics in the highly competitive and individualistic

culture of the U.S. These ideas are not just helpful to the Latino community, but have great applicability to other communities as well.

While these are some progressive and constructive proposals for community and small businesses, it is critical to de-emphasize the strategic focus on small business development in low-income communities.

When focusing proposals on “very small business,” we have to return to the critical question: how many jobs are involved? In *Race and Environmentalism*, an essential UCLA study, Paul Ong and Evelyn Blumenberg observed, “only a small fraction of minority owned firms in California were large enough to have employees: 9 percent of African American firms, 16 percent of Latino firms, and 21 percent of Asian firms.”²¹ Because of under capitalization and competitive pressures, most small businesses that have employees pay very low wages. But the vast majority of minority owned firms have *no employees whatsoever*, trying to survive by hiring family members in order to prop up unprofitable operations. In fact, many owners of very small businesses are not what are commonly understood to be “entrepreneurs,” but rather those seeking escape from the intolerable experiences of daily work in a racist environment or those who, due to chronic unemployment, are engaged in at hand bartering relationships or street vending—hardly positions from which to stimulate the economy.

Additionally, as employers hover between 10 and 25 employees, their failure rates are quite substantial, while as they get closer to 100, their stability is greater. Despite programs of support, the large percentage of very small businesses that fail exhaust what savings had initially accrued to start the businesses, leaving socially disillusioned and economically disenfranchised entrepreneurs in their wake. Any economic plan that places great hope for economic growth on the rebuilding of the small entrepreneur class in a vicious worldwide market will leave the community again in a marginal economic position. While some economists promote the possibility of large numbers of jobs created by small businesses, given their high failure rate, small business is also the arena of the greatest percentage of job loss as well.

In terms of building consciousness for systemic change an important factor in the strategy of the united front small business enterprises as a group tend to reinforce the anti-worker/antiunion ideology that dominates in this country. One reason that corporate

led organizations such as RLA and corporate led political coalitions such as the Bradley administration perpetuate the primacy of the small businessperson, is because too often small businesspeople can be *deceived into identifying with big business instead of the working class of their own communities*. After the two convictions in the LAPD Four civil rights case in the beating of Rodney King, several ministers in the African American community said, “It’s time that our community become more ‘entrepreneurial’” and argued for more government loans and grants to black small business.

But in most communities of color in Los Angeles today, the small business class is already the best organized, tends to advance its own business interests first, and attempts to speak for the entire community while monopolizing the use of scarce government funds. As one community leader privately confided, “These business groups in the community are driving me crazy. Every time we try to pressure elected officials to talk about money for schools, hospitals, public health centers, and transportation they talk about loans for themselves. Every time we talk about curbing police brutality they talk about more police and making the community safer for business. And every time we talk about cleaning up toxics and the environment, they talk about how all the rules are killing them. I want to work *with* these people, but not *for* the business class, black or white.”

Again, these factors are not meant to delegitimize the rights, and even the potentially progressive role, of very small businesses in an overall community plan, nor to suggest that African American and Latino businesses should not be supported by community activists—just the opposite; their existence is an important test of democratic rights. But it does mean that a job development strategy must be rooted elsewhere. Most African American and Latino people are working class and need to find jobs as workers in either large private industry or government—where there is the possibility of labor union organization to give them decent wages and a semblance of protection from employer abuse. Thus, after the April rebellion, it was disconcerting to see how much attention the barons of major industry were giving to “small businesses” in the African American, Latino, and Asian communities. By doing so, they were both appealing to a small stratum of those communities and letting potential large employers off free.

If these communities urgently need 95,000 new jobs, they must place their primary focus on a systematic campaign to attract more capitalized firms with cutting edge, environmentally advanced technologies and larger government employers—workplaces that can best be organized by labor unions and which have the financial resources to support a high wage labor policy.

The crucial point here is that relatively large and medium sized firms are the key to job development, while placing community hopes for jobs on loans to small entrepreneurs in the most job starved communities is not just romanticism, it is a dead end strategy.

4. Industries that Produce for Community Needs and Reinvest Capital in the Community

Cynthia Hamilton points out another element of a community economic plan: some of the key products produced should be both socially useful and directed towards developing a community based and citywide market—such as prefabricated housing products, clothing, educational supplies, and household appliances.

During segregation when black communities were forced to patronize their own enterprises and a solid merchant class was created, a significant amount of resources spent in the community stayed and recirculated. Today, as major chains come into low-income communities, they hire a few local residents, usually at very low wages, invest in out of community banks that redline those very communities, and then take the profits out of the community. The demand that companies reinvest profits in the community is essential.

5. Industries Producing Products for National and International Markets

Professor Roger Keil of York University in Ontario, Canada argues that given the increasing internationalization of capital, whereby more and more products consumed in L.A. are produced throughout the world, an integrated economic plan should not restrict itself to *only* producing for a local market and thus limit its economic viability. Some of the most dynamic companies appeal to both a local and international market—such as an L.A. based manufacturer of computer equipment or environmentally benign, prefabricated housing

materials that could be purchased by individuals and schools in low-income communities, but also sold to a national and international market, and thereby generate a greater number of jobs.

The manufacture of “low emissivity coatings,” which double the thermal retention of windows (where about 25 percent of the heat from homes is lost) offers an example of an industry that could combine several key components of a sustainable model—energy efficiency, production for community needs, locally based job development, as well as production for larger markets. Since many low-income households pay a large portion of their income in energy bills, this product and process is both environmentally and socially quite beneficial. Moreover, according to Greenpeace, there are tens of thousands of jobs in the industry of energy efficient window coatings. One plant—the South Wall company based in Palo Alto, California with 150 employees, over half in manufacturing, and a high skill workforce—while medium in size, has produced a product since 1981 that has resulted in hundreds of millions of dollars worth of energy savings in the U.S. The new product also offers some community job development potential; a program in San Francisco’s Bay view/Hunters Point section is employing inner city youth to install weatherized windows. Greenpeace estimates that weatherizing all U.S. households would generate over 6 million job years while saving Americans over \$40 billion each year in costs. Locally developed companies with international markets and a real Community Job Corps with long-term, high wage jobs involving young workers to insulate roofs, caulk cracks, improve furnace and air conditioner efficiency, and install water saving shower heads can generate many jobs while saving both money and the environment.

6. Offices and Research & Development Centers

When constructing a vision of urban economic development, the assumption is that new jobs are primarily industrial. But why can’t large companies, for example, make a commitment to open up corporate offices in communities such as South L.A. and East L.A., instead of perpetuating the segregation whereby “white collar” workers are assumed to work in Century City or the Downtown Business District or Thousand Oaks?

7. Employment Outside of South L.A.: The Limits of Geographical community

In their important study, *The Los Angeles Rebellion, 1992*, UCLA Professors James Johnson, Cloyzelle Jones, Walter Farrell and Melvin Oliver pointed out:

At the same time that jobs were disappearing from this area [South L.A.]—the traditional industrial core—local employers were seeking alternative sites for their production activities. As a consequence of these seemingly routine decisions, new employment growth nodes emerged in the San Fernando Valley, the San Gabriel Valley, and in El Segundo near the airport in Los Angeles County, as well as in nearby Orange County. These communities have historically been inaccessible to blacks due to discrimination in housing and remain so today as a result of the escalation of home prices.

It has been estimated that over 200 Los Angeles based firms, including Hughes Aircraft, Northrop, and Rockwell, as well as a host of small firms [many of which subcontract with military manufacturers] participated in this deconcentration process.... Such capital flight in conjunction with plant closings closed off minority access to what were formerly good paying, unionized jobs and created the socioeconomic context that gave rise to the recent rebellion in South-central Los Angeles.²²

Since many Los Angeles based firms have stayed in the L.A. vicinity but ran away from the inner city, these companies on the outskirts of the city should also be strategic targets for the demanding of jobs. When the GM South Gate plant was closed, more than 1,000 workers from South L.A. exercised their transfer rights and as vacancies developed, took jobs at the GM Van Nuys plant more than 25 miles away. Using the Van Nuys plant as an example, workers commuted to that well paid, hardworking, union job from East Los Angeles, Torrance, Oxnard, and even Palmdale. If the discussion of jobs in South L.A. is focused simply on “new” jobs located within local geographic boundaries, then existing employers and new employers in San Fernando Valley, Orange County, or even downtown L.A., will not be tapped. Los Angeles is an economic unit, and communities like South L.A., and the highly unemployed African American workforce in particular, must demand jobs from the entire region.

Conversely, we cannot expect that new firms opening in South L.A. should be restricted to hiring residents

just from within these geographic boundaries. The fight for jobs in South L.A. must be part of a fight for higher wage jobs for working people and people of color in the *entire region*—otherwise we will have neighborhood versus neighborhood competition for scarce resources rather than demands on the entire system to provide more jobs in total.

8. Government as a Critical Employer

Despite Ueberroth’s constant talk of “the private sector,” most people of color and women have found employment in the public sector where there has been less discrimination and more opportunity for employment and promotion (and where social service unions have fought management to protect and expand those rights). In fact, in the U.S. as a whole, government employs nearly one half of college educated Blacks²³. And African Americans now hold 33 percent of all government jobs in Los Angeles.

According to the Chamber of Commerce of Los Angeles, in an analysis of the forty largest employers in the five county Los Angeles region, government employment is a critical component.²⁴

- The County of Los Angeles is the single largest employer, with more than 78,000 workers.
- The U.S. government is the third largest employer, with 60,000 workers.
- The Los Angeles Unified School District is fourth, with 58,000 employees.
- The Los Angeles County College District is ninth with 28,000 employees.
- The City of Los Angeles is eleventh with 27,000 employees.

In addition, the County of Orange employs 18,000 workers, the County of San Bernardino employs 13,000, the Los Angeles Department of Water and Power employs 11,000 and the Los Angeles County USC Medical Center employs 10,000.

Demands on the L.A. County Board of Supervisors to expand the funding and job development at County Hospitals, County Welfare, and County mental health facilities; demands on the State for increased social service spending; demands on the Metropolitan Transit District for a higher allocation of funds to bus service: these demands are socially valuable in themselves, *and they also produce more jobs.*

9. Wages and Working Conditions: Making Los Angeles a Union Town and Demanding Community Labor Standards

The urgent demand for jobs in both the public and private sector stems from the simple premise that employment is the primary way that working people can make a living feed themselves and their families, put a roof over their heads, and even dream of sending children to college or taking a vacation outside of their own living room. But in Los Angeles, employment and making a living are not synonymous. As noted in Chapter One, more than half a million people in L.A. now work an entire year for less than \$10,000, and hundreds of thousands more labor for only slightly more only to end up in poverty. National policy that has consciously worked to break unions and weaken their right to organize, combined with international pressures to lower wage rates have made cutthroat employers like Walmart, K Mart, and the entire garment industry (with almost 100,000 employees in L.A.) living models of the creation of *the working poor*.

We cannot demand “jobs” without simultaneously emphasizing high wages, humane working conditions, medical, dental, and retirement benefits, and the right to union representation. While wages are, to some degree, a product of the market, government policy and social movements can significantly impact wage levels.

Government policy. As previously noted, Enterprise Zones offer businesses tax breaks to come into communities without placing any restrictions on corporate behavior other than “encouraging” job creation. While the Strategy Center believes that the entire program of Enterprise Zones should be rejected, nonetheless, it is urgent to develop a “business subsidy/high wage” set of laws that require *any* company receiving *any* public funds—for new technology, for small business loans, for research and development—to adhere to selected requirements regarding working conditions such as paying *at least \$8 per hour*. Combined with new laws setting the minimum wage at \$6.50 per hour or more, government policy could help raise the *bottom* of the wage scale.

Union representation. Wage levels are as much a reflection of the relative power between labor and management as they are of market pressures and industry “competitiveness.” During the 1960s and 70s, when most downtown office buildings were unionized,

with most of the janitors being African American, the average wage was relatively high enough to keep a family above the poverty line. When the Service Employees International Union (SEIU) was dealt a severe setback by the “contracting out” to nonunion janitorial companies that hired primarily immigrant labor, the wages in the industry fell to less than \$5 per hour.²⁵ Since SEIU has initiated its impressive Justice for Janitors Campaign, more office buildings have once again been forced to sign contracts with union janitorial firms and the wages in the industry have slowly begun to rise. However, because the firms being unionized are still “independent” sweatshop contractors, virtually all the African American workers who worked at decent wages under previous union contracts have been driven out of the industry.

For African American and Latino workers, unions represent an opportunity to have greater power in the workplace, some sense of protection from management abuse, and an organizational base from which to exercise political power in the city and the nation. Workers in nonunion firms work for less, live in constant fear of being fired, and go home from work alone, exploited, and powerless. In Los Angeles, the LAPD’s beating of Justice for Janitors demonstrators and the Bradley administration’s ongoing lack of support for Hotel and Restaurant Workers as well as the downtown janitors have reinforced a low-wage economy even in unionized workplaces. Thus, it’s not enough to “want” unions. If we want a high wage economy, community groups must become involved in campaigns to actually help unions. Such involvement is critical in several areas:

- First, changes to federal, state, and local laws are needed that *expand* the rights of workers to organize unions. Examples of such changes are: laws prohibiting companies from hiring permanent replacements during strikes; repeal of laws restricting the number of pickets at a worksite; and changes in the procedures of the National Labor Relations Board such as the immediate reinstatement with back pay of workers fired for union activity while the unfair labor practice is being debated. (At present, militant workers are fired on the spot, and are kept out of work for years while “appeals” are filed.)

- Second, community campaigns can support union campaigns. Numerous successful union struggles have been rooted in community campaigns. It was strong community pressure threatening a boycott that forced General Motors to keep open the Van Nuys plant for an entire decade longer than it had planned to. Similarly, due to protests from both the Korean and Latino community, the Koreana hotel that originally fired all of its union workers and replaced them with scabs, was forced to rehire much of its original union workforce who are members of the Hotel and Restaurant Local 11. Because of community boycott pressure, the United Farm Workers Union was able to get contracts for agricultural laborers with lettuce growers, grape growers, and the Gallo Corporation.
- Third, while communities strive to support workers, responsible community supportive behavior must be demanded from organized labor. Many community residents do not see support of organized labor as a priority, because experience has taught them that there are forces at the center of power within the L.A. County Federation of Labor who have supported policies that have hurt the economic, social, and public health interests of many low-income communities. These conservative forces within the labor movement have carried out a narrow and self-interested strategy to pursue “jobs” for a relatively limited number of workers at the expense of the larger society, tying these workers’ interests to the most reactionary interests of corporations. For example, the conservatives within the County Federation of Labor have helped lead the Community Redevelopment Agency in its destabilization of communities and its advancement of a downtown building frenzy that provided jobs for relatively well paid construction workers while reinforcing a low-wage economy for most of the other workers in the area. They have lobbied the AQMD and other agencies *against* community protective standards by advancing the interests of developers, oil companies, chemical companies, and any other companies that used the threat of capital flight and “job loss” to gain deregulation of emissions, thereby risking the public health of low-income communities. They have worked to appoint a representative of Warner Brothers to the Air Quality Management District board of directors

at the behest of arch developer Dan Garcia and to remove the strongest advocate of working class communities on the board, Sabrina Schiller, because she would not support their corporate agenda.

These conservative unionists supported the Cold War and the Reagan military build up (and the policies of the defense contractors who moved out of the city) and played no role in demanding conversion to peace time production. They did this in order to keep the supply of high paying military jobs flowing to “their members” when such policies were directly against the public interest.

Most significantly, they have suppressed dissidents within the United Auto Workers, the Teamsters, and other unions who were disagreeing with the company’s agenda in their industries or the unions’ complicity with that agenda.

With this track record, it is not surprising that community groups and progressive organizations often view unions in general as reactionary. This is shortsighted, however. There are also many independent, democratic, and very progressive unions and individuals within the labor movement in Los Angeles that constitute a progressive wing. And there can be no doubt that union organization provides the much needed organizational power to wage the fight for worker rights within any workplace. The Strategy Center is unwavering in advocating a pro union strategy of development for the union movement’s present and future. Of course, this means advocating a reform strategy for the labor movement and making a commitment to the interests of the most militant and principled labor and community activists—not expanding the influence of labor elites. Community residents must become more aware of the conflict within the labor movement—between progressives and conservatives; between those who support environmental objectives and those who work with companies to destroy environmental laws and agencies; between those who support a multiracial membership and affirmative action in hiring and those who use unionism to maintain white racism; and between those who support debate and democracy within unions and those who work to crush it. In this way, community organizations can help the labor movement rediscover its soul and its potential role as a major progressive force in U.S. society.

10. New Forms of Ownership and Worker Democracy

This report throughout stresses reconstructing the social fabric of multiracial, multiethnic working class communities. One element of this is through new forms of economic development that develop *cooperative* rather than competitive and profit driven forms of economic organization.

In our society most social movements, such as the civil rights movement or women's movement or labor movement, are collective in nature, but a capitalist economy is built on competition and capitalist culture is based on "the individual." This contradiction is experienced in the form of people working together *collectively*, for example, to win more jobs for "the community" as a whole, but the system sets up a competition among workers as to *which* women, *which* African Americans, and *which* Latinos will get the jobs, and once at work, the competition continues for promotion and advancement. Some of these distinctions and stratifications may be inevitable. But the civil rights, church, *mutualistas*, and socialist traditions of community and worker solidarity must be revisited. And any really innovative model of community development must contain some investment in generating new forms of economic institutions that are based on ideas of both *cooperation and worker self-management*. These institutions cannot be the primary form of economic activity, but they can create exciting experiments and a challenge to the overall values of the market.

Obviously, cooperative enterprises still have to compete in a market and address questions of costs and viability, including the difficult problem of simultaneously attempting to pay higher wages than prevailing companies in the industry. Will community residents pay slightly higher prices for a product if the community-based enterprise explicitly makes labor intensity and higher wages one of its goals? Can cooperative models seek government funds not as simply individual economic units, but as social experiments for collective community revitalization as well? These questions need to be pursued.

SECTION V.

Transportation as a Point of Intersection for Many of the Issues Involved in Community Development

For those who can afford a car, a drive down Wilshire Boulevard takes you from the beaches of mostly Anglo and comfortable Santa Monica into Beverly Hills, along the Miracle Mile, and finally into the mostly low-income, of color, and transit dependent neighborhood of Pico Union. For those who cannot afford a car, travelling through the neighborhoods of Los Angeles on the inadequate mass transit system is an arduous task—usually requiring a long bus ride with several transfers. Lack of access to transportation, like the redlining that has historically kept people of color out of upper-class Anglo neighborhoods, or like the freeway construction that fostered the creation of suburban enclaves that sucked investment out of inner cities, is a form of segregation.

Access to transportation is a fundamental need for virtually everyone in Los Angeles, it's our lifeline to jobs, school, recreation, medical care, social services, childcare, and the homes of friends and relatives. For residents in low-income communities of color, with the lowest rates of vehicle ownership and the least access to viable mass transit, restricted transportation translates into restricted social and economic opportunity.

Currently, lack of transit access places extreme hardship on people making the kinds of trips that the eight million people in the Los Angeles basin who drive cars take for granted. For example, a resident of Pico Union employed at Superior Industries in Van Nuys (a low-wage sweatshop with a large immigrant workforce) must spend two and a half hours on three buses to get to work for a 4:00 p.m. swing shift. At the end of the shift, when only two of three buses are still operating, the worker then must walk two miles to start the two-hour ride back to Pico Union.

Residents of many low-income communities are caught in a crossfire: on the one hand, they cannot afford a car and have to depend upon an inferior bus transportation system, and on the other, they live in neighborhoods that are intersected by freeways, suffering the public

health problems produced by *other people's cars*. Environmental racism, most commonly discussed in the context of the placement of hazardous waste sites and toxic industrial facilities in communities of color, is also evident in transportation policy where many of those same communities bear the heaviest burden of vehicle emissions while their basic transit needs go unmet.

The Transportation Policy Group of the Strategy Center is developing a campaign to create an accessible, comprehensive, environmentally sound mass transit system in Los Angeles—to *reshape transportation from the bottom up*. A transportation plan for L.A., designed with the dual objectives of providing comprehensive access to transportation for everyone who needs it and improving air quality, would look very different from the transportation plan currently being implemented by the Metropolitan Transit Authority (MTA)—the mega agency which in 1993 was formed by the merger of the bus oriented Rapid Transit District (RTD) with the rail oriented Los Angeles County Transportation Authority (LACTC).

The MTA will spend \$183 billion on transportation over the next thirty years; the bulk of it is earmarked for mass transit (most of this money comes from a regressive county sales tax). The *Thirty Year Integrated Transportation Plan* is the document that specifies how and to which projects the funding will be distributed: it is the blueprint for mass transit development through the year 2020. A quick look at the plan reveals that if its drafters even posed the question “what kind of system will best serve people with *least* access to transportation?” they surely never considered it very seriously.

The MTA plans to sink nearly half of the 30year transit budget into a rail system that, when complete, *will only serve 1.5 percent of commuters*. In addition, the rail network is designed such that these commuters will principally be *suburban* commuters, from Simi Valley, Santa Clarita, Long Beach, the San Gabriel Valley, and other outlying areas. In stark contrast, the Strategy Center supports a strong bus centered mass transit system because we calculate that for the same amount of resources committed, a far more comprehensive transportation network can be built in both the inner city and in outlying areas (more buses could run along more lines with far greater frequency). For example, if the money the MTA plans to spend on the Metro Blue Line the next 35 years were instead invested into the

bus system, approximately *nine times* the number of passengers could be served (315,000 a day on the bus versus 35,000 a day on the Blue Line).

Given that the MTA controls the budgets for both the rail and the bus systems, and that the MTA has discretionary funds available that it has opted to spend on rail, *it is clear that the development of the rail system occurs at the expense of the bus system*. Even worse, while capital-intensive rail projects are slated for funding greatly disproportional to their projected *maximum* share of commuters, the workhorse of the mass transit system, the bus system, is actually being reduced. For example, over the last two years, 200,000 night and weekend hours were cut from the system—a major blow to people who do not have the option of driving.

Furthermore, the MTA has established a committee to discuss raising fares. The message is clear: unless there is an organized countermovement to protect the low-income riders, the likely future for bus riders will be fare increases and even more service cuts. Fare increases have always been followed by a decline in ridership. In fact, the bus system lost 300,000 daily riders over the last nine years due to fare increases and service cuts. (Since all the projected rail lines together are only expected to attract 500,000 riders, this self-defeating policy of raising bus fares as little as 25 cents will drive as many people out of public transit as all the expensive rail projects are projected to attract!)

If there were a major policy shift to prioritize a bus centered transit system, workers in South L.A., Pico Union, and East L.A. would have better access to jobs within and beyond their communities; people who drive cars because existing mass transit doesn't meet their needs could switch over to transit; L.A. would no longer have the most overcrowded bus system in the country; nightshift workers with nontraditional commute hours would no longer have to walk long distances to find a bus with late-night service, or wait at unsafe, poorly lit bus stops; youth would have better access to schools and recreation spots throughout the city; disabled people would no longer face the reality of getting passed three or four times in a row with nonworking lifts; and low-income people who cannot afford to take the bus as frequently as they need to, if at all, would finally get their transportation needs met.

The creation of a modern, clean, low emission, affordable bus system that ran frequently and around the clock, for once would give priority to the needs of

working class and low-income persons the majority of L.A. residents. In addition, it would also give middle class people with access to cars a viable alternative to driving. As far as taking steps to systematically encourage transit use, the MTA has the responsibility to make the sort of infrastructure changes to freeways and boulevards, such as adding bus only and High Occupancy Vehicle (HOV) lanes, to favor the movement of buses over the movement of single passenger cars.

There is no legal mandate requiring that the MTA spend our taxpayer transit dollars to provide as much access to mass transportation as economically possible. Nor is it legally mandated that the MTA provide as many transit resources to inner city bus riders as to suburban rail riders. Yet, consider that the Metro link trains running from the Simi, San Gabriel, San Fernando and Santa Clarita Valleys receive \$38 per passenger per ride in subsidies, and that the average subsidy for a bus rider is \$1 per passenger per ride. While Metro link riders sit in comfortable seats with pullout desk tops to accommodate riders who want to begin work on their way to work, bus riders in Pico Union are hard-pressed to find a seat at all, much less find enough room on the bus to bring home a bag of groceries.

The Strategy Center is beginning to organize a community and worker based movement committed to maximizing the effectiveness, social equity, and environmental sustainability of our mass transit system, an agenda that places central importance on committing the MTA to expanding transportation access in the inner city. The campaign will reprioritize the components of the *Thirty Year Plan* with the recognition that a massive increase in transportation service to the inner city is fundamental to any strategy for cultural and economic revitalization.

In addition to cleaning the air and greatly expanding transportation access, a bus centered transit system has the potential to create jobs. As discussed earlier in this chapter, communities can make demands that the buses be produced in the inner city with the objective of reemploying the tens of thousands of workers who lost their jobs through plant closings and capital flight.

Some companies in the Los Angeles area are already producing both electric buses and buses which run on alternative fuels. One South L.A. company stated that it could begin mass-producing electric buses if it got a contract to do so. Companies producing electric and alternative fuel buses should be sought out by the MTA and extended contracts if they are willing to locate

production in the inner city, produce the products using the most environmentally sound paints, epoxies, and solvents, and agree to allow their workers full rights to union representation and collective bargaining.

The Strategy Center is presently writing a transportation policy paper that discusses in depth the intersection between a bus centered mass transit system and transportation access, environmental and public health, urban development and land use, and jobs creation. The document will both guide the evolution of our organizing strategy around transportation, and serve as an organizing tool.

Our organizing efforts to impact MTA policy will focus on the following demands:

- No fare increases or decreases in bus service by the MTA.
- Allocate an immediate and major, bus centered capital improvement budget for South L.A., including well-lit and attractive public bus stops as part of community designed public areas.
- Double the bus expenditures slated in the *Thirty Year Plan*.
- Reevaluate the proposed rail projects with regard to competing uses of funds—including high priority bus projects.
- Implement an overall plan for HOV lanes, and bus priority on the major streets of Los Angeles in order to allow buses to get passengers to destinations much more rapidly.
- Allocate security funds on an equal per passenger basis for both bus and rail.
- Begin immediately an analysis of the present *Thirty Year Plan* to honestly confront how it will not meet clean air standards as presently designed and what changes must be implemented to make dramatic emission reductions far below existing Clean Air Act levels.
- Provide people from communities with high levels of unemployment with adequate bus and rail routes to areas with larger numbers of employers.

In conclusion, a bus centered, “multimodal” transportation system is critical to rebuilding the infrastructure of low-income communities, to cleaning up the air, to enabling people without cars to travel wherever they need to go within and beyond their communities, to getting inner-city workers to distant jobs in Orange County, the San Fernando Valley, the San Gabriel Valley, and other areas where employers have moved to escape them, and to recreating a public life in an increasingly privatized and segregated multiracial city.

CHAPTER THREE

Our Choice: A Social Welfare State or a Corporate Welfare/Police State?

SECTION I.

Poverty in Los Angeles

In Los Angeles today, there is no way that a “market economy” based on private profit can provide for the needs of the people. If everyone made \$100,000 per year, then perhaps we could avoid any form of government service, because all of us could purchase food, housing, medical care, mental health services, leisure activities, and other human needs out of our “income.” But in reality the income disparities in Los Angeles and the United States demand that government compensate for the failures and crimes of a market economy.

By now, the image of Los Angeles as a city of two islands—the privileged and the poor—is one that most people in L.A. accept as “reality” even as we try to change it. But too often, the most well meaning of those who live on the island of the privileged never really observe the depth of suffering of those who live on the island of the poor. Meanwhile, “the poor” often live in separated communities in which they are given to believe that maybe only *their* neighborhood or community has “the problem.” Therefore, a brief look at some indices of human suffering in the city can help motivate our discussion of radical alternatives.

1. Unemployment

African American unemployment is staggering. In South Central Los Angeles, for example, the jobless rate for African American and Latino males aged 18 to 35 is nearly 50 percent.²⁶ Nationally, the jobless rate for all 20 year old African American women is 47 percent, and for 20 year old African American women without a high school education, it is 70 percent.

2. Low-wage and Declining Wage Employment

As previously noted, the low-wage immigrant economy forces almost half a million workers, mainly Latino and Asian American, to work a full year at less than \$10,000.²⁷ Over the last 20 years the greatest growth among the officially poor in L.A. County occurred among the working poor (those who work fulltime and yet never escape poverty), doubling from 8 percent in 1969 to 17 percent in 1990. One out of every two of those in poverty worked part time.²⁸

Additionally, the average wages of all workers have been in a long-term decline since 1973, dropping 17 percent since then (after adjusting for inflation)—almost one fifth in just one generation. The drop in real wages hit Los Angeles workers even more severely: the median earnings for an average male, fulltime, year-round worker (in 1990 dollars) tumbled from a two decade high of \$35,270 in 1973 to a 1990 low of \$25,000 a 30 percent decline!²⁹ In other words, for every four dollars the typical worker earned twenty years ago there are only three dollars today. Combined with fewer medical benefits and more taxes, the take home wage has declined even more.

3. Housing

With the purchase prices of houses going through the roof, and no new subsidized apartments being built, most landlords are raising rents to levels that demand overcrowding and stressful living arrangements just so people can pay the rent. In 1990, while the national monthly median rent was \$424, the median rent in California was \$620, with L.A. costs slightly higher. California ranks 49th in the availability of publicly subsidized housing for the poor, only Utah is worse.³⁰ Fewer than one out of ten families in the Aid to Families with Dependent Children program (AFDC) in the state get a rent subsidy.

Is it any surprise, then, that California is the homeless capital of the U.S.?³¹ 150,000 persons are homeless each year in Los Angeles³² and on a given night 70,000 have no home. Yet the approximate total bed capacity in shelters is only 10,000.³³ In other words, every night 60,000 Angelinos sleep in parks, cars, abandoned buildings, all-night buses, jails, or just wander the streets.

4. How is Poverty Defined?

The government has set an “official” poverty line of \$10,419 for a family of three. That is a joke. Instead of trying to solve poverty, the government sets the standard so low that it can “classify” a lot of people out of poverty instead of lifting them out. The Strategy Center, in our own efforts to analyze poverty, have felt that a real *minimum wage* in L.A. would have to be at least \$8 per hour, or \$16,000 a year as the poverty floor for a family of three. If we were to set the poverty level at \$16,000 that would raise the national poverty rate to 23 percent, or more than 50 million Americans—*and one out of every three children*—would be considered poor³⁴. This redefinition also puts a more dramatic light on statistics about new job development in Los Angeles during the 1980’s when approximately a quarter of a million new jobs—four out of every ten new jobs—paid less than \$15,000 a year for full time employment³⁵.

Finally, note the degree to which official definitions of poverty hide the full extent of poverty in Los Angeles County: in 1990 the official story was that 15 percent of all Angelinos lived below poverty. But a look at U.S. Census data shows that approximately 30 percent of all families in L.A. had household incomes below the more realistic threshold level of \$16,000 mentioned above. In other words, the Strategy Center’s more realistic definition of poverty *doubles the number of L.A. families living in poverty to almost one out of three*. Moreover, this poverty level also shows the true extent of the destitution in L.A.’s “inner urban core,” as Paul Ong, professor of Urban Planning at UCLA calls the lowest income area of Los Angeles County: Of the one and a half million Angelinos that live here, *over 50 percent have incomes that fall below a minimum level of decency*.³⁶ Not surprisingly, most of the anger of the last year’s rebellion was also focused here.

5. AFDC: a Program to Help Women and Children

Contrary to the calculated scapegoating and distortions aimed at persons receiving Aid to Families with Dependent Children, the reality is quite different: Nearly seven of ten AFDC recipients are children; more than 90 percent of all AFDC recipients live in single parent/female headed households; and AFDC spending represents only 3.4 percent of total expenditures by all states.³⁷

Nonetheless, the diversionary campaign against these recipients has been very effective: From 1970 to 1991, according to the Center on Budget and Policy Priorities in Washington DC, the maximum AFDC benefit declined 42 percent in the typical state, after adjusting for inflation³⁸. In fact, the average value of today's AFDC and food stamp benefits *combined* has now fallen to the same value of AFDC benefits *alone* in 1960, before the food stamp program was created.³⁹

The impact of these cuts is revealed by the fact that in Los Angeles 28 percent of all children under 18 years live in official poverty—more than one in four children. Institutional racism further raises the numbers of African American and Latino children living in poverty in all of Southern California to 38 percent and 35 percent respectively—more than one out of three children in both groups.⁴⁰ Nationally, more than 50 percent of African American children under the age of six were classified as officially poor, compared to 45 percent of Latino children and 17 percent of white children.⁴¹ Again, these numbers would swell substantially more if they were to reflect the more realistic minimum need line of \$16,000 for a single parent of three.

The disproportionate effects of institutionalized racism are also reflected in national family income discrepancies. In 1989, the median family income for whites was \$30,406 compared to \$18,083 for blacks. Not surprisingly, then, 10 percent of whites were officially poor, compared to 26 percent of Latinos and 30 percent of African Americans.⁴²

And finally, poverty also hits women and children disproportionately. The “feminization of poverty” is a term that reflects the fact that two out of three impoverished adults in the US are women—a consequence of a matrix of economic and social factors that give painful reality to the generalization “women’s oppression.” In that women and children are linked, a product of the long standing cultural patterns that place primary family responsibilities on women, children make up about 27 percent of the nation’s population, but 40 percent of those who are poor.⁴³

Okay, enough figures and statistics! What all of these numbers mean is that our society has deeply failed millions of families, especially those families that live in the inner city, and especially Latino and African American families. This is the result of what Reagan meant by *social darwinism*—suffering and humiliation for the millions of persons in the U.S. that our economic system prevents from “surviving.” So how do we turn this around?

SECTION II.

A Brief History of the Theory and Practice of Social Welfare Policy in the United States

1. The U.S. Founding Philosophy of Social Welfare: Self Reliance, Slavery, and Conquest

The United States was founded on an economic base of large farm and plantation owners, small-scale industrialists, merchants, small farmers, and artisans. These dominant groups constructed an economic and social system based on the appropriation of Native Americans and, later, Mexican land, and structurally dependent on slave labor. Consequently, the evolution of welfare state theory in the U.S. has been shaped by two ideologies: “independence and self-reliance” for the white males of all classes, on the one hand, and explicit domination and conquest of people of color, on the other. Larry Ceplair, professor of history at Santa Monica College, summarizes this legacy that has so influenced our present concepts and policies of social welfare:

“With the exception of Reconstruction, and the creation of the Bureau of Refugees, Freedmen, and Abandoned Lands (1865-72) the nineteenth century was remarkable for the absence of even the rudiments of a public assistance apparatus. While other industrialized countries in Western Europe, notably the United Kingdom and the German Empire, were laying the basis for state assistance for “the needy”, the U.S. depended on the philanthropy of wealthy individuals and private volunteer organizations.”⁴⁴

It was only with the development of the social movements of angry farmers and workers who were ravaged by the cycles of a capitalist economy and the arrival of socialist ideas to the U.S. with European immigrants that the first theories emerged which blamed “the system” for structural poverty and unemployment.

But even during the early stages of the progressive, populist, and socialist movements, there was a deep theme of racism within the social movements led by whites. Ceplair explains, “As white middleclass,

college educated progressives developed their social theories of poverty, race was virtually excluded from their vision of social reform. Progressives strived to “Americanize” immigrants and, with the exception of those few involved with the NAACP and National Urban League, ignored and often excluded blacks. Though a number of progressives acknowledged some of the oppressive relations of gender (such as the denial of women’s suffrage), they remained blind to race as a social problem.”

2. The 1930s: The Great Depression, the Rise of Radical Social Movements and the Limited Welfare Agenda of the New Deal

During the 1930’s, the worldwide crisis of the capitalist countries and the growing strength and appeal of socialist movements led to a major debate within U.S. elite circles and to the emergence of the New Deal of Franklin Delano Roosevelt. Capitalist theorists conceded the enormous liabilities of a liberal “free” market economy, and argued that government regulation, rather than explicit socialist revolution, could both save the system and produce all of the claimed benefits of socialism. However, even then government’s definition of its obligations was surprisingly limited. For example, the New Deal, in practice and theory, was geared toward “tiding over” white workers during “temporary” hard times, rather than providing a long-term plan for full employment and structural benefits. Nonetheless, organized and persistent community and labor movements achieved two great transformations in the role of government:

The National Labor Relations Act. This Act allowed workers the right to organize and claimed that government would stay neutral in fights between workers and companies. Still, agricultural workers were specifically excluded, meaning that African American sharecroppers, and Mexican and Filipino farm workers were still left without protection.

The Social Security Act of 1935. This Act “provided grants to states for old age assistance, unemployment compensation, aid to dependent children, maternal and child welfare, and established a federal framework for workers and employers to contribute to a fund for old age benefits...[However] old age benefits were financed not by government, but by a regressive tax on

workers and a tax on employers (that they could pass on to consumers and deduct as a business expense) and, again, it left millions of domestic and agricultural workers unprotected.”⁴⁵

The U.S. emerged from the Depression through the pump priming impacts of its involvement in World War II, and the postwar economy boomed dramatically as U.S. business forces took full advantage of the temporary destruction of their prewar competitors in England, France, Germany, Italy, Japan, and the Soviet Union. The war also provided women and people of color with unprecedented employment in high wage, unionized manufacturing jobs. The conditions seemed ripe and for a brief moment there was discussion of a full employment bill.

However, a concerted backlash drove women and people of color back to second class jobs and a wave of redbaiting broke the back of many labor protests. Within a few short years it was clear that segregation was still both the law of the land in the South and the practice of the nation in the North, and any discussions of “social welfare” were once again driven underground.

3. The 1960’s: maximum Feasible Participation of the Poor Ignites the Community and Ends Government’s Commitment to the war on Poverty

From the *Brown vs. the Board of Education* case in 1954 that outlawed explicitly segregated schools, to the Montgomery Bus Boycott that eventually contributed to outlawing segregation on public transportation, the early “public accommodations” actions of the civil rights movement had to confront hard economic facts: access to education did not mean access to a job, and access to a bus did not mean there was substantial income at the end of the ride.

During the period of urban rebellions of the 1960s— from Harlem to Detroit to Newark to Watts—one of the greatest gains of the civil rights movement, led by organizations such as the Student Nonviolent Coordinating Committee (SNCC), the Southern Christian Leadership Conference (SCLC), and the Black Panther Party, was to popularize a widespread critique (not just among blacks but among substantial segments of the general population of all races) that racial discrimination, urban poverty, and urban social

unrest were caused by and, therefore, were the responsibility of, the existing social system. From this perspective, the civil rights movement argued that the government had to make antidiscrimination laws and social programs for black and other minority poor—not police repression—the cornerstone of federal urban policy.

In response to these pressures, the federal government created the Office of Economic Opportunity which, like other pacifying reforms of the past, did not address the structural problems of unemployment and poverty but focused—just as its name implies—on giving blacks and other people of color the “opportunity” to succeed as “individuals” even though their problems were collective.

Underfunded, motley, and limited in scope as they were, the efforts of the Kennedy and Johnson administrations made significant impacts, some unintended. Between fiscal years 1964 and 1972, federal aid to the poor more than tripled, and the result was that the number of poor declined from 39.5 million in 1959 to 25.7 million in 1971; the infant mortality rate among African Americans dropped from 44.5 per 1,000 in 1954 to 24.2 in 1975; and there was a 50 percent reduction in people living in substandard and overcrowded housing.⁴⁶

But perhaps even more important for current Los Angeles activists and progressives to understand from that period was the creation of the *Community Action Program*. The program was based on the theory that the solution to poverty had to involve “the maximum feasible participation” of low-income people. As a result, it put money into low-income communities with the express purpose of allowing elected community boards to play a greater role in impacting local policy. Of course, the Democratic Party that initiated the program assumed that this would cultivate a local grassroots elite loyal to big city mayors, and to some degree it did.

Yet it also encouraged an explosion of local initiative, with programs in many communities leading to rent strikes against slum landlords and to demonstrations against local mayors demanding more services and less police brutality. John G. Wofford, a poverty program official, estimated that at least 35 percent of the field representatives were African American, Puerto Rican, or Chicano, and called them “probably the ablest and largest group of minority group professionals ever assembled in one government program.”

Marked decreases in poverty, community involvement, and creation of jobs for competent minority professionals (many of whom did not have degrees)—it sounds too good to be true. It was! Within a few years the backlash against the program was enormous—not just from the predictable Goldwater Republicans, but from big city Democratic mayors. For example, Ceplair points out that “a mayor’s revolt against this establishment of competing political organizations in their own backyards produced a 1967 amendment, giving elected officials control over one third of the seats on the community action boards.”⁴⁷

In other ways the backlash was worse than this, as the local power structures worked not just to “sit” on the boards, but to take them over and shut them down. In sum, a bold experiment that began at the grassroots quickly came to exemplify society’s fear of any form of democratic community action. Nonetheless, some of the lasting remnants of that period are critical. The passage of the Civil Rights Act in 1964, including its important job of protection against discrimination (Title VII), and the passage of the Voting Rights Act of 1965, gave greater legal protections and weapons to people of color that are essential in confronting the root causes of poverty.

The reasons for the end of the militant and progressive initiatives of the 1960’s and early 1970’s make a story in themselves, for certainly the shutdown of federally funded poverty programs was not the primary reason for the decline in the social impact of the civil rights movement. Rather, the causes can be found within a complex set of forces: the end to the war in Vietnam and the “return to normalcy” of many middle class whites; the increase in elected officials of color that provided hope in some instances but cooptation in many others; the growing racial contradictions in the movement leading to a divided and disunited front; the increasing turn to revolutionary thought by many social activists which led to greater consciousness, on the one hand, and growing sectarianism and infighting on the other; and—perhaps most damaging—the organized and well funded conservative white backlash that drove millions of whites, often poor and working class, into the arms of the Republican Party and to support programs that restricted the rights and opportunities of people of color.

Together, these developments led to the end of a brief window of hope in U.S. history and the beginning of a free fall back to the racism and neglect of the past.

4. The Nixon Carter Decade: Reducing Government's Responsibility to the Poor, and Shifting the Burden to the States

During this period, the backlash against social programs for people of color led to the end of government's explicit commitment to fight, let alone end, unemployment and poverty. Richard Nixon convinced many state politicians, including many Democrats, to support the idea of getting the federal government out of "the social welfare business" and moving funds to the states under a "block grant" program. Once that was done, the next step was to reduce the grants themselves.

The logic of the backlash was simple and very effective: What could elites do when social movements began to use democratic government institutions to redistribute wealth?—Dismantle the government institutions that made this possible.

Jimmy Carter focused on the Comprehensive Employment Training Program (CETA) which provided some temporary jobs for low-income people and some good summer programs, but during the national debate about "inflation," the program was cut in the last years of his administration. For big city mayors, the conservative policies of Nixon and Carter were efforts to completely end the progressive rhetoric of poverty programs and to limit local expectations. But the cities had seen nothing yet.

5. The Reagan/Bush Reaction: From the War on Poverty to the War on the Poor

When Ronald Reagan and George Bush came to office in 1980 they began implementing a new strategy for government to more explicitly help the rich and corporations to break the backs of labor unions and a high wage labor force, and to develop majority support to abrogate any responsibility of government to address issues of racism and poverty (the real aims of "supply side" or "trickle down" economics). Their goal was to undo virtually the

entire social agenda of the New Deal and the Great Society combined. Their primary political objective, which they pursued quite consciously, was to consolidate a conservative, primarily white, and racist electoral coalition so that they could reorganize U.S.

society to further advance business interests in a period of greater international competition.

The Reagan/Bush strategy to increase business competitiveness was not based on expanding the innovative side of U.S. industry, but rather, on depressing the costs of labor and, thereby, community standards of living. Ronald Reagan, as a professionally trained actor, was the perfect spokesperson for the brilliant right wing strategists. Their plan was to transfer federal funds from social welfare programs to a federally supported military industry, from the working class and middle class to the wealthy, and from decent paying, unionized labor to low-wage, unorganized, and atomized labor.

To highly centralize control over the political/economic system, they used the Republican Party and White House as propaganda centers from which to attack the victims of this system, to delegitimize them in the eyes of essentially suburban, middle class and upper middle class voters who were the electoral base of support for this political backlash.

While much of the human suffering is apparent to the naked eye, a few indices of the problem are helpful: "Between 1978 and 1985 the number of people living in poverty increased by seven million, from 6.8 to 9.1 percent of the population. The percentage of children living in poverty increased from 16 to 21 percent. Cuts in funding caused 750,000 families to fall below the poverty level. The number of children of single working parents eligible for public medical services fell by 500,000, and Aid to Families With Dependent Children fell (in constant dollars) from \$520 per month per family in 1968 to \$325 in 1985."⁴⁸

Federal support for subsidized housing plummeted from \$32 billion in 1981 to \$6 billion in 1989. Put in another way, the Department of Housing and Urban Development (HUD) authorized the construction of 183,000 subsidized dwellings in 1980, but only 20,000 in 1989 for the entire United States.⁴⁹ The policies of the Reagan administration demanded that people either pay for exorbitant housing, or sleep on the street.

The results of the Reagan years can be seen vividly in Los Angeles as massive, vulgar, and what should be illegal levels of personal and corporate wealth coexist with massive levels of urban poverty. But there was a bright side. Aaron Spelling, the cultural entrepreneur who has brought the fantasy world of the rich to

television through such uplifting contributions as *Love Boat*, *Fantasy Island*, and *Beverly Hills 90210*, was able to build the largest single private home in the U.S., right here in Los Angeles. It totals 56,000 square feet. By contrast, many L.A. low-wage workers live in squalid two bedroom apartments of 600 square feet. Frequently, two families double up in this space to pay the exorbitant rents. According to *Los Angeles Magazine*, “By the 1980s, Aaron and Candy Spelling came to symbolize the unbridled greed of the Reagan era. There was the private railroad car, the snow trucked in every year to give the Spelling kids a white Christmas, the maid planting rare shells outside their Malibu beach house to be discovered by the kids, and the vaultful of one of the best collections of jewelry and furs outside the royal family.”⁵⁰

By the end of the Reagan and Bush years, the heartbreaking poverty of the poor, most of whom were people of color, women, and children, had little impact on the national debate or national conscience. Rather, it was the fallout of the Reagan years—the S&L crisis, economic stagnation, and the trickle down of economic hardship to the primarily suburban white working class and middle class—that created the social base to get rid of George Bush and elect Bill Clinton.

6. The Clinton Administration: Getting Rid of Welfare as We Know It by Defining middle Class Hardship as the Worst Condition in the American Experience

Bill Clinton ran a brilliantly crafted campaign. He focused his appeal to an economically depressed, socially conservative, white, suburban, middleclass, “Reagan Democrat” voter, and winked at people of color and low-income people to support his candidacy. Perhaps he hoped that “after the election”

the unspeakable issues of race, poverty, and cities would be allowed to come back on the national agenda. However, his election validates the folk wisdom that “what you see is what you get,” for, so far, his administration offers nothing but disappointment to those of us who want to confront the raging problems of the cities:

- The Clinton administration, under the leadership of Secretary of the Treasury Lloyd Bentson, has demanded yet more funds for the S&L bailout,

paying off wealthy “losers” over the \$100,000 guaranteed by the FDIC.

- The administration has completely embraced the arguments of Ross Perot and the right wing of the Democratic Party that “deficit reduction” is a major national priority—code for further cuts in already depleted essential social programs.
- The administration has focused its economic plan for the cities on the *enterprise zone*, a bankrupt concept of giving further tax incentives to companies to coax them to invest in low-income, often minority communities. This replicates the view that companies should be subsidized for investing in the inner city; it further depletes the tax base, as companies demand tax breaks for everything; and it leads to, at best, more industry using low-wage labor and demanding environmental deregulation.
- And, finally, the administration has avoided challenging the suburban middle class about the human dimensions of poverty that are heavily overlaid with issues of race.

Where is the president as moral leader, as educator, as real risk taker? Why has our New South president avoided Los Angeles during the entire prelude to the Rodney King civil rights trial verdict? Perhaps because if there had been an acquittal in the LAPD Four case, and another urban rebellion, the bankruptcy of his social vision and social programs, and his need to call for “law and order” (to placate the white corporate and middle classes) would show how very similar his urban policies are to those of his reactionary predecessors.

SECTION III.

Welfare for Corporations and the Rich

One of the greatest myths of our time is that public funds are used for “social welfare,” whereas the “private sector” amasses such obscene levels of wealth because its top executives take risks and work on their own without government help or subsidy. The reality is that the lion’s share of public spending is used to subsidize entire industries and many people get rich this way. In other words, corporations and the highest income groups have used their economic and political

power to transform the U.S. into a “*wealth fare state*”.

Our “upside down” welfare system occurs through two hidden “wealth fares”: first, through *direct subsidies and credits* to assist corporations, banks, agribusiness, and defense industries; and, second, through *tax loopholes*—legal mechanisms by which the government officially permits certain corporations and individuals to pay lower taxes or no taxes at all.

It is important to remember that while separated here due to the two different tax systems—personal income and corporate taxes—in reality, the heads of corporations and the highest income groups (the richest 1 percent to 5 percent of the population) are closely interconnected and essentially the same. As Cynthia Hamilton points out, the first objective of government, as it functions in the U.S., is to make specific companies and industries rich. Then, individual wealth is achieved by first paying exorbitant salaries, benefits, and stock options, and second, by using political power to ensure that tax loopholes allow almost all of this money to be kept. In other words, while a few of the most wealthy families at the top are lawyers married to lawyers and a sprinkling of music and sports stars, the vast majority own and manage the Fortune 500 companies.⁵¹ This is reflected in the skyrocketing pay of chief corporate executives. By the end of the 1980’s the average corporate executive was making 120 times the wages of a worker and 72 times that of teacher—compared with 35 times the wages of workers in the mid 1970’s.

⁵²

1. Direct Public Subsidies to Corporations

As we have already discussed, big business manipulates the public debate. It tells working people “we” need to get “government off our backs” when in fact it pursues a dual strategy: First, it wants government *regulation* off its back so that it can better compete internationally. Thus, government is used to *intervene against* more vulnerable and oppressed populations, leading to the gutting of OSHA, environmental regulation, civil rights protections, and the deregulation of S&Ls. Second, it wants government *subsidies* and economic aid in apparently infinite quantities:

- Public money bailed out Chrysler, Central Penn, Continental Bank of Illinois and the S&Ls.
- Under the threat of capital flight and plant closings during the 1980’s, state and local governments

gave protection money to corporations through low interest loans, tax-free financing, subsidized employee training, and tax breaks.

- Quotas on foreign beef, wheat, oil, and autos protected U.S. industry profits—paid for by US consumers through higher prices.
- Publicly owned land, oil, minerals, lumber, water, and other resources continue to be sold to big business at far below their true market value; James Watt, Reagan’s Secretary of the Interior, almost gave away public lands to private companies.
- Publicly financed research and development and guaranteed markets continue to help develop new technologies and then turn them over to private corporations for their profit—as happened with the development of the satellite communications system that was turned over to AT&T, as happens with medical drugs developed by government and publicly supported university scientists (the exclusive licenses for which are then turned over to private profit pharmaceutical companies), as happens routinely with nuclear energy, synthetics, and mineral exploration,⁵³ and as happens in the present with the CALSTART public subsidies of the electric auto industry here in Los Angeles (see page 17).
- Public funds are used for U.S. military intervention in Third World countries to maintain or install governments that support U.S. based companies’ investments and profits by providing access to raw materials, labor markets, and consumer markets.

2. The Military Welfare State

In 1946, when president Harry Truman ended World War II only to immediately begin the Cold War, the business publication *Steel* rejoiced that the cause of anticommunism gave “the assurance that maintaining and building our preparations for war will be big business in the U.S. for at least a considerable period ahead.”⁵⁴ That prediction has held for nearly half a century as our country developed a “permanent wartime economy”:

- During the 1980's, with annual military budgets approximating \$300 billion per year, nearly 2 trillion taxpayer dollars were handed over in military spending for what was essentially a hidden subsidization of high-tech industry.⁵⁵ The Japanese government used taxpayer money to openly and massively subsidize high-tech industry through its powerful industrial ministry; the U.S. federal government has done this in large part covertly through defense expenditures.
- For every American adult and child approximately \$1,200 annually was spent during the 1980s for the defense buildup.⁵⁶
- Out of every dollar of federal budget expenditures, 47 cents goes to military spending; income assistance programs receive 4 cents; and housing, education, and the environment each receive 2 cents.⁵⁷
- In LA County in 1990, 1,284 firms received 4,184 Department of Defense contracts worth \$8.9 billion; *ten firms received 80 percent of the money.*⁵⁸ As Cynthia Hamilton points out, "it is the height of hypocrisy that defense contractors are among the biggest contributors funding Governor Wilson's current ballot initiative to cut welfare, while most of these contractors have been on the government dole for years."

3. The Savings and Loan Bailout

Studies of the Congressional and Executive branches of government estimate that the flood upward of public bailout money is guaranteed for the next thirty years: \$200 billion is earmarked for the next decade and up to \$500 billion over the next three decades, most of which will be paid with public funds.⁵⁹

Many who benefitted from Congress' 1980 Monetary Control Act that deregulated S&L limits on interest rates, and many who are now reaping billions in bargain-basement asset/deposit sales, attempt to portray the bailout as necessary to help the small depositors. True, the average S&L account was only \$8000.⁶⁰ However, the "small depositor" argument is clearly a diversionary tactic for three reasons:

First, while much of the public's bailout goes to the small depositor, that is precisely because it was small depositor money that was robbed by countless wealthy

speculators during the Roaring 80s. In other words, the small depositor bailout is nothing else than a *delayed public subsidy* that we pay *now* for super profits that businesses and wealthy speculators took during the Reagan years.

Second, by no means is it only small depositor money that the public funds will cover, for the government has also been pressured to pay tens of billions of dollars to large depositors even when their deposits exceeded the \$100,000 insurance ceiling. Such accounts comprised nearly 20 percent of deposits at the failed S&Ls (in contrast to an industry wide average of only 11.7 percent). Moreover, brokered deposits—the mechanism that large investors used to circumvent the \$100,000 deposit insurance limit by spreading their deposits among many thrifts—accounted for nearly 15 percent of all deposits (again, more than twice the industry average of 7 percent), and these were all bailed out as well.

Third, yet another variety of S&L "wealth fare" continues through the Resolution Trust Corporation (RTC), established by Congress in 1989 to selloff insolvent S&Ls and their assets:

- Just 14 large financial institutions received the lion's share of assets (63 percent) and deposits (59 percent) sold so far by the RTC of what was once a highly decentralized financial industry. Rather than insisting that these big buyers purchase *entire* S&Ls (in exchange for the high profits that will be realized from the increased monopolization of the financial sector), the RTC has allowed them to "cherry pick" the choicest properties at well below book value, while leaving the public holding worthless property and, worse yet, many toxic sites.
- From its inception through August 1, 1992, the RTC "resolved" \$220 billion in total deposits. The bulk of those resources were transferred to large institutions who will now be able to use these valuable, low yielding core deposits bought for pennies on the dollar, to quickly expand and consolidate their position in markets throughout much of the country. For example, Bank of America, together with its recently acquired Security Pacific, is the biggest buyer of such S&Ls in the country, having bought up over 1/5 of them nationally.

4. Tax Transfers to the Wealthy

In the United States, one of the most straightforward democratic economic demands is *progressive taxation*. That means simply that wealthy people assume more responsibility for paying taxes, and that the society in a small way acknowledges the moral and practical obligations to pay for parks, hospitals, and schools placed on the individuals and corporations who make the most money in an economic system that advantages those who are rich. Most people feel that the progressive income tax isn't progressive enough—they assume the rich pay a lot of taxes but not as much as they should. But during the 1970s and 1980s it was an outright scandal: *taxes for the majority of the population went up as their real income steadily declined while simultaneously corporations and the very wealthy were given enormous tax breaks.*

Citizens for Tax Justice, a progressive tax analysis organization in Washington, D.C. describes the tax evasions of the 1980s as follows:

Corporate Tax Evasion. As a result of cuts in corporate taxes, the share that corporate income taxes contribute to federal spending has steadily declined: from an average of 23 percent during the 1960s to 16.7 percent in the 1970s to 8.1 percent during most of the Reagan years. After the 1986 Tax Reform Act this share rose slightly to 9.7 percent in 1990.⁶¹ From another perspective, the total of federal and state corporate taxes (as a share of the gross national product) dropped from 4.1 percent in the 1960s to 2.2 percent in 1992—a *decline of 47 percent*. It is helpful to contrast U.S. tax policies with those of the 23 other industrialized member countries of the Organization for Economic Cooperation and Development (OECD): in these countries, on average, corporate taxes as a share of GNP have *increased* by 62 percent during the same period, and in 1992 are *100 percent greater than what U.S. corporations pay*.⁶² How much more would corporations have contributed each year during the 1980s had their 1970s average tax rate not been cut but merely stayed constant? *\$130 billion!*⁶³

Tax Evasion by the Rich. The income gaps between rich and poor in the U.S. (as a result of the “supply side” tax changes of 1978 and 1981) are wider than they have ever been since the Census Bureau began collecting these data in 1947.⁶⁴ First, the pretax incomes of the top 1 percent of the population soared by 115 percent,

much due to the increase in corporate profits aided by the above reductions in corporate taxes. Then, the federal government dramatically cut taxes for the rich even as their incomes skyrocketed. Consequently, their *after tax income* went through the roof, *increasing by an average of 136 percent!*⁶⁵ By contrast, the before and after tax incomes of the bottom 80 percent of the population either declined (on average 10 percent for the bottom 60 percent) or remained virtually unchanged during the 1980s.⁶⁶

5. A Pop Quiz

In which country do the *top 10 percent of the people own nearly 90 percent of its wealth, while the bottom 90 percent scramble for the remaining 10 percent?* a) El Salvador, b) Bangladesh, c) South Africa, d) the United States? (For the answer, please go to the corner of Wilshire Blvd. and Rodeo Drive.)

SECTION IV.

A Call for a Major Social Revolution of Redistribution

The revolutionary nature of dismantling the corporate welfare state will require a massive redistribution of funds. Consequently, a discussion of the tremendous public subsidies to industry, to

S&Ls, and to wealthy individuals is not just a rhetorical critique—it is the direct line to answering the question, “Where are we going to get the funds?”

1. Our Demands

- Between 1980 and 1992 the military budget increased 46 percent—in marked contrast to a 70 percent cut in the federal educational budget and a 77 percent cut in federal housing funds.⁶⁷ *We demand an immediate 100 percent increase in the federal educational budget and a 100 percent increase in federal housing for low-income residents.*
- We oppose any funds to Boris Yeltsin and the former Soviet Union to restore a “market economy” while it is the market economy that is leaving Los Angeles and our cities in shambles. *We ask that President Clinton and Secretary of State Warren Christopher withdraw the offer of \$1 billion to Yeltsin, and instead, make an emergency transfer of funds to Los Angeles.* In

that there is a projected budget deficit of \$500 million next year in the L.A. city budget, that billion would cover two years of raises for the city's teachers, more money for books, new schools and bilingual education programs, and increases in AIDS treatment, homeless shelters, prenatal care, and other urgently needed social services.

- In Los Angeles, only one out of four adults below the official poverty line collect any form of public welfare assistance, including income from such programs as AFDC, General Assistance, and MediCal. Moreover, since 1979, the greatest growth among the officially poor has occurred among the working poor, doubling from 8 percent in 1969 to 17 percent in 1990.⁶⁸ *We demand a program to increase the eligibility and participation of the poor in federal, state, and county programs—which will of course require larger budgets for these programs. Especially, we demand much greater participation of those who are eligible in the AFDC, food stamps, and housing assistance programs.*
- The Children's Defense Fund said that it would have cost \$26 billion to bail all families with children out of poverty in 1988, and \$54 billion to eliminate all poverty in the United States. While we question that those figures would eliminate all poverty (since they accept the far too low official ceiling of \$10,000 per year for a family of three) *we call on President Clinton and Congress to allocate \$54 billion as a first step towards a national program of ending poverty through direct income transfers to the poor.* As we pointed out in the preceding section, money from corporate and wealthy tax breaks during the 1980s alone would cover this \$54 billion several times over. *Therefore, we also demand that tax levels for corporations and the wealthy be returned, at the very least, to their 1970 levels.*
- *We demand that the federal government pass legislation outlawing the use of "permanent replacements"—scabs—during strikes.* Forming and joining unions and engaging in employee actions against management is one of the main ways that workers can raise their wages. The era of the working poor must be ended.

2. Government as Employer

As previously noted, LA County has 4550,000 minority employees on its payroll, including temporary employees, making it the single largest employer of people of color in Southern California. African Americans make up 31 percent of the workforce, Latinos 20 percent (more than half of both groups are women). The City of Los Angeles employs another 27,000 workers.⁶⁹ And yet the County of Los Angeles has pursued one of the most explicitly racist employment policies of a major urban center—contracting out more than 5,000 jobs, on a "low bid" system that virtually guarantees unlivable wages. The average wage for most of the privately employed workers performing County services ranges from \$700 to \$1000 per month, with no medical benefits; a family of two on these wages qualifies for AFDC, MediCal, food stamps, and public housing. Moreover, 62 percent of the County jobs contracted out by 1986 were held by African Americans, and 22 percent of those eliminated were held by Latinos.⁷⁰

It is time to go beyond the annual or even semiannual debates to determine how much teachers' salaries will be cut, or how many workers will be permanently laid off.

- Demands for a *massive increase in education* could generate tens of thousands of jobs for teachers, teachers' aides, custodians, and secretaries in the public schools.
- Demands for a *massive increase in the AFDC program* could generate thousands of more jobs for case workers and family service workers.
- Demands for *stronger antidiscrimination, environmental, and occupational safety and health laws* can generate thousands of jobs in the rule making and enforcement agencies necessary to protect civil rights and public health.
- Demands for a *massive increase in public housing* can generate jobs for engineers, architects, construction workers, electricians, and maintenance workers.
- Demands for *dramatic increases in corporate and wealthy individual income taxes* can lead to the creation and expansion of a corporate fraud department of the IRS.

- Demands should be made on *the L.A. County Board of Supervisors to stop its practice of contracting out work as the first step toward dismantling the Proposition A regulation on privatization of public services.*

The fight over society's resources is critical and as we have shown, contrary to the calculated cries of "there's just no money," funds do exist to support a massive redistribution of wealth. Such a redistribution will demand a long-term and very class conscious political movement that really doesn't exist at this point in history, and also a change in the culture of our society, ecologically and socially, toward adopting enormous restraints in the exploitation of resources.

SECTION V.

The LAPD: Guardians of the Status Quo

The Los Angeles Police Department (LAPD) has a dual but complementary character: first, it functions *as an enforcer of status quo relations of economic and political power* (as do all police departments); second, and more particular to the LAPD, it has functioned as a *paramilitary right wing force in the politics of the city.*

The LAPD has a long and unique history of abuse of power stretching from its "Red Squads," Public Disorder Intelligence Division, and cooperation with the FBI's COINTELPRO counterinsurgency efforts and the Immigration and Naturalization Service (INS), to the breaking of strikes, beating of demonstrators, gang sweeps, battering rams, and systematic beatings of "suspects" such as Rodney King. The LAPD is an armed force that sees unions, dissident intellectuals, African Americans, Latinos, Asian Americans, the poor, immigrants, strikers, demonstrators and the left as "the problem."

Furthermore, the LAPD has been notoriously corrupt. As Joe Hicks, a journalist and the present executive director of the Southern Christian Leadership Conference (SCLC) points out, "More than fifty years of scandals brought about city charter amendments that made LA unique among major U.S. cities: the police chief was made into a civil service position to divorce it from the then corrupt mayor's office. The new police chief thereby became accountable only to a body of part-time commissioners."⁷¹

It is ironic, therefore, that the reason Chief Daryl Gates had so much legal protection against the mayor and police commission in the first place was because past police corruption had generated what people had originally felt was a "reform."

But corruption was far from the worst crime in terms of police conduct. While stealing from the public coffers in both legal and illegal terms is relatively widespread in our society, these men are armed and given enormous latitude by our society: It is for these reasons that police behavior has to be analyzed—and controlled.

During the 1980s a series of simultaneous developments began to shape police policy in Los Angeles: the growing deindustrialization of South L.A., that led to massive unemployment in the black community; the growing immigration of Latino and Asian workers to fill the needs of a booming low-wage economy; the virtual dismantling of the welfare state by the Reagan administration with the concurrence of many Democrats (such as Bill Clinton's Democratic Leadership Group); a dramatic rise in gang organization and activity in low-income communities; the rise of crack cocaine as a mass phenomenon; the most radical upward redistribution of wealth in the 20th century, with Los Angeles becoming the national center of conspicuous consumption; the decline in social movements in communities of color; and the move to the political right by many former white liberals as their own growing wealth and fear of the growing poverty of many people of color gave tacit, and often explicit, support to police violence against the Latino and African American communities in particular.

It is important to understand that one basis for Daryl Gates' power was not just the "legal" protection of the civil service, but his conscious functioning as a public political figure with his own political base constituency and agenda far to the right of that of Tom Bradley, but quite compatible with the views of the economic powers in Los Angeles.

Soon after the Rodney King beating, Hubert Williams, president of the Police Foundation and former Newark Police Chief, stressed: "Police use of excessive force is a significant problem in this country, particularly in our inner cities." It is an understatement to say that this was unofficial inner-city policy throughout the 1980s.

Gates' confidence in defying Tom Bradley and the few liberals on the city council, even after the videotaped Rodney King beating, was similar to the French general in

the film, *The Battle of Algiers*, who was sent to Algeria to crush the revolutionary movement for independence. Confronted by critical French media about the use of torture against native rebels, he answered defiantly: "All of you love the democracy of France and the high standard of living we enjoy, and you enjoy the benefits we receive from controlling our colonies. You liberals want all the benefits of colonialism and none of its responsibilities. You even agree, if reluctantly, that we should crush the movement for independence, but you want it crushed gently. I am sent here to suppress the revolution and maintain colonialism. Unless you want to give up Algeria and the privileges that go with it, don't you dare criticize my methods."⁷²

Those exact words could have been used by Daryl Gates to his West Side and Valley critics, and certainly such words were used to cheer on his privileged base of political support. It was only when the videotape of standard police practice created an international uproar that threatened to jeopardize L.A.'s image as a "world class city," that Gates finally became expendable. (Note that in both the criminal and civil rights trials of the LAPD Four, there was an eerie ring to their arguments that what they were doing was only *standard practice*.)

1. The Opportunities and Dangers of the Current Police Reforms

There are two major reforms that came out of the movement against police brutality ignited by the Rodney King beating:

First, the Christopher Commission recommendations, passed in Proposition F in June 1992, set a limit of two five year terms for the police chief and added a civilian appointee to the LAPD discipline review board. Limiting the terms of the police chief, and setting up a mechanism by which he or she can be fired, creates the institutional possibility of greater accountability from the head of the Los Angeles Police Department. It also places more pressure on public officials who can no longer cynically point to the city charter and claim that they are "powerless" to control the racism and violence of the LAPD.

Second, the removal of Daryl Gates and the hiring of a new chief of police, Willie Williams is an advance. The selection of an African American police chief is a milestone for Los Angeles in addressing the superficial trappings of racism within the city's structure—similar to the election of Tom Bradley. Though Bradley's reign

as mayor of the city continued the same racist corporate policies which have contributed to the destruction of communities of color, his administration has resulted in increased access to jobs and middle management positions for people of color. After one year of operating as police chief, there is little indication that Willie Williams plans to mount a major reform effort. If we do not push beyond these important but superficial beginnings, they can turn into their opposites and become a *tokenistic barrier* to the development of a true police reform movement.

The demand for justice has been completely abandoned. The reforms do not address the issues of justice and accountability of individual police officers for acts of racism and excessive violence. The officers who beat Rodney King were exonerated, and it was only because of the urban rebellion and the international outrage that followed that the federal government decided to file federal civil rights charges. Moreover, there have been no new laws passed that make acts of racist violence by police officers clearly illegal, and there are no new LAPD policies that make such acts grounds for firing or disciplinary action. Furthermore, the racism of the criminal "justice" system has not been addressed at all. Consequently, people of color continue to be convicted in record numbers by racist judges and juries, while the racist violence of police officers continues to be condoned.

The principal goal of the Christopher Commission was to pacify community outrage. The Commission was dominated by the city's power elite who decided that Gates must go and that status quo reforms should take place. The creation of special investigatory commissions has been a useful tool for governing elites to preempt and defuse social protest throughout L.A.'s history: In 1965, after the Watts rebellion, the city established the McCone Commission to examine the causes of the insurrection and to propose remedial policies; in 1979, after the murder of Eula Love (an African American single mother who resisted when they tried to turn off the gas to her home and was murdered by LAPD officers), Mayor Bradley set up a Blue Ribbon Commission to study the problem. The role of these commissions has been to give the appearance of significant reform, direct mass protest into "constructive" channels, and restore the public's confidence in the LAPD.

The call to line up behind Willie Williams and “give him a chance” is a formula for unabated LAPD racism and violence. As an individual, Willie Williams may be more “sensitive” to issues of racism within the LAPD. But regardless of Williams’s personal intent, there will be tremendous internal and external forces at work on him to ensure that the LAPD continues containing and controlling people in communities of color as conditions continue to worsen. For example, at a “communication” meeting hosted by Chief Williams between several hundred LAPD officers and elected officials, including city councilman Mark Ridley Thomas, the police in the audience heaped abuse against Ridley Thomas for his opposition not to police but police brutality. It is a fantasy to believe that Chief Williams can transform the LAPD’s deeply ingrained culture of violence, brutality, siege mentality and racism.

A militant, broad-based mass movement which continues to fight against two tiered law enforcement (protection for affluent communities and containment/control of communities of color) and for social justice— is needed now more than ever.

2. Our Proposals for Transformative Police Reforms

We oppose any further ballot measures or other tactics to use funds for 1,000 additional police. *We call for a freeze on police funding until there is a massive increase in social service funding and a marked improvement in police behavior.* At the public hearings in South L.A. on the proposal to bring the federal Weed and Seed program to L.A., at which opposition to the program was overwhelming, one community resident argued, “the system has no intention of dealing with poverty and racism, but it *will* hire a few more cops. The crime is real *now*, a policeman can answer my phone call now, and any new war on poverty is pie in the sky.”

His heartfelt dilemma is expressed by many others in low-income communities of color. Residents complain of drug deals, gun play, killings, threats and intimidation by individuals or groups with no apparent stake in society. They call loudly for safer streets, saying that they no longer wish to live in terror. They call for more police to “crack down” on crime and sweep it away, using whatever force is deemed necessary to get to the root of the problem. It is tragic that the very communities that have been hardest hit by deliberate policies of economic underdevelopment in L.A. are

also willing to gradually surrender their civil rights out of fear of crime. They are being pressured to relinquish the vision of a society in which human needs are met and in which they, the community members, are the architects of society and do not need to rely upon the militarization of neighborhoods to create safe streets.

Right now in L.A., making the right choice between the welfare state or the police state is critical; no amount of police can protect people from the spiraling social cost of poverty. Hiring 1,000 police will overcrowd more schools and close a few health centers, but for the millions of poor Angelinos who live in fear, it will not buy safety.

As stated earlier, L.A.’s budget deficit of \$180 million is projected to be as high as \$550 million in fiscal 1993. State funds are depleted, and, with deficit reduction at center stage nationally, federal funds are unlikely. Already, teachers have acceded to a 10 percent pay cut, and the City Council is reviewing a report that warns that L.A. could stop every service but police, fire fighting, and sanitation and still fall short.

The further transformation of the LAPD into an occupying force is the wrong solution. Our call for safe streets acknowledges the complexity of the roots of crime: while individuals who act against others must bear the responsibility of their actions, the prevention of crime is embedded in the creation of better living standards. Second, the systematic human rights violations of the LAPD must be corrected before any increases in police hiring should even be considered. Third, at a time when the L.A. school board is laying off teachers, cutting programs, and literally teaching inner city children without books, any increased city funds must be given to the public schools, not the police. The efforts by liberal supporters of new Chief Willie Williams to make the funding for more police a “vote of confidence” does a disservice to people in Los Angeles who need jobs and schools and hospitals far more than additional police.

One argument offered for more police is that brutal tactics such as chokeholds, battering rams, and the clubbing of suspects are partially caused by understaffing—leading to “shortcuts” to apprehend criminals. In fact, the brutal tactics, as can be seen by the history of the department, are integral to its history, culture, and role in society. Were the police in the Rodney King incident understaffed? How many more police were needed to club him? What became apparent on the videotape was that it wasn’t King’s

resistance, but the need of police to subdue a black man they perceived to be insubordinate, that led the police to almost fight among themselves as to who could beat King more.

We understand that there are times when police are courteous, respectful of the law, and welcomed. Certainly for victims of family violence or violent crime, the delays in police arrival, sometimes caused by understaffing, are infuriating, and the arrival of an officer in time can save a life. But in 1993, for every family calling for a policeman there are dozens who have parents with emergency illnesses for which they can't get treatment, or children with serious diseases their medical insurance doesn't cover and the County hospitals have no capacity to treat. There are thousands of mentally retarded children whose remedial programs have been cut, and tens of thousands of children going to schools that are understaffed and increasingly run by exhausted, underpaid, and demoralized teachers as the *wealthier Angelinos flee to private schools*.

A recent survey commissioned by RLA of almost 1,200 residents of South Central, Koreatown, Pico Union, and East Los Angeles, showed a shocking demand for public services even more than help from "the private sector": "As Los Angeles' emergency rooms overflow with patients, almost half the residents surveyed said they see a critical need for 24 hour health clinics. With Los Angeles' housing growing increasingly overcrowded, 39 percent said there is a critical need for more playgrounds. [Also given high priority were] public health clinics, ambulance services, and libraries....Asked what groups had treated them 'very unfairly,' the police came in at the top."⁷³

The recent April 20 election results showed that the police funding ballot measure failed by only a narrow margin, and (although it required a 2/3 majority) received more than 60 percent of the vote. In general, we oppose the undemocratic restrictions Prop 13 places on ballot measures for funding, and do not want positions we oppose defeated by the opportunistic move of Jarvis and Gann. But before other ballot measures are introduced, this 60 percent pro-police majority of voters should examine their own thinking, remembering that in the inner city areas polled, the main needs expressed were for public services and the main groups identified as treating them "very unfairly" were the police. More police or health care? More police or schools? More police or shelters for

the homeless? These are the choices right now: the Strategy Center firmly opposes any further funding of the police.

We oppose "community based policing" and support "community control and supervision of the police."

Throughout the decades of community efforts to restrain police brutality, the demand for "community control" of the police has been continuous and widespread. In the African American community there is a need for police protection, but also a need for protection of individual rights and liberties and protection from the wholesale criminalization of the community. It is only with a strong community based social movement—one that does not presently exist—that such complex policies based on the needs of the community have a chance of being implemented.

In its place, another movement, initiated by police officials and called "community based policing," calls upon community residents to inform on their neighbors and calls for the organizing of "lawful" community residents against the "lawless," through such groups as Neighborhood Watch and "We Tip" hotlines. Obviously, in cases where a crack house is next door, or a specific individual threatens personal violence, calling the police is completely appropriate. But we must confront the propensity of police to arrest large numbers of innocent suspects and inflict wanton and wholly inappropriate violence against many of those often unduly arrested. Frequently, innocent people, usually people of color, are beaten, and then charged with resisting arrest. Moreover, many people serve time for "resisting arrest," even though the original complaint proves groundless.

Thus, "community based policing" brings with it a great danger of neighbors maliciously "turning in" each other and the development of a "culture of spying" that will only further divide communities such as South Los Angeles. As a Salvadorian immigrant now living in Pico Union observed, "For me, 'community based policing' is a Neighborhood Watch for people of color. It reminds me of the death squads in El Salvador, when neighbor turned in neighbor and the accused never returned."

L.A.'s model of community based policing has particular problems. An analysis of the track record of community based Policing Councils reveals the real intent of these efforts—to divert attention and energy away from real police reform. As Anthony Thigpenn, the director of AGENDA, points out,

- The elected Policing Councils are largely defunct. There are about 40 people out of the original 80 who are still active. Four of the councils have only six or so people active; four have only two to four active. Many of the council members who have a more independent attitude about the ideal structure of the councils have dropped out. If there is not immediate fundamental change those who remain will be purely police boosters. Almost a year of Willie Williams’s version of community based policing has confirmed the original fears of many progressives within the police reform movement, namely that it diverted efforts away from more fundamental reform around police accountability and is now becoming a glorified Neighborhood Watch program.⁷⁴
- The community is subordinated to police objectives. The so-called partnership is actually played out with the police as the driving force and the community taking the subordinate role of “helpers.” The possibility that community members should actually participate in the formal decision making processes is out of the question.
- The police function as community organizers, compromise the independence of community organizations. The strategy of the police to function as community organizers and to extend their political influence into the very communities they are asked to patrol and suppress has an aspect of “counterinsurgency” to it. During the fight against the Weed and Seed program, many progressive community activists felt themselves compromised by federal grants that were tied to, or might be tied to, Department of Justice funds. To create another set of official and possibly financial relationships between community groups and the LAPD will further undermine the ability of community groups to function to oversee police behavior. For this reason, “community based policing” is a brilliant move by the LAPD, but a destructive move for community organizations.
- They seldom have investigative powers—to subpoena officers, impose discipline, bring charges against officers, etc.
- They are met with strong opposition on the part of the police (unions) that often weaken them.
- They can be compromised by police involvement, and sometimes are more friendly to the police than to police abuse victims.
- They are not independent of the City Hall power structure—police chief, mayor, etc.
- They often exclude community activists from representation.
- They often do not cover all law enforcement agencies in the City.

Aware of these deficiencies, the Coalition Against Police Abuse of Los Angeles (CAPA) has proposed the following characteristics of a *permanent democratically elected citizen review board with independent investigative powers*:

- Elected membership of the board (one representative from each of the Council districts) selected by popular vote rather than appointment.
- An independent staff, hired by the board and, critically, sustained by a substantial budget and subpoena powers, with the power to directly discipline officers, and settle minor cases brought by victims.
- A special prosecutor to deal with more serious cases.

A debate about the value of such a plan must involve some assessment of the strengths of the existing movement and the danger of cooptation. We are not proposing a campaign for these demands at this time, but CAPA’s proposal points out some of the critical components of any community effort at regulating police behavior.

Demands for changes in police policies are urgently needed. Initial emphasis on police reform should focus less on creating new *institutions* that, like city councils, boards of supervisors, and other ostensibly democratic institutions, have ended up being coopted by the forces of powerful elites, and focus more on specific and substantive *policies* to be passed either by city council

An independent Police Review Board is an alternate model for community control of police. The demand for a civilian review board has often been raised, but its track record in giving communities power over police abuse is mixed. The Philadelphia Chapter of ACLU recently made this critique of citizen review boards:

resolutions, the existing L.A. Police Commission, or by the electoral initiative process. The list of demands below is part of an overall strategy:

- Reduce police violence, abuse, and racism.
- Restrict police to their constitutionally mandated functions—to investigate and arrest specific and individual alleged law breakers consistent with the Bill of Rights—and immediately stop the present policies that criminalize entire communities and abridge the rights of innocent people.
- The LAPD must reestablish and enforce Special Order 40, which prohibits police “cooperation” with the Immigration and Naturalization Service when suspects are determined to be immigrants.
- The LAPD should stop the harassing and intimidation of gang truce gatherings and of individual gang members.
- The LAPD and L.A.’s new mayor should oppose any new efforts to bring federal, quasi-military law enforcement programs such as Weed and Seed into the city.
- Chief Williams should make a public statement explaining what changes in police policy will restrict LAPD officers from repeating the excessive force abuses documented in the beatings of Rodney King.
- All residents of South L.A., Pico Union, East L.A., Pacoima/San Fernando, Huntington Park, Koreatown, and other low-income “target areas” of police surveillance and brutality, *should be given a video camera, paid for out of federal civil rights funds.*

SECTION VI.

The INS: Immigrant Repression or Services?

Immigration policy in Los Angeles has been filled with inconsistency and hypocrisy. Most residents of European ancestry have some positive identifications with the 19th and early 20th century immigrant experience, although they often do not extend this to today’s immigrants of other races and nationalities.

For the owners of most hotels, restaurants, furniture, garment, and electronics factories, immigrant workers are an essential element of their wage and profit structure. For many affluent people in Los Angeles, most often white, the exploitation of immigrant labor as household help is a critical component of their upward mobility and family comfort. The structure of many affluent families on the West Side and the Valley is literally supported on the backs of low paid immigrant workers.

For many displaced and relatively low-wage workers of all races, the “employability” of immigrants, even at jobs that they will not take, generates a sense of anger and competition. Many immigrants come to this country as a direct result of destructive and destabilizing U.S. policies towards their native countries. The historical intervention of the U.S. in Mexico’s economy, reinforcing underdevelopment and subordination, the military invasion of both Vietnam and Cambodia, and the consistent policies of military intervention in El Salvador and Nicaragua are direct causes of some of the largest waves of immigrants to the U.S. (and Los Angeles) in the past two decades.

Anti-immigrant policies are used, not primarily to keep immigrants out of the U.S., but to keep the non-immigrant middle class and working class so furious at “outsiders” and so whipped into a chauvinistic frenzy, that they are distracted from the corporate causes of many of their own problems.

1. The Immigrant Population in the Los Angeles of the 1990s

In this context, the key to a humane and progressive immigration policy is to completely withdraw from any debates about how to restrict or prohibit immigration and, rather, to welcome all immigrants and to involve them in a progressive social movement for all workers, low-income people, and people of color.

The time is long overdue for Angelinos—and even more importantly, for progressive community and labor organizations—to recognize that Los Angeles is the most multi ethnic city in the U.S. In addition, an astounding number of these residents are recent immigrants. Almost 40 percent of our population was born outside the US, and *more than half of these persons moved to Los Angeles during the past decade*—almost one out of every five Angelinos. The same phenomenon is true, though to a lesser extent, for the county and the state. The county’s foreign-born population is 32 percent, the state’s just under 22 percent, and again more than half have arrived during the past decade.⁷⁵

The Latino population has grown fastest of any ethnic group—now constituting 37 percent of the population of Los Angeles county (3.2 million). By the year 2000, Latinos will easily be the largest ethnic population (at almost 5 million)—accounting for 44 percent of the total population of approximately 11 million.⁷⁶ One significant reason for the increased immigration is the development of industries that literally replicate Third World labor conditions, often operate with plants in both Mexico and the U.S., and see Los Angeles primarily as a market and a source of low-wage labor.

Of the approximately 500,000 adults who work in L.A. County fulltime for under \$10,000 a year, the majority are undocumented Latino immigrants. Latinos account for one of every two low-wage workers and have filled more than 2/3 of the net increase in low-wage jobs created over the last 20 years.⁷⁷

Susan Alva, of the Committee for Humane Immigrant Rights in L.A. (CHIRLA) explains that in the past one and a half years (ever since the “honeymoon period” on employer sanctions ended), raids by the Immigration and Naturalization Service (INS) are a daily reality for undocumented workers. She added, however, that “immigration reform” for low-wage workers cannot be separated from labor law enforcement—such as minimum wages, overtime, employment contracts, and health and safety rules.⁷⁸

Local businesses, aware of the desperate economic and legal state of such workers, regularly violate minimal employee protections with virtual impunity. For example, often employers simply refuse to pay for weeks of salaries owed or force immigrants to work in some of the most toxic conditions imaginable. Moreover, she notes that the rare immigrant whistleblower is often deported by

the INS. And CHIRLA’s attempts to push for official INS guarantees that such persons will not be deported have been met with derision. The message is clear—it is official policy to exploit immigrants and many wealthy Angelinos are complicit in the process.

2. Demands for Changes in Immigration Policies

- There must be an immediate stop to the terrorizing of immigrant workers and their communities by the Immigration and Naturalization Service, and the employer sanctions provisions of Immigration Reform and Control Act (IRCA) of 1986 must be unsettled. The INS uses the Employer Sanction law as a cover under which they continue to make daily raids all over Los Angeles. An immediate sun setting of this law would dramatically reduce such raids, as well as eliminate the employment discrimination against Latinos— documented and undocumented, foreign and native born—that the law has unleashed.
- Note that in order to get the law through Congress over the objections of progressives, the Bush administration originally stipulated that if any such general discrimination occurred the law would be rescinded. However, the Government Accounting Office’s (GAO) study, conclusively proving that such discrimination does take place as everyone already knew, has been swept under a political carpet.
- In addition, it is quite clear that the INS has selectively enforced employer sanctions, often singling out new union organizing efforts for attack. Is it any wonder that the Service Employees International Union has called for the repeal of employer sanctions? Moreover, immigrant workers have no access to the National Relations Labor Board (NRLB) as a recourse to address employer abuse.
- The INS must legally guarantee not to deport, or threaten with deportation, any undocumented worker that wishes to pursue legal action against employers who have violated their legal rights (e.g. refused pay, benefits, subjected to toxic working conditions, etc.). Undocumented workers are the most vulnerable members of the workforce,

often forced to work at the lowest paying jobs. Increasing their civil and employment rights, such as the very minimal step of guaranteeing their right to legal protection, is a critical step in increasing their bargaining power—a greater bargaining power that can raise the floor of wages for all workers in the city.

- INS/LAPD cooperation must end immediately. Special Order 40 was implemented after community pressure was brought to bear against the LAPD's frequent practice of picking up "Latino looking" persons without any probable cause, and subsequently turning these persons over to the INS if they couldn't produce papers. However, the LAPD and INS repeatedly violated the order during the April uprising of last year. Therefore, we call for Special Order 40 to be replaced with a municipal ordinance providing clear and substantial penalties for violations. A corollary to this is the immediate passage and implementation of the street vending ordinance and an end to LAPD/L.A. County Sheriff harassment of the vendors themselves.
- Extend Temporary Protected Status (TPS) to Guatemalans & Salvadorans. Immediate TPS must be granted to Guatemalans, who for decades have suffered under successive U.S. supported military governments. Moreover, community leaders and organizations need to immediately and strongly support the efforts of CHIRLA, CARECEN (The Central American Refugee Center), and El Rescate to secure the TPS extension because June 30 of this year is the last day of the Deferred Enforced Departure (DED) policy that has extended by one year El Salvadorans' rights to remain in the US with a working permit. Over 200,000 persons nationwide would be threatened with deportation if these efforts fail.⁷⁹
- Re prioritize agency expenditures away from its repressive role as raider and back toward services that ease the trauma of immigration. With the "end of the honeymoon period" concerning the employer sanction law, substantial amounts of INS resources were diverted from already underfunded INS services to INS neighborhood and employment raids. As Susan Alva of CHIRLA explains, "the Los Angeles INS is now the slowest in the country for processing residency, work, and citizenship applications and family petitions

because INS personnel and funds have been pulled into enforcement. We struggled successfully to get the INS to expand legalization procedures for all family members, but in practice these laws are meaningless because undocumented workers apply but have to wait one and a half years or more."

- End "H" visa permits ("temporary workers") programs. Currently this program has taken the form of previous "Bracero" programs. This program officially creates a surplus of labor from which local businesses usually employ "temporary immigrants" at very low wages in hospitals, garment industry, etc. Such programs create, often quite deliberately, divisions among workers that hinder efforts at labor organizing by fueling the argument that "immigrant workers take jobs away from Americans."

Many of these demands need to be placed at the feet of the Clinton administration and L.A.'s new mayor. A multiracial movement for immigrant rights is essential, not only to support some of society's most vulnerable (and gifted) members, but also to cut through and directly confront the anti-immigrant ideology that is one of the many barriers to the development, let alone impact, of a progressive movement in Los Angeles.

CHAPTER FOUR

Reconstructing the Movement from the Bottom Up

It is now four years since the urban rebellion that began on April 29, 1992. That momentous event in the streets of Los Angeles exposed the power and organization of the city's political establishment and the disorientation and division of L.A.'s progressive movement.

For all its weaknesses and deceptions, the establishment's response to the rebellion—Mayor Tom Bradley's creation of Rebuild Los Angeles under Peter Ueberroth days after the rebellion, with attendant media hype and a short term organizing plan—did present an impressive illusion of coherence. Meanwhile, in one "emergency meeting" after another, progressive forces in the city, including some of the best organizers from the African American, Latino and Korean communities, and from labor and civil rights movements, were mired in debates over the nature of the action in the streets. As left and progressive organizations debated whether to criticize Bradley and Ueberroth, whether to criticize Daryl Gates for acting indecisively or acting too brutally, whether to call the uprising a riot or a rebellion, we could not agree upon a list of either short term or long-term demands, and an important opportunity was lost. The rebellion exposed the disorientation and marginality of the left in Los Angeles and the nation at a time when the failures of the market system created an historic moment to open up a rare debate about the nature of poverty, racism, urban decay, and what to do about it.

With the left fragmented into immobility and the rest of the political spectrum hailing Ueberroth as a savior, the same corporatism that had engineered the city's crisis was now advancing "solutions" to it with virtually no opposition. Such opposition requires a theoretical and tactical comprehensiveness that cannot be thrown together the night after a rebellion. It also requires a disciplined, innovative organizing strategy to develop and sustain working relationships among Latinos, African Americans, Asians, and whites, between unions and community groups, between intellectuals and workers. Most important, it requires a political movement that goes beyond a "coalition" or "network" which merely places an umbrella over work mostly done in isolation.

Four years after its media hyped artificially inseminated birth, Rebuild Los Angeles is a declining and discredited political strategy—an example of how even the most brilliantly marketed corporate solutions sometimes are defeated in the realm of real-life experience.

L.A. presents a prime opportunity to test capitalism's reform possibilities. It is the preeminent multiracial city in the United States. It remains the nation's number one manufacturing center, the number two banking center, the number two media center, and the center of U.S. trade and finance with the Pacific Rim.

Thus, with the corporatist approach in disrepute and the enormous resources of Los Angeles and California, the main problem that has to be faced squarely is once again, *the state of the movement*.

1. The Nature of the Problem: Disorientation Among the Activists, Dissipation of Social Conscience Among Most White Liberals, and Divisions Among the Oppressed

Disorientation among the activists. In Los Angeles today, few progressive activists seem willing to mount any structural challenges to the existing system either theoretically or practically. One might be shocked at how many prominent labor union officials, community activists, and even elected officials in L.A. have long histories in some form of explicitly anti-capitalist politics and movement activity, but today have either repudiated their former beliefs or resigned themselves to playing by the system's rules.

During the 1980s, the defeat of revolutionary movements around the world and the real failures and crimes of many socialist societies, combined with the cooptation and repression of many social movements in the U.S., have led to a period of right-wing triumphalism that has created great demoralization among progressive activists. As Reagan and Bush celebrated the growing electoral majority for right-wing politics, many former movement activists wondered what had been achieved through all of their hard work.

Two reflections of the intimidation of the political right were the retreat to single issue organizing and a self censorship among former militants. Organizers who had

once talked about changing, radicalizing, or creating a revolutionary alternative to the existing system began to limit the scope of the battle. Former “movement” organizers became peace, environmental, housing, immigrant rights, or public health organizers. “Think globally but act locally” often became a rationalization for narrow and uninspired work. But after a decade of “single issue” organizing, few could boast that limiting their scope had increased their effectiveness.

In the realm of ideas, which was the strong suit of the nascent movements of the 1960s, self-censorship replaced radical engagement with corporate and capitalist institutions. During the 1960s, the bold and militant movement discourse challenged “the system” to address its systematic racism, oppression of women, exploitation of workers, and colonialism towards Third World peoples. While at times the rhetoric was turgid and mechanical, these analytical concepts allowed movement organizers to speak to the life experiences of women, workers, students, and people of color and to generate powerful social movements that impacted U.S. policy on civil rights and the war in Vietnam.

Today, labor and community organizers more often talk about “empowerment” than power, “inclusion” rather than political independence, and “public private partnership” rather than challenging the profit motive and corporate power. When asked why the change, many activists reply, “The times have changed. We have to be practical. We don’t want to be `isolated.’” With that level of control over the debate, the political right wins the battle before it even starts.

The political retreat of white liberals and the middle class. During the 1960s a substantial minority of white people responded to the challenge of the civil rights movement with a rare historical moment of introspection, self-criticism, and principled, often courageous acts of social conscience. But while the “white backlash” began almost from the first day of the civil rights bill’s passage, the materialistic decade of the 1980s, with its strong overlay of racism to justify the obscene accumulation of wealth at the top and growing emiseration at the bottom, ensnared the vast majority of white middle class progressives into an upward spiral of personal accumulation and a downward spiral of social conscience. During the 1980s, more and more whites in the San Fernando Valley and L.A.’s West Side came to support police repression of inner-city communities of color, and abandoned sympathy for the impoverished half of the

city’s population (for their self-imposed isolation had undermined their capacity for empathy). Unfortunately, as they came to understand that their own material wealth was tied to or increased by the low-wage labor base of the city, their politics moved even further to the right. Today, as mayoral candidate Richard Riordan runs a subtle but nonetheless clearly racist campaign, and as elected officials such as David Roberti propose the segregation of the L.A. Unified School District with the enormous support of the majority of whites in the Valley and the West Side, a colonialist mentality is sweeping many upper middle class and middle class white neighborhoods who are increasingly willing to support an apartheid system in L.A.

Chicano Studies professor Rudy Acuña adds a sobering endnote. “I wish I could say that phenomenon exists only among privileged whites. But, too often, the middle classes of communities of color, while not supporting overtly racist policies (since they are not immune to the consequences), are turning their backs on the poor of our own communities, leaving them to bear the worst conditions of racism and poverty.”

Ethnic balkanization—the limits of racially and ethnically defined politics. In Eastern Europe today, we are seeing men and women of different ethnic groups, who lived in perhaps tense but nonetheless functional cooperation for decades in countries like the former Yugoslavia, now killing each other in record numbers fortified with slogans like “ethnic cleansing.” At this time in Los Angeles the problem is far less severe, but there are signs that should sound an alarm.

Since the brief moment of “black and white together” and “Third World Solidarity” during the 1960s, the urban politics of the past 20 years has focused on a pluralist model of social change which argues that the system can accommodate demands when communities organize around immediate self-interest and fight their way to the table. Thus, separate African American, Asian American, and Latino organizations are seen as the way for one’s “people” and one’s “community” to organize for power and “inclusion.” The problem is that all too often, the system creates a “zero sum game” in which African Americans, Latinos, and Asians are fighting for a limited number of city council seats, government contracts, or even seats on the RLA board, while middle class demagogues in each ethnic group attempt to instill anger against the others to advance their own economic or political agendas. We have to find a new politics that can go past the tame and

worthless “multiculturalism” that is used to paper over rather than confront the real political, economic, and cultural conflicts between groups. We have to create a more compelling organizing model in which those conflicts can be struggled out, and if not resolved, then at least minimized in the context of a broader set of objectives.

2. The Multiracial, Anti-corporate United Front: Confronting White Racism and Ethnic Balkanism in the Process of Confronting the Domination of Big Business

The Labor/Community Strategy Center is a multiracial “think tank/act tank” which generates analysis and policy proposals on urban issues and organizes working class and low-income communities in L.A. For the past five years, we have been working to reconstruct a social theory that requires at least as much ideological coherence and strategic thinking as that displayed by our government and corporate adversaries.

While not a totalizing world view, this theory begins with the proposition that the domination of society by the most monopolized and internationalized forms of corporate capital is against the interests of the vast majority of people. This kind of class analysis, we believe, can galvanize a multiracial anti-corporate united front: workers (employed and unemployed); people of color of all classes except the most corporate; women, especially working class and of color; poor and working class people; small business owners; progressive intellectuals; and even segments of the white middle class.

From the perspective of political consciousness, this united front can, again at least in theory, unite activists and scholars around a common critique of corporate behavior without assuming agreement as to the causes of that behavior. At a time when the movement is fragmented, a sharper united front politics can attract a wide variety of progressive political forces: liberation theology activists; Rainbow Coalition Democrats; Marxists reevaluating the achievements and failures of the many experiments in socialist alternatives to capitalism; Latino, African American, and Asian American community activists who do not necessarily define themselves ideologically but who are involved in community based struggles against toxic polluters and

corporate developers; Mexican, Korean, and Central American immigrants with long histories in the left, and anticolonial politics regarding their native countries and an interest in making the difficult transition into U.S. politics; former activists from the Black Panthers, Student Non-Violent Coordinating Committee, CASA, and SDS whose critique of U.S. racism is undiminished after all these years but who have “settled in” to union or social service agency positions and find themselves thwarted by the narrowness of their own social practice.

Such a united front provides a theoretical and practical vehicle to allow diverse points of view and constituencies to work together on immediate and compelling projects while continuing to debate social theory that is integrally related to organizing and activism.

The problems facing the movement today:

- An anti-corporate discourse needs to be reopened in the movement. Challenging corporate power must include challenging the ideological stranglehold of the political right in suppressing criticisms of the market economy and capitalism itself. If international capitalism wants to proclaim itself the only game not only in town, but in the world, it must take responsibility for its glaring social problems and what appears to be its structural inability to solve the problems of poverty, racism, unemployment, and environmental degradation within a profit oriented system.
- A proactive role for white progressives in a multiracial movement needs to be created. Challenging the growing racism even among former liberals must begin with a positive vision of the place of white people within the new demographics of cities, and with the most up front cultural challenges to the assumption that white people must always be the majority. While some forms of white supremacy can remain dormant in comfortable, predominantly white liberal settings, the new social dynamics of the cities will require a conscious organizing strategy to reach out to white people as part of a transformation of consciousness. Just as some progressive whites in South Africa must come to terms with the ways that they benefit and conciliate with apartheid while they also oppose it, there is a need for a radical program here in

the U.S. that can provide a constructive context to both struggle with and reach out to white people who want to fight for the future of the city. Indeed, it was in the process of participating in the civil rights movement with its initially radical social vision that many white people originally confronted the ideology of racism in our society and their own long ingrained prejudices.

The Strategy Center, through the process of building a multiracial organization in which the majority of members are people of color, but with large numbers of white members as well, has learned that anti-racism is not an “issue;” *anti-racism must be a component of all work* on the environment, foreign policy, urban transportation, and the rights of unions to bargain collectively.

- Openings for the socially committed middle class need to be created. Socially concerned and committed doctors, architects, attorneys, environmental scientists, public health nurses, and even socially responsible owners of small businesses can play a critical role in the fight to defend the rights of society’s most oppressed. While most middle class people are attracted to a more tepid and reformist politics that protects and even reinforces their narrow class interests, there is a long history in this country, especially among professionals of color who continue to experience racism and discrimination, of dedicated professionals who have made important contributions to social movements. The job is to recreate those social movements among the oppressed, rather than continuing to criticize the middle class for its inaction and somewhat predictable evasion of social responsibility. The anti-corporate united front, with its more class-conscious politics and emphasis on working people and communities of color, creates the clear class confrontations that turn off many middle class people, but more effectively attract others.
- Challenging the growing ethnic balkanization can only be achieved by a long-term strategy in which there is a real and discernible common target and common set of objectives. The anti-corporate united front is one concrete strategic way to bring together the races on many of the issues raised in this paper. While there is a legitimate and even essential role for race specific organizations

among oppressed groups, *there is an even more urgent need for multiracial organizations in which people are organizing and working together for common goals.* By multiracial organization we do not mean simply “coalitions” in which each race and ethnicity is organized separately and then “negotiations” take place; we mean a common project in which people work together closely to develop a multiracial, multi-ethnic political culture.

Today, the Latina garment worker and the African American unemployed worker, the Korean shop owner and the African American artist, the Japanese student and the Latino street vendor, the white welfare mother and the Cambodian skilled craftsperson, the Salvadorian high school student and the Chinese teacher, the white worker with a disability and the Chicano supervisor who is not disabled can barely speak to each other, barely understand each other and, too often, operate in either the realm of polite multicultural “tolerance” or overt racial and cultural hatred and contempt.

Reconstructing Los Angeles from the Bottom Up focuses sharply on workers and unions because the workplace is one of the few arenas where people of different races and ethnicities, often not really liking or trusting each other in the beginning, develop long standing relationships. For example, during the Rolling Thunder strike of SEIU Local 660, Strategy Center members played a small role in solidarity and attended several of the meetings of union members. So many African American, Latino, Asian, and white workers fighting together for a common cause set an example of what the labor movement at its best can look like—and provided a workshop that at least offered the possibility for multiracial cooperation and class solidarity.

Since many Strategy Center members have worked in large multiracial workplaces, we have no illusions about the many racial and ethnic tensions that exist at the job site and within labor unions. Our intent here is not to romanticize the experience, but simply to point out that one terrible toll of the deindustrialization of South L.A. was the loss of more than 75,000 jobs in workforces where there was a large multiracial character. The bustling factories of GM Southgate and Van Nuys, Bethlehem Steel and Firestone Rubber created large-scale centers where workers of all races and nationalities, Chicanos and Italians, African Americans and Koreans, Jews and Salvadorans, men and women,

were at first forced to work together, and, over time, came to have a greater cultural appreciation (or at least tolerance) than in virtually any other place in the city. And as hundreds of workers left a union meeting or a softball league game and drove to communities throughout L.A. county, large-scale production, and the social relationships that developed out of it, provided at least a skeleton of a hopeful multiracial future for this dynamic city. Our emphasis on demanding private and public reinvestment in large-scale factories and offices is partially motivated by the positive vision of large multiracial workforces.

The challenge of multi-racialism has to be faced at the community level as well. Today, communities are often categorized by the predominant racial group when, in fact, all areas of L.A. are both multiracial in present composition and in a continual process of changing their ethnic and racial character.

The future of South L.A. must focus on the reconstruction of a new social movement based on an acceptance and embracing of a new demographics, requiring new models of organization and organizing. South L.A. is now approximately 50 percent African American and 50 percent Latino, with some outmigration of African Americans from Los Angeles and a larger immigration of Latinos, many of whom are immigrants. The African American community can contribute not just numbers, but a rich history of struggle and resourcefulness in a never-ending battle against racism and national oppression. Similarly, many of the Latino immigrants in the city immigrated from Mexico and Central America where they were involved in progressive social movements, often against very repressive regimes supported by the U.S. government.

Moreover, communities such as South L.A., East L.A., Pacoima/San Fernando, and Wilmington cannot become viable if they see themselves in economic or political isolation. There are some who talk about sustainable economic development in a utopian, separatist manner, with quaint little ethnic communities somehow solving the enormous problems of employment, education, crime, police, and public life on their own. The idea of L.A. as a series of balkanized areas at best trying to work out “coalitions” or at worst going to war over city council seats or federal funds is a disaster waiting to happen. If, after considerable community pressure, a new plant opens up in East L.A. instead of South L.A., or South L.A. instead of Pico Union, does that mean that people in other nearby or

even adjacent communities are barred from getting many of those jobs? Will we have wars between communities, as strong community based demands quickly degenerate into offers of concessions as each community is played against the others by potential corporate investors? The future of each community and each racial and ethnic group in Los Angeles is best served by that community becoming a *part* of an L.A., regional, and nationwide movement for economic and political transformation.

Greater Los Angeles, with more individual and corporate wealth than any city in the U.S., offers the possibility of transforming despair into hope by initiating radical innovations in urban strategy—because the resources exist here to be fought over. But to take on corporate and governmental forces of that magnitude, “neighborhood” organizing must be seen as a building block of a larger regional strategy.

After all is said and done, the impact of *Reconstructing Los Angeles from the Bottom Up* will have to be evaluated in the realm of organizing:

At the meetings of the South Coast Air Quality Management District to demand that the agency withdraw its RECLAIM plan to buy and sell air pollution permits.

In the Refinery Safety Campaign demanding that first Texaco and then all L.A. refineries dramatically change their safety practices and allow community input.

At the Metropolitan Transit Authority to demand a radical redefinition of the Thirty Year Plan that focuses on a bus centered transportation system to better serve low-income and working class communities and to better clean up air pollution.

At the meetings of the Police Commission and City Council chambers to continue the battle for institutional restraints on police brutality.

At the mayor’s office and city council to demand a Bill of Rights for Workers as proposed by Justice for Janitors of SEIU on behalf of all the low-wage workers in the city.

At the County Board of Supervisors demanding that they stop all contracting out of union jobs and fight for a massive infusion of federal and state funds into county services.

At the national level where a long-term movement, rooted in urban centers, challenges the suburban and middleclass orientation of the Clinton administration and demands a massive program of “foreign aid to the cities.”

Reconstructing Los Angeles from the Bottom Up, which began in the writing stages only a few days after the urban rebellion of 1992, hopes to make a contribution to a *longer-term and more strategic rebellion* that can help shape a new politics for U.S. cities in the 1990s.

NOTES

1 Los Angeles Times, September 30, 1992.

2 Los Angeles Times, November 18, 1992.

3 Los Angeles Times, “L.A.’s Zone Program is Unproven,” John Schwada, A38, June 14, 1992.

4 Edward Soja, Rebecca Morales, Goetz Wolff, “Urban Restructuring: An Analysis of Social and Spatial Change in Los Angeles,” *Economic Geography*, 59,2: 195230.

5 Paul Ong, project director, *The Widening Divide: Income Inequality and Poverty in Los Angeles*, June 1989, UCLA.

6 In her 1987 article, “Apartheid in an American City: A Case Study of South Central Los Angeles” Professor Cynthia Hamilton analyzed, and anticipated, the historical background to the Los Angeles rebellion of 1992. The article, which originally appeared in the *L.A. Weekly*, is now distributed by the Labor/Community Strategy Center.

7 Hamilton, op.cit.

8 These ideas are best expressed in his latest book, *Making Peace with the Planet*, (New York, Pantheon, 1990).

9 For just two of thousands of examples, see Maura Dolan and Larry Stammer,

“Clandestine Toxic Waste Exports to Mexico on the Rise,” *Los Angeles Times*, May 9, 1990, p.1. and Diana Johnstone, “Western Development Overdoses Make Africa Chemically Dependnet,” *In These Times*, November 8, 1989, pp. 910.

10 Manfred MaxNeef, Executive Director, Development Alternatives Center, Santiago, Chile, as quoted in Paul Ekins, *Green Economics*, Anchor Books, New York, 1992, p.11.

11 Commission for Racial Justice, *Toxic Waste and Race*, (United Church of Christ, New York, 1987).

12 The Los Angeles County Transportation Commission, “30Year Integrated Transportation Plan,” April 1992.

13 As quoted in a talk by Stephen Viederman, president of the Jessie Smith Noyes Foundation, “A Sustainable Society: What is it? How do we get there?”

- 14 Eric Mann, *Taking on General Motors: A Case Study of the UAW Campaign to Keep GM Van Nuys Open*, 1987.
- 15 Joel Kotkin and David Friedman, "The Los Angeles Riots: Causes, Myths, and Solutions." Progressive Policy Institute, February 1993.
- 16 Los Angeles Area Chamber of Commerce, *Leading Employers: A Listing of Large Employers in the Los Angeles Five County Area*, Highlights, p.1., 1991 edition.
- 17 Los Angeles Area Chamber of Commerce, *Leading Employers*.
- 18 Kotkin, op. cit.
- 19 David Harvey, *The Condition of Postmodernity: The Political Economic Transformation of Late Twentieth Century Capitalism*, 1990, p. 161.
- 20 Small Business Administration figures, in interview with Gilbert Aviles of the Labor/Community Strategy Center.
- 21 Paul Ong and Evelyn Blumenberg, "Race and Environmentalism," Graduate School of Architecture and Urban Planning, UCLA, 14 March, 1990, p.12.
- 22 James Johnson, Cloyzelle Jones, Walter Farrell, and Melvin Oliver, "The Los Angeles Rebellion, 1992: A Preliminary Assessment From Ground Zero," May, 1992, UCLA Center for the Study of Urban Poverty.
- 23 Robert L. Woodson, "Switching from Affirmative Action to Self Reliance," *Philadelphia Inquirer*, February 21, 1992, as quoted in Kotkin and Friedman, "The Los Angeles Riots: Causes, Myths, and Solutions" p.2. Kotkin and Friedman, setting the table for President Clinton's emphasis on the middle class and continued abdication of government's responsibility to low-income families, attempt to slander government employees of color, by making "working for the government" another form of welfare (whether U.S. attorney, social workers, civil rights enforcement officers) as opposed to the now glorified "self reliant" entrepreneurs out in the community in search of private and corporate profit.
- 24 Los Angeles Chamber of Commerce, "Leading Employers: A Listing of Large Employers in the Los Angeles Five County Area," August 2, 1991.
- 25 Los Angeles Times, Harry Bernstein, "Privatization Can Hurt More Than Harm," August 6, 1991, D3.
- 26 Johnson, et al., "The Los Angeles Rebellion, 1992, op.cit.
- 27 Paul Ong, *The Widening Divide*, op.cit.
- 28 Paul Ong, with contributions from Evelyn Blumenberg and Jianling Li, *Poverty and Employment Issues in the Inner Urban Core*, unpublished manuscript written for the Lewis Center of UCLA, December 9, 1992, p. 5.
- 29 Ong, et al., *Poverty and Employment*, op.cit. Ong uses data of males to avoid the counterargument that a growing income gap between rich and poor is due to the recent entry into the labor market of low-wage female workers.
- 30 Social Workers for Social Responsibility, Sacramento, California: "The Reality of Welfare Reform," 1992.
- 31 Edward Soja, *Postmodern Geographies*, 1989, p.193.
- 32 Interfaith Hunger Coalition, Los Angeles: "Facts about Hunger and Poverty in Los Angeles, 1993.
- 33 Conversation with Jeff Schaffer of Shelter Partnership, Los Angeles, April 1993.
- 34 Timothy Saastaa, "Studies Expose Destructive Myths About U.S. Poverty," Center for Community Change, Fall/Winter 1992.
- 35 Goetz Wolff, *Resources for Employment and Economic Development*, Los Angeles, historical employment statistics gathered for the Strategy Center, 7/27/92.
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- 37 Social Workers for Social Responsibility, Sacramento, California: "The Reality of Welfare Reform," op.cit.
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- 39 Center on Budget and Policy Priorities in Washington DC, "Rich Poor Income Gap Hits 40Year High as Poverty Rate Stalls," March 1991.
- 40 Social Workers for Social Responsibility, Sacramento, California: "The Reality of Welfare Reform," op.cit.

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