America’s Urban Crisis a Decade
After the Los Angeles Riots

Peter Dreier

The tenth anniversary of the April 1992 riots in Los Angeles—which left fifty-five people dead and caused more than $1 billion in property damage, the most costly in the nation’s history—sparked a small industry of reports and assessments by think tanks and the news media. During the week before the anniversary, reporters from almost every major newspaper were swarming around Los Angeles, preparing their predictable ten-years-later stories. They asked the expected questions: Why did it happen? Has any progress been made? And as the British paper The Guardian headlined its story, Could it happen again?1

The Los Angeles Times published a weeklong series of front-page articles reviewing the day the riots erupted, assessing contemporary conditions in the riot corridor, and examining the current state of race relations in America’s most racially diverse city. Reporters interviewed academic experts, community activists, ordinary residents, business leaders, and others; and the paper sponsored a public opinion poll to probe how Angelenos now felt about their city.

But the paper’s most telling story was buried on page 20 on the day of the anniversary, April 29. The headline was “Tax Cut Clouds Bush’s Urban Agenda.” Bush came to Los Angeles that day to speak at a church-sponsored community development center at the 1992 riot’s epicenter, South Los Angeles—an area with almost 700,000 residents, bigger than most cities. Reporters might have expected him to announce a new initiative to address the nation’s serious urban problems, but instead he simply touted his most visible urban program—encouraging urban churches to sponsor social programs such as homeless shelters, food kitchens, and drug counseling. His proposal (which has been stalled in Congress because of disagreements over federal funding for religious activities) added no funds for these worthy, though Band-Aid, efforts, but simply called for redirecting existing moneys. Also, by pushing $1.3 trillion in tax relief, mostly for the wealthy, Bush made it impossible for the federal government to provide any significant aid to the nation’s cities or to the poor.

The author wishes to thank Kelly Candaele, Harold Meyerson, Bob Gottlieb, Regina Freer, Mark Valliantos, and Ana Guerrero for their help and comments on this article.
The president's advisers must have reminded him that his father's hesitant response to the 1992 riots—he failed to visit the city until a week after the violence erupted, denounced the rioters, and proposed nothing meaningful in the way of policy solutions—contributed to his defeat by Bill Clinton. (As a candidate, Clinton visited South Central Los Angeles before Bush did, and announced a package of policy proposals to create more jobs, improve education, and strengthen public safety.) But George W. Bush came to Los Angeles bearing only rhetoric. “You know, we live in a great country,” he said. “I’m proud of America. I’m proud of our country. I’m proud of what we stand for. Oh, I know there’s pockets of despair. That just means we’ve got to work harder. It means you can’t quit. It means we’ve got to rout it out with love and compassion and decency. But this is the greatest country on the face of the Earth. And it is such an honor to be a resident of such a great land.”

Trying to combine the roles of preacher and historian, Bush offered this lesson: “Out of the violence and ugliness came new hope” he said, in the middle of a neighborhood where only 23 percent of the commercial buildings destroyed by the riots are back in business (according to a report by the Los Angeles Economic Roundtable\(^2\)), where there are 43,800 fewer jobs than there were in 1992, and where more than one-third of the residents live in poverty.

**Riots and Reform**

In fact, history tells us that riots don’t bring about hope or positive change. If anything, by creating a backlash in the larger community, riots stall positive reforms rather than accelerate them. The deeper social logic in response to riots is retrenchment and reaction. Public opinion becomes polarized. The flight of the middle class and business from the cities accelerates. This in turn undermines the fiscal capacity of cities to meet basic needs.

Riots are expressions of outrage about social conditions, but they are not truly political protests. They do not have a clear objective, a policy agenda, or a target for bringing about change. At most, riots are a wake-up call—to political and business leaders in particular, as well as to the media—that things are seething below the surface. But how political and business leaders respond to that wake-up call may have little to do with what’s needed.

What brings about positive change—especially for the poor and working class—is the slow, gradual, difficult work of union organizing, community organizing, and participation in electoral politics. To the extent that Los Angeles is a better city today than it was ten years ago, it is due to the grassroots activists—and their allies among foundations, media, clergy, and public officials—who have worked in the trenches pushing for change against difficult obstacles.

The United States has gone through several waves of race riots. After World War I and during World War II, riots swept through a number of major cities—primarily whites using violence to resist blacks moving into white
neighborhoods and moving into jobs previously limited to whites. In the mid and late 1960s, riots exploded in the nation’s urban ghettos, typically triggered by an incident of police brutality, but rooted in growing frustration at the pace of change—the persistence of miserable poverty amid growing affluence and the continued political powerlessness of the nation’s black poor.

As we entered the twenty-first century, some urban experts and journalists—most prominently Paul Grogan and Tony Proscio in their book *Comeback Cities*—were talking about an urban renaissance in America. Data from the 2000 census showed some promising signs. During the 1990s some major cities, including New York and Chicago, reversed their long decline in population. The nation’s urban crime rate was lower than it had been a decade earlier. So was the urban unemployment rate. Home ownership rates for Latinos and blacks had increased. Also, by 2000 the nation’s overall poverty rate (11.3 percent)—and that of central cities (16.1 percent)—was lower than it had been in twenty-five years. Even air quality improved in many urban areas.

But despite pockets of gentrification in quite a few cities, the basic trends of widening income equality and persistent poverty persist. Vast disparities of wealth and poverty are sometimes located only a few zip codes from each other. Prosperity does not just “trickle down” by itself. In some of the nation’s most troubled urban neighborhoods—as well as in a growing number of low-income suburban areas—the economic recovery of the 1990s simply passed by, as the Clinton Administration acknowledged in a Housing and Urban Development (HUD) report about places “left behind.”

The message of “comeback cities” is certainly preferable to the widespread stereotype that America’s cities are cauldrons of social pathology that are beyond the point of no return. But the positive trends were neither inevitable nor durable. As the nation’s economy drifted downward from 2000 through 2002, the indicators of an urban revival—reductions in poverty, crime, and the proportion of families without health insurance among them—reversed their direction.

During the 1990s, Harvard Business School professor Michael Porter gained considerable attention from scholars and policymakers by arguing that inner cities have a competitive advantage and will prosper if governments simply step out of the way and promote a favorable business climate. But the extent to which cities improved in the 1990s was due largely to an unprecedented national economic expansion, reinforced by national policies that reduced unemployment, spurred productivity, lifted the working poor out of poverty, and targeted private investment to low-income urban areas. Cities improve when the federal government promotes full employment and supports targeted programs such as revenue sharing, subsidized housing, and urban mass transit. Federal policies that help the poor and working class—from job training to subsidized health insurance—tend to help cities.

For example, the Clinton administration’s expansion of the Earned Income Tax Credit (EITC)—which provides the working poor with additional
income (up to $3,888 a year for the poorest)—was particularly helpful in cities. In 2001, the EITC provided more than $30 billion to 18.4 million poor families in the United States, making it the nation's largest antipoverty program. According to a study by the Brookings Institution, in 1997 775,000 residents of Los Angeles County earned $1.2 billion in EITC refunds; about $500 million went to families living in Los Angeles.6

In contrast, the Clinton welfare reform policy, enacted in 1996, has mostly been a disaster for cities, as reports from the Brookings Institution, Urban Institute, and elsewhere have documented.7 Many welfare recipients (and their kids) who were forced off federal aid are worse off, having been pushed into low-wage jobs without health care benefits or child care subsidies. As the recession has deepened, many of them are now losing their meagerly paying jobs and have no safety net to cushion the blow. According to Dan Flaming of the Los Angeles Economic Roundtable, fewer than one-quarter of former welfare recipients in Los Angeles County—which in 2002 had the largest number of welfare recipients of any urban area in the nation—are currently working at jobs with wages above the poverty line; the rest are either jobless or working for below-poverty pay.8

Contrary to the conservative view that cities would prosper if Washington would just step aside, the Clinton administration’s strong enforcement of the Community Reinvestment Act—the nation’s anti-redlining law—pushed banks to make more loans in low-income urban neighborhoods, leading to an increase in home ownership (particularly among blacks and Latinos). During the Clinton years, HUD promoted the efforts of community development corporations (CDCs)—nonprofit groups that have carried the burden of building affordable housing and rebuilding poor urban neighborhoods. In Los Angeles and others cities, CDCs have built most of the affordable housing that has been added to the city’s inventory in the past decade. What CDCs have accomplished is remarkable, but the shortage of federal funds for housing ensures that they can have only a marginal impact on improving inner-city areas.

In the past two years, urban conditions have worsened. Poverty, crime, and unemployment have increased. Foreclosures have increased, especially on recent first-time homeowners, disproportionately blacks and Latinos. Meanwhile, the nation’s urban crisis has been spreading to the older suburbs, where poverty is increasing and local governments are cutting basic services just like their urban neighbors.

But what happens if, when the economy picks up, conditions don’t improve for the poorest Americans—stuck in the nation’s ghettos and barrios—isolated from suburban job growth, unable to earn more than poverty-level wages in jobs that provide no health insurance, paying half or more of their meager incomes in rent? Historians and sociologists note that riots occur when poor people see little or no progress despite the prosperity in the surrounding society. Who can say whether the ticking time bomb will eventually explode again?
A Tale of Two Riots: 1965 and 1992

Fifty years ago, Los Angeles was still America’s Eden—the land of sunshine, beaches, open spaces, opportunity, and ambition. It was the home of Hollywood, the nation’s dream factory, and it was a city where Americans moved to follow their dreams. Now when Americans think about Los Angeles, the images are more troubling: urban riots and severe earthquakes (two of each in the past forty years), traffic congestion and ugly sprawl, dominated by an asphalt jungle of freeways and shopping malls. But the reality fifty years ago was never as good as the city’s civic boosters claimed, and the reality today is not as awful as portrayed in Mike Davis’s books (City of Quartz and Ecology of Fear) or Hollywood films like Traffic.

More than any other urban area, Los Angeles has reflected the impact of federal government policies and subsidies that encouraged suburbanization, auto dependency, and racial segregation. In the postwar period, the city’s business and civic elite forged a local growth coalition that promoted a combination of suburban sprawl and downtown redevelopment, locking out the poor from the benefits of both. The economic and racial disparities that led to the wave of urban riots in American cities during the 1960s emerged first in Los Angeles—in the Watts riots of 1965.

In 1965, an incident of police misconduct unleashed cumulative rage at the police and at pervasive racial discrimination, leading to the explosion in Watts, a predominantly African American area. The casualties included 34 deaths, 1,032 injuries, and 3,952 arrests. Twenty-seven years later, triggered by the acquittal of police officers for the beating of Rodney King, riots erupted in South Central Los Angeles, a mixed black and Latino section of the city. The casualty figures were significantly larger: 55 deaths, 2,383 injuries, and more than 17,000 arrests.

After the Watts riots, Los Angeles Mayor Sam Yorty and business leaders did little to respond to the grievances that led to the violence. If anything, Yorty stoked the racial tensions by encouraging stronger police measures and downplaying the social and economic causes. According to Raphael Sonenshein’s Politics in Black and White, a study of racial politics in Los Angeles, “the president of the Los Angeles Chamber of Commerce sent Yorty a bound volume of letters from individual members of the Chamber, all praising the mayor and [Police Chief] William Parker. Letter after letter congratulated them on restoring law and order.”

But the Watts riots did energize the city’s liberal forces to find an alternative to Yorty and his conservative agenda. A liberal alliance, primarily of blacks and Jews, coalesced around Tom Bradley—a police lieutenant prior to his election in 1963 as the first black member of the Los Angeles City Council—to replace Yorty. Bradley had been a strong critic of the Los Angeles Police Department (LAPD), strengthening his own support in the black community. Backed by the liberal alliance, Bradley narrowly lost in his effort to
unseat Yorty in 1969, but was successful four years later. He served as mayor for twenty years.

Bradley’s early years in office could be considered the “feel good era” of Los Angeles. He nearly carried the white vote in the 1973 election (he carried it decisively in all of his four subsequent re-elections). Never in America had this many white people voted for a black candidate. More than just a mayor, Bradley—a figure of great dignity and almost sphinx-like reserve—became a symbol of the city’s racial enlightenment, an image he reinforced by fostering cross-racial alliances (although he also declined to get involved in an early-1970s fight for compulsory busing to integrate the Los Angeles schools).

During his first term, Bradley made Los Angeles a center of the social welfare and public employment programs of the 1970s, drawing on the federal antipoverty and urban renewal programs to carry out his agenda. Like most postwar mayors, however, Bradley struck up an alliance with business interests to promote and revive the city’s downtown. These business elites quickly realized that they could do business with Bradley. Downtown Los Angeles soon became home, during the 1970s and 1980s, to a generation of gleaming high-rise office towers. It had a skyline at last.

Perhaps the peak of the Bradley era was 1984, when Los Angeles hosted the summer Olympic games. But this was, in some ways, his last hurrah. By the mid-1980s, the Bradley coalition had begun to falter. The passage of Proposition 13 in 1978 limited the ability of California’s cities to raise funds, and the election of Ronald Reagan in 1980 and his subsequent reduction of federal funds for urban social programs put the squeeze on the cities. Although Bradley increased municipal hiring of African Americans and Hispanics, diversified the police department, and helped minority entrepreneurs gain access to city contracts, he did little to stem the city’s loss of well-paying jobs and its widening economic disparities. Politically, he became increasingly reliant on developers and investors and began to neglect his original political base. When the next riots broke out in April 1992, it was clear that the great promise of the Bradley coalition had dissipated.

The response of the Los Angeles political and business elite to the 1992 riots revealed how out-of-touch they were with everyday life in the city’s neighborhoods. Bradley anointed Peter Ueberroth, who had orchestrated the business community’s embrace of the 1984 Olympics, to spearhead the city’s official response to the riots. The Rebuild LA program, later called simply RLA, was top-down in its structure and program. Its ninety-four board members included a wide spectrum of business, government, civic, religious, and celebrity names (including actor Edward James Olmos), but it had no organic connection to the riot-torn neighborhoods it was supposed to serve.

RLA hired a private consulting firm to estimate how much private investment would be needed to address the high levels of joblessness in the area. The answer: $4 billion to $6 billion. But RLA raised and invested less than $400 million in its five years of existence.
RLA promised thousands of new jobs and businesses—supermarkets, banks, assembly plants—and failed to deliver. For example, four food-market chains vowed to build more than thirty new supermarkets in the inner city, where the number of chain markets had declined by nearly half in the previous decade and where residents typically paid more for lower quality food than their counterparts in more affluent neighborhoods. But according to a recent study by Amanda Shaffer at Occidental College, there is now actually one less chain supermarket in the riot neighborhoods than there was a decade ago.\(^\text{10}\)

In the wake of the riots, a frightened electorate, worried about crime and the recession, elected Republican Richard Riordan mayor in 1993. Riordan campaigned on the theme that as a corporate lawyer and deal maker he was “tough enough to turn LA around.” Riordan had little use for RLA, which he inherited from Bradley, but in his eight years as mayor he offered nothing to take its place as a catalyst for addressing the problems confronting the city’s poor.

Grassroots Organizing: The Bottom-Up Response to the Riots

During its postwar boom, Los Angeles was run by a shadowy handful of businessmen—the so-called Committee of 25—who spoke with one voice, typically through the then-reactionary *Los Angeles Times*. Today there is no such coherent corporate power structure; Los Angeles has become a city of absentee-owned firms that have little long-term stake in local affairs. The most conspicuous symbol of this trend was the sale of the Times Mirror corporation, owner of the now-liberal *Los Angeles Times*, to the Tribune Company of Chicago in 2000. The area’s largest private employer is Kaiser Permanente, an HMO. Major banks, aerospace firms, and oil companies have left, causing local nonprofit groups to worry that absentee-owned firms won’t fill the coffers of philanthropic foundations.

Politically, this business leadership vacuum has been filled primarily by elected officials’ reliance on contributions from a wide variety of firms with a direct stake in local policymaking. These include contractors that do business with the Metropolitan Transit Authority, the port, the airport, the school district, and other government agencies, and developers seeking zoning approvals and tax breaks.

During the past decade, two other forces have contended for political influence. One group—a loose coalition of homeowner associations and locally based business groups in the suburban San Fernando Valley section of the city—has challenged what it considered City Hall’s focus on the central business district and on low-income (predominantly black and Hispanic) neighborhoods. Last year they waged a feisty though ultimately unsuccessful effort to form a separate San Fernando Valley city.

The other political force contending for power is a progressive coalition of labor unions, community organizations, and environmental groups. If the riots
had any positive outcome at all, it was the growing recognition by the city’s progressive activists that they had to do a better job at mobilizing grassroots groups to insist on political change, to work across racial lines, and to build bridges between unions and community groups.

In fact, since the riots, Los Angeles has become the ground zero of effective union and community organizing. Much of the momentum that began after the civil unrest has been bearing fruit—offering the possibility that progressives can forge an electoral and governing coalition to fill the city’s leadership vacuum.

The first evidence of this burgeoning movement came in 1997, when the revitalized union movement, along with its allies among community groups and clergy, pushed the City Council to pass a living wage law (requiring firms with city contracts to pay decent wages and provide health benefits) over the opposition of Mayor Riordan and the Chamber of Commerce. In 1999, in the largest union victory in the country in more than thirty years, more than 75,000 home health care aides won an organizing effort led by the Service Employees International Union. In 2000, a strike by the mostly immigrant janitors won widespread public support and led to a convincing contract victory. Riordan, who opposed the living wage law a few years earlier, eventually came around during the janitors’ strike due to political pressure from below, sympathetic media coverage, and his own Catholic social conscience.

Last year, the city’s unions and anti-sweatshop activists among clergy and college students celebrated a victory when UNITE, the garment workers union, signed a contract with SweatX, a new firm located in Los Angeles, to produce “sweat-free” clothing, backed by a foundation headed by Ben Cohen, cofounder of Ben & Jerry’s. The United Food and Commercial Workers mounted a successful organizing campaign among workers for Gigante, the Mexico-based chain of supermarkets that is expanding into Southern California.

During the past decade, community organizing groups have also had significant victories. The Community Coalition convinced the Los Angeles Unified School District to redirect funds to repair dilapidated school buildings in the city’s poorest areas. The Los Angeles Metro Strategy (an affiliate of the Industrial Areas Foundation network), with a strong base in Catholic and Protestant churches, has persuaded school superintendent Roy Romer (former governor of Colorado) to let the community group train parents in twenty-five local schools to become activists and organizers. The Bus Riders Union forced the Metropolitan Transit Authority to buy new buses and keep bus fares down. AGENDA, another community group, has been mobilizing residents to challenge the city’s federally funded job training program so that unskilled residents are trained for work in industries with career ladders. Communities for a Better Environment (CBE) defeated Sunlaw Energy Partners’ plan to build a massive 550-megawatt power plant (the size of Dodger Stadium) in South-Gate, a predominantly Latino working class city near Los Angeles, which would have emitted more than 150 tons of pollution per year. Also, after a
grassroots campaign based in Wilmington, a working class port city bordering Los Angeles with five oil refineries, CBE persuaded Governor Gray Davis to issue an executive order to eliminate methyl tertiary butyl ether, a cancer-causing chemical, from California's gas supply and to switch to ethanol, a safer alternative.

The Los Angeles County Federation of Labor has become a solid institutional base for organizing, research, coalition-building, and political activity. Under the leadership of Miguel Contreras, a former organizer with the United Farm Workers and the hotel workers unions, the labor federation has reached out beyond its membership to forge coalitions with community-based organizations, the clergy, and housing and immigrants’ rights activists. The Los Angeles unions and their community allies have played a key role in changing the political and ethnic complexion of the city’s state legislative and Congressional delegations. The Los Angeles area—the city and its increasingly black, Latino, and Asian suburbs—represents almost one-third of California’s population, and its representatives in the state legislature (with a strong Democratic majority) and in Congress are generally a progressive voice. They have recruited and helped elect a number of crusading labor activists to seats in Sacramento and Washington. Indeed, in terms of voting for candidates and ballot measures as well as the delegations it sends to the state legislature and Congress, the Los Angeles area has replaced the San Francisco Bay Area as the most liberal region in the nation’s most liberal (and most Democratic) state.

Perhaps the most telling example of organized labor's new political self-confidence was its endorsement and support for Hilda Solis in a 2000 Democratic primary race against incumbent Congressman Martin Martinez in the thirty-first Congressional district—59 percent Hispanic and 28 percent Asian—which includes parts of East Los Angeles and the neighboring cities of Alhambra, San Gabriel, Rosemead, El Monte, Baldwin Park, and Azusa. The daughter of a union shop steward, Solis earned an undergraduate degree from California Polytechnic State University and a master's degree from the University of Southern California. She won a seat on the Rio Hondo Community College board in 1984. She was elected to the state assembly in 1992 and in 1994 became the first Latina elected to the state senate. There she made a name for herself as a vocal and effective feminist, environmental advocate, and labor ally. In 1996 she jump-started the initiative campaign for a higher minimum wage with a $50,000 contribution from her own campaign coffers.

Four years later she decided to take on incumbent Democratic congressman Marty Martinez, an eighteen-year veteran of Congress. A mainstream Democrat with a reasonably liberal voting record, Martinez was not a leader on any issue. In 1998 he angered union leaders and progressives when he offered to vote for the Clinton administration’s fast-track trade-negotiating authority in return for White House support for a freeway extension in his district. He also alienated pro-choice voters by voting for a ban on late-term abortions. Solis
won the support of EMILY’s list and the Sierra Club, but it was the all-out effort of the County Federation of Labor that had the biggest impact. Solis’s 62 to 29 percent victory margin was one of a precious few instances in modern political history in which a progressive Democrat ousted a centrist incumbent. As Contreras saw it, it also marked an extension of the labor organization’s political operation to the county’s working- and middle-class suburbs.

The broad coalition that came together in 2001 in support of former Assembly Speaker Antonio Villaraigosa’s campaign for mayor helped accelerate the city’s reform agenda. Once an organizer for the teachers union and president of the local ACLU chapter, Villaraigosa lost to city attorney James Hahn by a 54 to 46 percent margin, but his campaign mobilized the city’s unions and Latino voters and advanced a progressive policy agenda championed by grassroots activists. During the campaign, the Progressive Los Angeles Network (PLAN), a coalition of grassroots activists and policy experts, developed a municipal policy agenda that was adopted in part by Villaraigosa and other candidates for mayor and city council. (The agenda is available on the PLAN website: http://www.progressivela.org.)

Mayor Hahn recognizes that unions and other progressive forces have enough clout to warrant his attention. To forestall a challenge in 2005 by Villaraigosa (who is currently running for a City Council seat) or another candidate to his left, Hahn has been cautiously building alliances with progressives. One result was Mayor Hahn’s embrace of an unprecedented city-funded $100 million annual housing trust fund proposed by Housing LA, a coalition of union, church, and community activists, with some support from the business community. (Last November these same forces helped win majority voter support for a $2.1 billion statewide bond measure to construct affordable housing—the largest state housing bond ever in the nation.) Last October, over the strong objections of the Chamber of Commerce and the Central City Association, Hahn appointed Madeline Janis-Aparicio, the leader of the city’s living wage movement and head of the Los Angeles Alliance for a New Economy, to the Community Redevelopment Agency board, where she will be a strong voice for using this powerful agency to promote good jobs, affordable housing, and policies that link city subsidies for business to community benefits. In November, following a grassroots campaign led by the community group ACORN, the Los Angeles City Council passed and Mayor Hahn supported a strong law against banks’ predatory lending practices that charge high interest rates to unsuspecting—predominantly elderly and working class—home buyers.

Today Los Angeles is the nation’s most diverse city—47 percent Latino, 30 percent white, 11 percent African American, and 10 percent Asian, according to the 2000 census. Unsurprisingly, much of the recent discussion about whether Los Angeles has made progress during the past decade has focused on race relations. There are certainly tension, hostility, and suspicion across the racial divide, but Los Angeles is overall a much more tolerant and diverse city than it was in 1992. On a daily basis there are tens of millions of casual interactions
between people of different races—teachers with students, bus drivers with riders, retail clerks with customers, cops with residents, employers with employees, and neighbors with neighbors—that evoke no tension at all. Many blacks, Latinos, and Asians today are in supervisory and management positions in the business, government, and nonprofit sectors—a reality that people now take for granted but that in the past might have created enormous hostility and resentment.

A report last year by social scientists at Loyola Marymount University in Los Angeles found that almost twice as many Angelenos believe that the city has made progress toward improving race relations as those who see little progress. Nearly three-quarters believe that the city’s racial and ethnic groups are getting along “very well” or “somewhat well”—compared with five years ago, when only one-third rated race relations in Los Angeles as good.

The Battle Over Secession

In contrast to the progressive coalition’s efforts to bring Los Angeles together around a “growth with equity” agenda, the city’s racial, class, and geographic tensions combined to trigger a serious movement to break up Los Angeles into separate municipalities, culminating in a November 5, 2002, ballot measure on the secession of the San Fernando Valley. The effort lost, but it reflected the city’s persistent dilemma as what historian Robert Fogelson called the nation’s quintessential “fragmented metropolis.”

The San Fernando Valley is home to 1.3 million of the city’s 3.7 million residents. At the beginning of the twentieth century it was an area of ranches, orchards, and dry, undeveloped land. Syndicates of bankers, utilities, newspapers, railroad interests, and real estate developers pushed the city to annex the area in 1915 to ensure a steady supply of water, which was necessary for further development and profit making. After World War II, the Valley boomed into an area of middle-class single-family homes, commercial strips, and light industry. As early as the 1960s, some Valley residents and business leaders began to feel that they were not getting their fair share of public services and attention from public officials.

This alienation was exacerbated by geography—some parts of the Valley are twenty-five miles from City Hall—and no doubt by the Valley’s economic and racial separation from the rest of Los Angeles. At the start of the 1970s, a court ruling ordered cross-city busing of K–12 students to integrate the Los Angeles schools. The Valley became the epicenter of the organized opposition to school busing. The conflict over school busing led to a gradual exodus of many white middle-class Valley families from the public schools. (Latinos now outnumber whites in the Valley by a slim 43 percent to 42 percent margin, even though whites have a 68 percent to 23 percent margin in terms of registered voters.) The Valley also played an important role in jump-starting the statewide tax revolt, which eventually led to passage of Proposition 13 in 1978, a tax-cutting measure that has caused fiscal havoc in California ever
since. In 1994, Valley voters strongly supported Proposition 187, the statewide anti-immigrant ballot referendum.

Valley activists had tried several times since the 1970s to mount a secession drive, but they always confronted obstacles in the state legislature, which has to approve any secession ballot. The 1992 riots increased secession fever, despite the considerable geographic distance between the Valley and the South Central riot area. In 2001, building on decades of frustration and alienation, secessionists got the state legislature to change the rules, and gained sufficient signatures to put secession before the voters.

The key secession proponents were a group of white Valley-based power brokers—primarily the leaders of homeowner associations, developers, some local businesses, and the Daily News, which could not compete with the Los Angeles Times and hoped to become the paper of record for a new Valley city. These key players hoped that secession would strengthen their power base in a new Valley city. They wanted a divorce, secession leaders said, because City Hall constantly ignored their pleas for better roads and libraries, more police officers and parks. The secession leaders tried to persuade Valley voters that the new city would resemble the much-smaller nearby cities of Burbank and Glendale in terms of accessible government and city services. In reality, there was no way that a new Valley city—with a population of 1.3 million people, making it the sixth largest city in the country—could ever be the kind of urban village of which secessionists dream.

To succeed, Valley secession forces needed to win a majority vote in the proposed new city as well as in the city of Los Angeles as a whole. This put Hahn in a difficult political position. The fragile electoral coalition that catapulted him into the mayor’s office was based in two places—the white middle class voters in the Valley and the African American voters in South Los Angeles. (Hahn’s black support was due primarily to his father, long-time Los Angeles County Supervisor Kenneth Hahn, who had a strong following in the African American community.) Despite his opposition to secession on the grounds that it would undermine the city’s fiscal condition and political clout in Sacramento and Washington, Hahn was initially a reluctant warrior.

Early last year the secession drive had considerable momentum, while the opposition to secession appeared muted and fragmented. The early organizing against secession was led by the public employees unions, including the police and firefighters unions, who feared that the new city would undercut union contracts and the living wage ordinance. Housing activists feared that a new Valley city would not adopt Los Angeles’s renter protection laws or its newly won Housing Trust Fund. Other constituency groups that had fought hard for environmental and other measures similarly worried that the business-oriented leadership of a Valley city would ignore their victories.

By the late spring, Hahn finally pulled together a political coalition and fundraising operation among a diverse coalition of labor, community, and business groups that made secession a top priority. (Black civic leaders, angry
at Hahn for firing police chief Bernard Parks, initially held back on their support for his antisecession campaign, but eventually came around.) A wide range of political leaders and influential Angelenos—including Villaraigosa (a progressive Democrat), Riordan (a Republican), and former Lakers basketball star Magic Johnson (now an investor and entrepreneur)—joined with Hahn to oppose secession.

Hahn raised more than $5 million to fight secession, a figure that dwarfed the campaign war chest of the Valley secessionists by at least a ten-to-one margin. The funds paid for TV commercials and mailers that denounced secession as a gamble that would raise taxes and cut vital services, such as police patrols, in the Valley. One TV ad showed police officers slowly disappearing from the screen. Secessionists had money only to put their ads on Valley cable channels.

Support for secession began to drop about a month before the vote. Mayor Hahn's ad blitz made a difference. Hahn also began to pay more attention to the Valley. All of a sudden, basic city services—such as removal of abandoned cars and pothole repairs—began to improve. In an important move, a few weeks before the election Hahn announced that he had picked William Bratton—the charismatic former police chief of New York City, who claimed credit for that city's significant drop in crime during the 1990s and was fired by Mayor Giuliani for stealing the media limelight—to head the LAPD. During his first few weeks as police chief, Bratton spent a lot of time in the Valley helping Hahn reassure residents of Hahn's commitment to the area.

On November 5, Valley voters supported secession by a slim 50–49 percent margin. Although turnout in the Valley was higher than in the rest of the city, it was not sufficient to win citywide. Outside the Valley, voters overwhelmingly rejected the break-up by an 81–19 percent margin. The strongest opposition to secession was in predominantly black and Latino South Central Los Angeles and in the East Los Angeles barrio. Significantly, secession lost in the Valley's Latino precincts. Citywide, secession lost by 66 to 34 percent.

The Progressive Challenge

If the Valley secessionists had won, it would have been a major blow to Hahn, who hopes to be a two-term mayor. He and other city leaders also feared that its success would trigger similar movements elsewhere in Los Angeles and perhaps in other cities, exacerbating the region's already crazy-quilt pattern of municipal fragmentation. Los Angeles County alone has 9.5 million people and eighty-eight separate municipalities, in addition to the many other school districts and single-issue districts for water, transportation, and air quality, leading to ridiculous bidding wars between cities and suburbs for business investment. The last thing Hahn and his downtown business allies wanted was further balkanization, turning Los Angeles into what the Washington Post called “a collection of feuding municipal camps, divided by race and class.”15
But the widening economic and social divide is the area’s biggest challenge—and the issue progressives must address if they are to make further headway. A report released last November by the Los Angeles United Way, *A Tale of Two Cities*, highlights many of the problems confronting the area. Los Angeles County’s population of 9.5 million people is larger than the populations of forty-two states. More than one-third of the residents are immigrants. Legal immigration alone added more than 1.2 million people during the 1990s. The County’s gross domestic product, $285 billion, is larger than that of either Switzerland, Sweden, or Austria. Los Angeles is home to more millionaires than any other urban area. But one-fifth of county residents—1.7 million people—and one-fourth of all children live below the poverty line.

Los Angeles is the nation’s capital of the working poor. It is still the largest manufacturing area in the world, but the number of high-wage unionized factory jobs has declined dramatically while low-wage jobs in light manufacturing have flourished. Indeed, seven of the top ten occupations in job growth in the area pay less than $25,000 a year. The average rent is more than $1,000 a month, and one-fifth of all renters in Los Angeles spend more than half of their incomes just to keep a roof over their heads. About one out of seven apartments—more than 125,000 units—are substandard. Many families live in overcrowded housing, and an estimated forty thousand live in garages. Just to keep pace with population increases, Los Angeles needs to add at least 5,000 affordable units a year, but last year the city added only 1,200 units.

To find a place to live, Angelenos are moving further and further from where they work. More than 400,000 workers—11 percent of all workers—commute to work an hour or more each way. Los Angeles drivers spend an average of 136 hours per year in traffic delays and burn 204 gallons of wasted fuel—at an annual cost of $2,510 per traveler. The resulting suburban sprawl and traffic congestion triggers more than road rage. Los Angeles and Houston compete for the title of most polluted metro area in the nation.

Confronted with these realities, what can a progressive political coalition do to make Los Angeles—or any city—more livable, especially for those on the bottom of the economic pyramid? When progressive community and union activists forge alliances with progressives in local government, they can clearly make a difference. They can put pressure on banks to stop redlining and force landlords to fix up slum buildings and stop rent gouging. They can help restore confidence in government by doing an efficient job of “civic housekeeping”—picking up snow and garbage, recycling waste, fixing potholes. They can shift spending priorities to discourage gentrification and promote rebuilding of poor neighborhoods by community-based groups. They can add more women and minorities in public employment and push private employers to do likewise. They can restrict police abuses and even get local police departments to work more closely with neighborhood groups. Progressives can also provide support to union organizing campaigns, improve the wages and working conditions of public employees, and via “living wage” campaigns, improve conditions for
employees of firms with municipal contracts. (Since 1995, more than ninety cities and counties, including New York City last November, have adopted living wage laws, and campaigns in many other cities are under way.)

Los Angeles’s progressive mosaic is beginning to find its voice. It is learning to say “living wage” and “social justice” in English, Korean, Spanish, and Vietnamese. Unions, community groups, and churches often hold meetings in several languages. Leaders are developing trust and finding common ground. In many ways, contemporary Los Angeles resembles New York City at the turn of the previous century. Back then, New York was a caldron of seething problems—poverty, slums, child labor, epidemics, sweatshops, and ethnic conflict. Out of that turmoil, activists created a progressive movement, forging a coalition of immigrants, unionists, middle-class suffragists, and upper-class philanthropists. Tenement and public health reformers worked alongside radical socialists. Although they spoke many languages, the movement found its voice through organizers, clergy, and sympathetic politicians. Their victories provided the intellectual and policy foundations of the New Deal.

Los Angeles’s progressives have accomplished a great deal in the ten years since the city’s last riots, but they recognize that there are limits to what can be accomplished within municipal boundaries. The city’s progressive movement is testing those limits, but activists also have a realistic understanding that, on its own, Los Angeles, like other cities, and even metropolitan areas, cannot solve many of the serious problems they confront. Progressive urban activists can gain a foothold in government and create models of successful public policies that can be pilots for federal and state programs, but ultimately cities cannot generate the revenue necessary to provide their citizens with adequate housing, health care, and education.

Most cities now lack the tax base and political clout to provide residents and businesses with necessary public services. Moreover, federal aid to cities has been shrinking. For example, federal housing assistance for the poor has declined since 1976 from $55.6 billion to $27.5 billion in inflation-adjusted dollars. In 1977, federal aid accounted for 15 percent of city budgets. By 1997 (the latest figures available), it had declined to 5 percent of city revenues. Since then, federal urban assistance has shrunk even more.17

A recent report by the National League of Cities reveals that the vast majority of cities are facing severe budget shortfalls and expect things to get worse. Los Angeles faces a projected shortfall in 2003 of $250 million; San Francisco, $130 million; Boston, $100 million; and Detroit, $94 million.18 Across the country, as cities’ revenues dry up, mayors and county officials are preparing to slash essential services and lay off tens of thousands of public employees. The recent recession, exacerbated by the September 11 traumas, and by federal mandates that require cities to increase local security without providing them with adequate funds, have made things worse.

States can never fill the gap left by the federal retreat, much less pony up what’s really needed. They cannot channel sufficient funds to their cities and
inner suburbs to guarantee that they can meet basic needs. Between 1977 and 1997, states’ contributions to municipal budgets shrunk slightly from 22 to 21 percent. They are even lower now, as states face severe fiscal problems.

According to the National Conference of State Legislatures, two-thirds of all states project declining revenues and more than half face budget deficits for the next fiscal year, including $10 billion in New York and $2 billion in Massachusetts. In January 2003, California governor Gray Davis announced that the state had a budget shortfall of $35 billion. He proposed making immediate spending cuts of more than $10 billion and cutting another $11 billion for the 2003–2004 budget, including $4.2 billion in aid to local governments. These cuts—in health care, education, and other programs—will hit hardest in Los Angeles and in the state’s other urban areas where the poor are concentrated. Unfortunately, California is not alone.

**Fend-for-Yourself Federalism**

The United States still accepts as normal levels of poverty, inequality, crime, slums, homelessness, and other problems that would sound national alarms in Canada or Western Europe. In the United States we simply assume that when people move up economically they move out geographically—that is, to the suburbs. In Canada and Western Europe, public policies help make cities attractive to affluent and middle class people. Cities there are not as economically segregated as those in this country. As a result, the income gap between cities and suburbs is much narrower. The national government in those countries takes responsibility for financing urban services—including affordable housing, child care, health care, education, and street cleaning. They don’t expect cities to come up with the revenues to meet basic needs.

Not so in the United States. For example, Canada and Western Europe have much lower poverty rates than the United States. About 12 percent of Americans live below the official poverty level (which a growing chorus of social scientists believe would be much higher if the poverty threshold were more realistic), but in most cities the poverty level is at least twice that figure. We ask municipal governments to clean up the symptoms of poverty—crime, homelessness, overcrowded housing, low-performing schools, and so on—but fail to provide the funding necessary to do so. The federal government has long been a reluctant partner with cities.

Since the 1960s, urban riots have triggered calls for new federal policies. But for cities as well as for many older suburbs, many federal policies have done more harm than good. This isn’t because federal urban aid programs are misguided per se, but because they are so small in proportion to federal policies—for highway building, housing subsidies, and infrastructure construction—that subsidize people and businesses to move out of cities.

Since the end of World War II, Americans have been moving their homes and businesses out of cities—first to the inner ring suburbs and then
further and further out, to the fringes of metropolitan areas. Today more than half of the nation's population lives in suburbs. Even in metropolitan areas where city populations are increasing (especially in the south and west), suburbs are growing even faster, a trend that persisted in the 1990s.

For more than half a century, the federal government has enacted policies that have promoted both suburban sprawl and city distress. Its massive post-war highway-building programs opened up the hinterlands to speculation and development. For years the Federal Housing Administration offered government-insured mortgages to whites in suburbia but denied them to anyone (regardless of race) who wished to buy a home in an urban neighborhood. During the past twenty-five years the federal government has provided $1.7 trillion in tax breaks for home owners, primarily to middle-income and affluent residents of suburbs, compared with $665 billion for low-income housing, primarily in cities. Last year alone Washington provided more than $60 billion in tax breaks in the form of interest for home owners' mortgages (the biggest subsidies by far go to the wealthiest taxpayers with huge homes), but offered no tax relief for tenants to make rent payments—clearly a bias with a suburban tilt.

Federal policies that have kept gas prices low (fuel taxes are much higher in Europe) while targeting gas tax and highway toll revenues for road building instead of mass transit effectively subsidize suburban commuters. Federal practices that provided tax breaks to businesses to build new facilities but not to modernize existing ones also led many firms to pull up stakes in cities and move to outlying areas. Even the nation's job-creating defense facilities and military contracts have favored suburban over urban sites.

America's zoning laws, housing policies, and transportation policies contribute to America's intense spatial segregation. These inequities promote competition between cities in the same metropolitan area to attract businesses and jobs. Businesses encourage these bidding wars over tax breaks and other local subsidies, which undermine the fiscal health of all municipalities in a region and create more losers than winners. To limit this “race to the bottom,” cities and suburbs in a handful of metropolitan areas, such as Portland, Oregon, and the Twin Cities area of Minnesota, have agreed to work together—for example, through regional tax base sharing and cooperation around the siting of jobs and housing. But such cooperation is rare—and difficult to achieve.

In contrast to the federal government's perverse incentives for suburbanization, sprawl, and municipal fragmentation, federal aid to help America's cities has been a drop in the bucket. While urban programs supporting public housing, model cities, enterprise zones, and mass transit swam against the tide of Washington's preference for suburbanization, many other federal policies to help cities exacerbated the economic disparities between urban and suburban areas. In the 1960s and 1970s, the federal urban renewal bulldozer destroyed low-income and working class neighborhoods to make way for downtown business development. Subsidized housing for the poor was
limited almost exclusively to inner cities. The real estate industry killed proposals by Congressional members and housing experts to encourage middle class home ownership in cities, to require suburbs to approve their fair share of low-income housing, and to create mixed-income housing.

Not surprisingly, the proportion of the nation’s poor people who live in economically distressed urban neighborhoods—the concentration of poverty—has increased dramatically, while at the same time it has spread to a new phenomenon: suburban ghettos. Ironically, many families who fled central cities to escape urban deterioration have ended up in suburbs that are worse off than the cities they fled. In their book *Confronting Suburban Decline*, William Lucy and David Phillips found that between 1960 and 1990 one-fifth of America’s suburbs declined faster than their central cities. Between 1980 and 1990, 57 percent of suburbs lost population. In recent decades, poverty has become more suburban. As a result, the degree of income polarization between suburbs has increased rapidly.

**The Future**

Congress is now dominated by suburban districts, a result of both demographics and redistricting battles controlled in most states by Republicans. The 1992 presidential election was the first in the nation’s history in which a majority of voters lived in the suburbs. As a result, Clinton owed his two victories to cobbling together a fragile alliance between cities and older suburbs with high proportions of independent voters. His policy agenda included some things that improved conditions for urban dwellers. But despite some achievements, urban policy under Clinton remained as separate targeted programs, and little effort was made to examine the way federal policies in general have fueled the urban crisis.

The Clinton administration’s ambivalence about pushing an urban agenda reflected the Democratic party’s own divisions. Democrats pay more attention to cities than Republicans do because many of their key constituency groups live there. The safest seats in Congress are those urban districts that routinely elect progressive Democrats such as Henry Waxman and Maxine Waters of Los Angeles, Nancy Pelosi of San Francisco, Barbara Lee of Oakland, Marcy Kaptur of Toledo, John Lewis of Atlanta, and Luis Gutierrez and Jesse Jackson Jr. of Chicago. But because these liberal Democratic seats are so uncompetitive, on election days urban turnout is typically much lower than voting rates in wealthier suburbs, especially in mid-term elections. This can hurt Democrats higher up on the ticket—candidates running for governor and the U.S. Senate, for example. At the same time, many Democrats, especially those representing suburban districts, are closely linked to big business interests who oppose progressive taxation, Keynesian pump-priming, and social spending, including housing assistance for the poor. (It was these Democrats who helped defeat two of the Clinton administration’s early priorities: a major public investment program and health care reform.)
However, in their new book, *The Emerging Democratic Majority*, John Judis and Ruy Teixeira document that a growing number of middle class professionals who work outside the corporate world and live in newer suburbs share a progressive outlook on both economic and social policy, and could be enlisted into a coalition that addresses issues of economic fairness, limits on suburban sprawl, revitalization of cities, and expansion of social programs such as health insurance and child care.20

The Bush administration seems to have little of the previous administration’s ambivalence about cities. Urban dwellers by and large did not vote for Bush and he does not appear to regard them as an important part of his constituency. After a meeting with the nation’s mayors last year, Bush’s HUD secretary, Mel Martinez, told them, “Housing issues are predominantly local issues. . . . The solution to meeting the nation’s affordable housing needs will not come out of Washington.”21

As long as George W. Bush continues to preach the gospel of “compassionate conservatism”—but offers no substantive help except a shoulder to cry on—we can’t expect much from Washington, especially with Congress in Republican hands. During the Bush administration’s first year in office, it appeared that public concern over the faltering economy, the corporate scandals, and the president’s efforts to dismantle a generation of environmental and consumer protection laws were setting the stage for a progressive political coalition to gain influence. But the events of September 11, the White House’s war on terrorism, and its efforts to mobilize public support for going to war in Iraq diverted attention from domestic matters. Large increases in military spending along with further tax cuts for the wealthy stymied any hopes of marshaling political support for domestic social and antipoverty programs.

In the 2002 mid-term elections, Republicans gained a majority in the Senate and expanded their margin in the House by appealing to voters in suburban swing districts and exurban and rural areas. Meanwhile, turnout in most cities—including turnout among black and Latino voters—declined significantly.

Any effort to address the nation’s urban crisis must forge alliances with some parts of suburbia, as suggested in Myron Orfield’s *American Metropolitics* and David Rusk’s *Inside Game/Outside Game*.22 The building blocks for an effective progressive movement today start in cities and move outward to working class suburbs. Recognizing this, unions, community groups, environmental organizations, faith-based activists, and urban public officials are beginning to reach out to the working class suburbs on cities’ borders.

This agenda involves efforts to work together to channel jobs and economic development into declining business districts, in contrast to cut-throat competition between cities in the same region trying to outbid each other for private investment. Some of these efforts involve “smart growth” initiatives that seek to limit suburban sprawl and traffic congestion. Some involve work around schools or housing or other public services that are currently starved for funding. The kind of activism that crosses the city line is key to building
metropolitan political coalitions that can influence policy in state capitals as well as in Washington.

Grassroots organizing is rarely dramatic. The news media rarely pay attention to the small miracles that happen when ordinary people join together to channel their frustration and anger into solid organizations that win improvements in workplaces, neighborhoods, and schools. The media are generally more interested in political theater and confrontation—when workers strike, when community activists protest, or when hopeless people resort to rioting.

The history of the past century shows that progress is made when people join together to struggle for change, make stepping stone reforms, and persist so that each victory builds on the next. It involves, as civil rights activist Bayard Rustin wrote in 1965, moving from “protest to politics.”

This kind of work is slow and gradual, because it involves organizing people to learn the patient skills of leadership and organization building, as Mark Warren shows in his fascinating and instructive new book, *Dry Bones Rattling: Community Building to Revitalize American Democracy.*

It requires forging coalitions that can win elections and then promote politics that keep the coalition alive, even during times of fiscal problems and tough choices. This is what’s happening in Los Angeles—and in other cities—as indicated by the growing number of cities that have adopted living wage laws and the growing number of labor-commu-nity and environmental-faith-based coalitions working on metropolitan issues. Even so, these efforts have not yet solidified into a national crusade.

If the exciting organizing work that has been taking place in the trenches of Los Angeles and elsewhere can coalesce into a national movement that can contend for electoral power, it is possible that the 2004—or perhaps 2008—elections—might usher in a new president and Congress willing to tackle some of the country’s serious urban problems. Just as the seeds of the New Deal were planted in the sweatshops and slums of New York, the next wave of national progressive policy may be simmering in the union halls and church basements of Los Angeles.

Notes


13. A secession vote also took place on November 5 for Hollywood, but it lacked the political support and passion of the San Fernando Valley movement. It was roundly defeated in Hollywood and citywide.


Peter Dreier is professor of politics and director of the Urban and Environmental Policy program at Occidental College in Los Angeles.