Gaining Strength by Taking Power Away from Sacramento

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You could feel the angst—and the anger—among the civic-minded Bay Area residents who gathered at the Commonwealth Club in San Francisco recently to discuss what ails California.

Angst over the future of the state, and especially the parlous condition of its once-proud university system. Angst over the dysfunction in Sacramento. And anger over the refusal of voters to support what seemed obvious to the crowd: that California needs to revamp its tax system, and especially the infamous Proposition 13, along with the initiative process that produced it.

As California limps along with an a 12.3 percent unemployment rate and a never-ending budget crisis that’s undermining everything from schools to health care to transportation, some Bay Area thinkers are raising an old question: why should we remain tethered to the illiberal outlook of so many Southern California and inland voters?

Wouldn’t we be better off, as the futurist Paul Saffo recently proposed, if the Bay Area thought of itself as an independent city-state? Or, at a minimum, wouldn’t it make sense to “devolve” political authority from Sacramento to regional and local entities?

“We have the good fortune of being in a distinct geographic area that is big but not too big,” Saffo said. “If we’re going to find our way out of this political mess, we need to find common ground, common interests” and the best way to do that, he argued, is by developing regional identity and institutions.

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The idea that California is too diverse for its own good has been around since the state was founded, and ideas for some form of breakup come around regularly.

Wouldn’t the Bay Area and the north coast be happier allied with Portland and Seattle in the great state of Ecotopia? Or perhaps California should be split into four states, as Martin Hutchinson of BreakingViews suggested last year.

The more popular division these days is between liberal coastal California and the conservative interior. Some people in Visalia were pushing a referendum on this last year, to which Bay Area residents might respond, “Be careful what you wish for.” Most of the wealth and economic energy in the state, after all, resides on the coasts.

Stephen Levy of the Palo Alto-based Center for Continuing Study of the California Economy said the Bay Area should be careful what it wished for, too. “From an economic perspective it makes no sense,” he said, adding that it’s good to be a big state. “Why move from being the eighth-largest economy in the world to a bunch of small regional economies?”

Wise or not, a breakup isn’t going to happen. But the idea of pushing political power from Sacramento to the regional and local level is an important one.

There is, for example, a lot of evidence that people resent paying taxes that flow to far-off places; one damaging legacy of Proposition 13 is that it mandated that property tax revenues go to Sacramento and then be redistributed to local communities. When taxes are collected locally and spent directly on local services, by contrast, they are not nearly so unpopular.

Joel Kotkin, a southern California author who writes about economic geography, said that devolving power from Sacramento to regional entities was a good idea—as long as it could be done in a democratic way. He pointed out that existing regional entities like the Bay Area Air Quality Management District and the Association of Bay Area Governments already had real power in certain areas.

“The problem is it tends to be very elite,” Kotkin said. “All the power is in the bureaucracy.”

There is also the problem of equity: if regional and local entities are fully responsible for critical services like education, it could widen the gap between rich and poor communities, and regions.

That said, devolution is emerging as a key theme of efforts to revamp state government. California Forward, a reform group co-chaired by Robert M. Hertzberg, a former State Assembly speaker, advocates this approach. If efforts to convene a state constitutional convention are eventually successful, new regional political entities could be a key part of a governmental overhaul.

It might not yield Ecotopia, but it’s a start.