Challenges and Choices for California’s Great Central Valley

Carol Whiteside †

The first thing to recognize about the Great Central Valley is that it is a truly huge place. It is one of the few places on the face of the Earth that is actually visible from orbit. Apollo 9 astronaut Russell L. “Rusty” Schweickart recently wrote an essay about seeing the Valley from outer space in the mid-1960s. Unfortunately it was March, and all he saw was a big white cloud because it was fog season, but he knew it was the Great Central Valley nonetheless.

Geographically, the Great Central Valley is about 450 miles long and about fifty miles wide on average, with a land area approximately the size of England or the state of Kentucky. Politically, it includes nineteen counties and approximately 100 cities. Within the Great Central Valley there are two sub-regions: the Sacramento Valley, which is made up of 10 counties stretching from Shasta County to Sacramento County, and the San Joaquin Valley, an eight county region from San Joaquin County south to Kern County. At last count, the population for all nineteen counties stood at 6.3 million people.

When the Great Valley Center was founded in 1997 with the support of major philanthropic donors, it was developed with the idea of being a regional intermediary that would link the issues and needs in the Great Central Valley to intellectual and financial resources outside of the Valley. This support was possible because the late 1990s was a time when California’s major foundations—most notably The James Irvine Foundation, the William and Flora Hewlett Foundation, and the David and Lucile Packard Foundation—were experiencing financial run-ups because of the growing stock market and focusing more of their attention on state and local issues.

With this support, the Great Valley Center focused on leadership development in rural communities. The Great Valley Center and its staff also catalyzed high level discussions on the Valley’s environment, economy and transportation. In addition, the Center began working on capacity building for the nonprofit sector by reinvesting philanthropic dollars to support many organizations and activities, all with the hope of moving the Valley forward.


3. Id.

4. Id.
Agriculture has historically defined the Valley

Agriculture is undoubtedly the enormous engine that drives the Great Central Valley. There are more than 300 crops produced in the region, accounting for fifty-seven percent of the state's thirty billion dollar agricultural output. And if you talk to a variety of people, you will hear that anywhere from twenty five to forty percent of the nation's food comes from this part of the state.² Twenty percent of the jobs in the region come directly or indirectly from agriculture.³ But in many communities, especially the small rural communities, as many as seventeen percent directly or indirectly depend on agriculture to survive.⁴ Furthermore, this agricultural stronghold contributes to the United State's exportation of food and food products.⁵ The Great Central Valley is one of the few places on the face of the Earth that combines the water, the Mediterranean climate, the soils and the topography which allow this kind of agricultural diversity.

Population Growth: Twelve Million by 2040

The latest story from the Great Central Valley is its rapid growth. According to the state Department of Finance, the current population of six million is projected to double by 2040.⁶ That figure applies to the region beginning in the city of Redding and extending south to the city of Bakersfield. In the San Joaquin Valley alone, the Department of Finance projects that the population will grow from three million to approximately six million.⁷ In either case, the numbers are staggering, and the growth presents a myriad of opportunities and challenges for the region.

The Three Components of Growth: Coastal Housing prices, Immigration and Birth Rates

This extreme population growth stems from three sources. First of all, there is no question that housing prices in coastal areas, especially the Bay Area, San Jose, Los Angeles, push people into the inland areas to seek more affordable housing.⁸

The second factor is the valley's high birth rate. This means that a lot of the

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6. Id.
8. GREAT VALLEY CENTER, supra note 5, at 28.
10. Id.
11. JOHNSON & HAYES, supra note 7, at xi.
growth has come from new births rather than from people moving in.\textsuperscript{12} The third factor is immigration, and that presents a whole different set of challenges for schools and social services. Although many people attribute the housing shortfall to population growth, it is important to remember that much of that growth is from new births.\textsuperscript{13} Unlike adults entering the region, these babies do not need their own new houses today. Instead, they need family housing and other services.

\textbf{THE SERIOUS CHALLENGES OF HIDDEN POVERTY AND DRIVING ON THE RIGHT ROADS}

Before I give you the grim statistics, I want to mention that some positive things are happening in the region. People are starting to notice the Valley’s positive elements and look for ways to diversify the economy. Via Magazine recently featured some of the Valley’s tourism spots,\textsuperscript{14} and we know that many people take transitional jobs in tourism and the service industries as they move up the economic ladder.\textsuperscript{15} Furthermore, the national media has acknowledged that Valley communities are among the best medium metro areas in which to do business.\textsuperscript{16} Hopefully, this indicates that there is some attention from the business community to bring new investments into the region to create jobs and diversify the base economy of agriculture, which I believe is a good thing.

That said, there are some serious challenges facing the region. For example, in 2003 the Associated Press ran a story about a Christian charity responding to a survey of childhood poverty throughout the United States, which determined that kids living in Tulare County suffered the highest child poverty and hunger rates of anyplace in the United States. The organization decided to ship food to Tulare County’s children, in spite of all its agricultural wealth and abundance.\textsuperscript{17} When the author asked a resident of Tulare County what she thought of the situation, the answer was astonishingly cruel. “We learn to drive down the right roads so we don’t see it,” was the reply.\textsuperscript{18} I would suspect that comment is not only an indictment of people who live in the Valley; it is an indictment of all of California, because we have ignored the Valley for a very long time. Sadly, we have learned that if you stay on Highway 99 and Interstate 5, you will not understand what is really happening in the Valley. Drive on the right roads, and you ignore the harsh reality of life in some of the Valley’s poorest communities.

In particular, the San Joaquin Valley (which includes Tulare County) has


\textsuperscript{13} Id.


\textsuperscript{17} Brian Skoloff, Poverty, Hunger Endemic in California Farm Country, San Diego Union Tribune, June 11, 2003.

\textsuperscript{18} Id.
the highest percentage of kids living in poverty in California, and one of the highest in the United States, at 22.1 percent in the South San Joaquin Valley and 17.8 percent in the North San Joaquin Valley. Nearly one out of five kids in the region live below the federal poverty level. In fact, a national study based on research from the Public Policy Institute of California reports that several communities with the nation’s highest rates of child poverty are actually in the San Joaquin Valley. In Kern County, sixty-two percent of the kids live in poverty; in Tulare County, fifty-six percent; in the community of Orange Cove, fifty-five percent, and the numbers go on. It is staggering, and obviously presents tremendous obstacles for kids’ ability to be well educated and succeed.

When the Public Policy Institute of California examined per capita income in 2004 using data from 2001, the regional differences were clear. Merced had an average per capita income that ranked 313 out of 318 US Metropolitan areas, but just eighty miles away as the crow flies was San Francisco, the nation’s richest metropolitan area and San Jose which ranked 2nd out of 318. The disparity and the geographic isolation and separation is quite dramatic, from some of the nation’s wealthiest places to some of the poorest. Admittedly, there are some secrets to disclose when numbers like this are cited, and one of the things to recognize is that when you have a lot of babies, you have more per capita, but they are not earning people. Nonetheless, when families are stretching incomes and resources, per capita income does matter.

We asked the Congressional Research Service (CRS) to take a look at these numbers, because we felt that the data would be even more credible if it came from a neutral source in Washington, D.C. So in a rare demonstration of cooperation, we got the six congressional members from the San Joaquin Valley, from both parties, to sign a letter asking the CRS to examine the socioeconomic indicators in the Valley. They came back and said the poverty rate in the San Joaquin Valley in 2000 was higher than the area covered by the Appalachian Regional Commission, which has always been the benchmark for poverty in this country. So as a proportion, the poverty here is much greater than we have seen, and on a much grander scale than most places in the nation.

POOR AIR QUALITY AND ACTIVISM

Communities in the San Joaquin Valley breathe some of the worst air in the nation. Despite recent improvement in the form of new measures to improve the
air quality, air pollution is still quite severe. In some of our schools in Fresno and Tulare counties, students use inhalers on a regular basis to deal with chronic asthma. On a positive note, this has proved to be one of the motivators for environmental activism, especially in the growing Latino community, because of the measurable and visible human health impact of poor-quality air. So if there has been a bright spot in any of this, it is the fact that this crisis has begun to energize people.

INFRASTRUCTURE AND LAND USE

With regard to infrastructure, in the northern San Joaquin Valley, the hours spent in traffic rose fifty-two percent between 1998 and 2002. In the southern San Joaquin Valley, especially in Bakersfield and going over the Tehachapis, traffic congestion has increased 577% since 1998. Looking back to 1998, those roads were not very congested and the number of commuters and people traveling on them is obviously increasing dramatically. If these trends continue, the region will not only be unable to move, it will be unable to breathe, as well.

The land use and community development issues are no less difficult. In many Valley communities, there are sometimes conflicts between the farmers and the suburbanites. Farmers in many Valley counties have a legal right to farm. For example, homebuyers in Stanislaus County are told it is a farming county; the farmers were here first and they have a right to farm. Nonetheless there is a hassle factor, and so the suburbanites come in, and they complain or they call the sheriff due to what they perceive as nuisances.

In Modesto, a farmer even put up a huge sign adjacent to his property informing his new neighbors that they were living next to an active almond ranch that would include farming procedures such as spraying, harvesting, mowing, and fertilizing, hoping to help the suburban population understand what it means to live next to a farm and that it is not just about two weeks of beautiful blossoms in February. The sad end to this story is that after three years of trying to deal with the hassle factor, this farmer moved his farming operation away, and in fact there are now houses in his active almond farm.

29. GREAT VALLEY CENTER, supra note 5, at 36.
30. Id.
FINAL THOUGHTS: AN APPEAL FOR INTERVENTION

So what does this mean for the future of the Central Valley? We started the Great Valley Center saying we cannot deal with the kind of growth that is projected for the region without first strengthening the economic, social and environmental base. And the basic theory is, if we put enormous population growth on a weak base, with a weak economy, low per capita income, low social participation, low numbers of college graduates, limited civic engagement, we will only perpetuate the Valley’s problems. We must begin to strengthen the base so that the growth is much more firmly grounded and we will have used limited resources available to end up with a more positive result.

In June 2005, Governor Schwarzenegger created the Partnership for the San Joaquin Valley, a task force to study education, health care, poverty, job growth, land use and air quality in the region, and to have, we hope, a very high-level discussion and make very specific recommendations on what can be done. The task force consists of eight cabinet secretaries, eight private sector individuals, eight local government people and eight working groups. It is surely a positive sign.

Yet, the longer term challenge for us – for all Californians – is whether we have enough vision to establish the foundational infrastructure for a healthy and sustainable region that will gain parity with the rest of the state, or whether we just will continue to grow without sufficient resources, without sufficient ability to provide infrastructure for the human and social needs for the region, and will simply perpetuate the poverty that exists now.

At the Great Valley Center, we are very concerned about the costs of the infrastructure needed to support the growing population. Nobody has done any numerical analysis to determine how much is needed for three million more people or six million more people. How can we provide schools, clean water treatment plants, highways and bridges, air quality improvement, waste water treatment and all of the kinds of amenities and services that people expect in cities and counties across the rest of California and the nation?

The problem is the region itself does not have the capacity to tax itself that many other regions in California do. As you know, we have lots of limited job skills, some limit of upward mobility, kids living in poverty, high unemployment and local governments that have few resources. In fact, a lot of the places that have the lowest property tax rates are in the region. This means that there is little capacity for economic support at the local level, and it seems to me very unrealistic to assume that, as many California cities are going to do, that we can pay for what the region will need simply by assessing new development. That revenue source is insufficient and inadequate to provide what the region truly needs in terms of infrastructure.

This is the first region of the country that I am aware of that has had to face this kind of population growth without massive federal assistance. In the past we had clean water grants; the federal interstate system paid for highways, roads and bridges; there was revenue sharing, which helped local government; there was the

33. Executive Department, State of California, Executive Order S-5-05 (June 24, 2005)
34. Id.
Rural Electrification Program; there were a number of federal programs that addressed the needs of regions in this kind of situation, none of which exist any longer.

Throughout the past, there has been federal involvement in specific geographic areas when the circumstances were extraordinary. The examples from history include efforts such as the Tennessee Valley Authority, and even help in the wake of natural disasters. In fact, given the scope of the Great Central Valley’s serious social, economic, and environmental challenges, it sometimes seems, and with no disrespect intended, we would need to fake a hurricane in order to get the attention and resources the Central Valley needs.

And so the challenge for the region is whether strategies can be developed that will provide intervention and change the current direction of the Central Valley, so that the region can become a net contributor to the state of California, so that the people who live there are wage earners, are providing for their families, are living high-quality, healthy lives, or whether we will just continue to drive on the “right roads” and not look at a worsening situation.