

**Pictures of a Gone City**  
**Tech and the Dark Side of Prosperity**  
**in the San Francisco Bay Area**

Richard A. Walker

**SPECTRE** 

**PM**

*Pictures of a Gone City: Tech and the Dark Side of Prosperity in the San Francisco Bay Area*

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## CHAPTER FOUR

### City at Work

#### Making and Fighting for a Living

THE BAY AREA AND ITS ROBUST ECONOMY IS NOT ALL ABOUT CREATIVE GENIUSES, entrepreneurial marvels, and rapid growth. The regional economy runs on the labor of three and a half million people who go to work every day, do their jobs, and get a paycheck for fulfilling their duties. Ninety percent of these are not working in the tech industry and three-quarters are not among the highly educated, skilled, and bountifully remunerated labor force. For the most part, these people are doing the conventional, unglamorous work necessary to the operation of each and every workplace, firm, and industry. They are, in short, the solid foundation of the metropolitan economy.

The previous chapter looked at the distribution of income and wealth in the bay region, with the emphasis on the enrichment at the top. It noted that despite high average wages for the bulk of working people in the Bay Area, most were not in the stratosphere of skills and earning, the middle wage group was shrinking and a huge percentage were still serving as a cheap labor force. This chapter adds another, thicker layer of evidence about what working people do and who they are. It also enlarges the scope of what it means to be “working class” and the variety of people who might be gathered under that umbrella.

The range of work being done across the bay metropolis is immense. People are employed in all types of occupations and all manner of workplaces. Most are familiar, everyday jobs in offices, stores, and classrooms, or in the city streets: secretaries, checkout clerks, teachers, nurses, trash collectors, janitors, and so on. While some are lucky to have interesting, challenging, and ever-changing work tasks, the workaday world for most people is not particularly glamorous nor do they have the chance to exercise much autonomy, creativity, or variety at work. Most workers follow a similar routine: get up and go to work every day, do what the boss asks, and do a good job or risk being replaced. For many, the work is unpleasant and working conditions terrible, and a large number have to cope with irregular and unreliable employment. The bad jobs have not all been shipped abroad—far from it.

People of color make up three-fifths of the labor force in the Bay Area,<sup>1</sup> creating an unprecedented conjunction of race and class compared with the past and with the almost entirely white composition of the 1 percent of the rich. Therein lies the potential for a unified opposition to the kind of inequality, instability, and corporate power created by the gilded tech economy. But working people come in all sizes and colors, hail from all corners of the globe, and face severe labor market discrimination against people of color and immigrants. More than half the workforce is female, and women face serious discrimination, as well. These differences fragment working-class identity, pit people against each other, and defeat efforts at collective mobilization for better wages and working conditions. They also make racial solidarities and gender struggles more pressing than appeals to class unity.

Nevertheless, the continuing convergence of class, race, and gender has had a profound effect on the kinds of activism that have broken out in the twenty-first century. A whole series of popular movements have arisen around employment, pay, and life chances of everyday working people. The Bay Area has long been known as a place where progressive change bubbles up from below, and this is true again today. Some of the most significant national movements of the present times have been initiated or nurtured by bay activists—battles over “living wages,” immigrant rights, policing and prison reform, and gender equality. The intersection of those movements and interests lends new impulse to what used to be called “class struggles.” A key theme is that the humble improvements sought by the mass of working people are just as much, if not more, important than the whizbang innovations of the tech geniuses in making the bay region and the country a better place for everyone.

The first half of this chapter lays the groundwork on the workaday world of labor in the Bay Area and the makeup of the labor force; these four sections cover the jobs people do, employment insecurity, race and racial ordering of labor markets, and the importance of immigrant workers. The second half of the chapter looks at four critical areas of activism by working people, responding to the deplorable state of working conditions, living circumstances, racial discrimination, and passage in and out of the workforce; these sections concern the movements for immigrant rights, for unions and living wages, against racialized criminal justice and against the mistreatment of women at work.

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1 “People of color” is the preferred term among antiracist activists these days, rather than “non-Whites” or “racial minorities.”

### The Workaday World of the Metropolis

The focus on the tech economy in the Bay Area masks the less glamorous reality that most people are busy at the vast multitude of jobs that keep the modern city running. There are three and a half million workers in the bay region. What kind of work do they do and under what conditions? The variety of work in the modern metropolis is mind-boggling. The city is not just a place where companies and workers locate; the city is a kind of gigantic, open-ended factory embracing every kind of workplace, employer, and occupation. To get one's mind around this, it is necessary to break out of the confines of the standard categories of industrial sectors, such as were outlined in chapter 2, and think in terms of a much-larger and more complex social division of labor—a key economic term too rarely used in popular discourse.<sup>2</sup>

The modern urban economy is not just a collection of factories, offices, and warehouses. There is a much-larger division of labor in today's world than in the heyday of the Industrial Revolution in the nineteenth century or the Fordist era of the twentieth. The relative shrinkage of manufacturing, mining, and farming as a share of the economy rests not just on automation that eliminates jobs in those sectors; it is just as much a result of the growing complexity of every kind of social labor, whether the end product is a washing machine or a medical operation. There is a good deal of confusion about the expanding division of labor, however, because almost everything other than manufacturing has come to be called "services"—a kitchen sink term that explains nothing. The service label originally meant that the product of labor is not a material good, but in fact most of the work in today's economy produces nothing by itself; it is "intermediate" to a final result somewhere down the line.<sup>3</sup>

What is wanted is a closer look at occupations, not just sectors, and the way similar occupations occur across sectors—job categories such as designer, engineer, manager, custodian, food preparer, and production worker. The U.S. Census Bureau identifies over five hundred detailed occupations, which it organizes into nine major groups and twenty-three subcategories. Summarizing the data on occupations for the whole Bay Area, however, is made more difficult by the conceptual incoherence of some of the U.S. Census categories, which require a lot of massaging in order to make sense of them.

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2 Sayer and Walker 1992.

3 *Ibid.*, chapter 3. While stressing the expanding division of labor here, cities have always had complex economies. Hall 1982, Harvey 2003.

Here is a rough breakout of some typical Bay Area occupations by wage and job quality.<sup>4</sup>

### **High-wage and High Quality**

- CEOs, corporate officers
- Science and social science researchers
- Managers, administrators, management consultants
- Financial advisors, investment managers, bank managers
- Computer and software design, engineers, architects
- Doctors, medical technicians, registered nurses
- Attorneys, psychologists, university professors

### **Medium-wage and Medium Quality**

- Machinists, machine repairers, computer technicians
- Carpenters, plumbers, painters, drywallers, electricians
- Truckers, bus drivers, delivery drivers
- Librarians, teachers, archivists, office clerks
- Nurses, hospital staff, dental hygienists
- Performers and theater staff, athletic trainers, gym staff
- Frontline supervisors of office and admin workers
- Bookkeeping, accounting and auditing clerks, administrative assts.
- Media staff, publicists, graphic designers
- Sales and customer service reps, real estate brokers
- Car repair, maintenance specialists
- Computer support technicians, low-end coders

### **Low-wage and Poor Quality**

- Servers, cooks, dishwashers
- Hotel maids, janitors, hospital orderlies
- Haircutters, beauticians, animal care workers
- Housekeepers, childcare providers, launderers
- Production line workers
- Landscapers, gardeners, street sweepers, recyclers
- Construction helpers
- Sales clerks, stockroom and warehouse workers
- Farmworkers

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4 Assembled from Storper et al. 2015, Bernhardt et al. 2015, ABAG 2014, and Bureau of Labor Statistics data. These groupings do not correspond exactly to the three wage tiers in chapter 3. Allowance must be made for racial and gender discrimination, discussed below.

- Private security guards
- Secretaries, receptionists, file clerks
- Taxi drivers

Job quality is, of course, less precise than wage and salary levels, but researchers have divined a good deal of information from census data and surveys about degree of autonomy, problem-solving, repetition, and the like in work tasks. High-quality jobs have considerable autonomy and little oversight and require more judgment about what tasks to undertake and how to go about them. Low-quality jobs are mostly routine and repetitive, closely supervised, and have little scope for initiative and creativity. Most occupations fall somewhere in the middle. The education required for better jobs is higher on average, because of the need for background knowledge, exposure to a wider range of experience, and demonstrated ability to work independently; but there are many middle-level jobs with a high degree of job-specific, technical knowhow, such as machining or college administration.<sup>5</sup>

Nevertheless, the question of how to assess “skill” is far from obvious. Some jobs, often labeled unskilled, require a good deal of reason, acuity, and initiative, as in the case of childcare and housecleaning. By contrast, some supposedly high-skilled positions, such as store manager and software engineer, are occupied by people who lack much *savoir faire* beyond bossing and coding. The uncomfortable fact is that a lot of work is devalued by its sheer familiarity or by association with the people who do it, particularly women and people of color. Labor market discrimination does not just affect how workers are slotted into jobs but how the jobs they hold are evaluated by employers and society.<sup>6</sup>



As noted in earlier chapters, the Bay Area has an abundance of high-quality, well-remunerated jobs across every sector, which offer independence, variety, and problem-solving at work. They usually require advanced degrees or extensive experience and offer considerable social prestige beyond the workplace. Such jobs occupy about a quarter of the workforce, perhaps as much as a third. That is an impressive number, but it still leaves two-thirds or three-quarters of the labor force without ready access to the best jobs and wages.

The regional economy offers many middle-level jobs, however, some of which offer an extra payoff to those with more education—and even to those

5 Autor & Dorn 2013, Storper et al. 2015.

6 Cockburn 1985, Wilkinson 1981, Wolff 2006.

with less education who have specialized skills and knowhow acquired on the job. This middle segment constitutes roughly another third of the labor force; but job quality, like wages, tails off for the bottom half of this group. Altogether, the share of good jobs in the Bay Area probably stands at no more than half. Nevertheless, it is still greater than in cities with larger low-wage economies, such as Atlanta and Houston.<sup>7</sup>

Even in nominally good-quality jobs, work can still be difficult and, in some cases, intolerable. Autonomy and creativity are not incompatible with a high degree of pressure. Labs have to generate new results and patents, hospitals and clinics have to keep costs down by treating more patients, and managers have to get results from those working under them. There is always another level of supervision looking down and ultimately the rigors of markets and profitability to contend with. Competition is the name of the game, and it applies to interpersonal relations as well as to firms; it is even felt by governments and nonprofits.

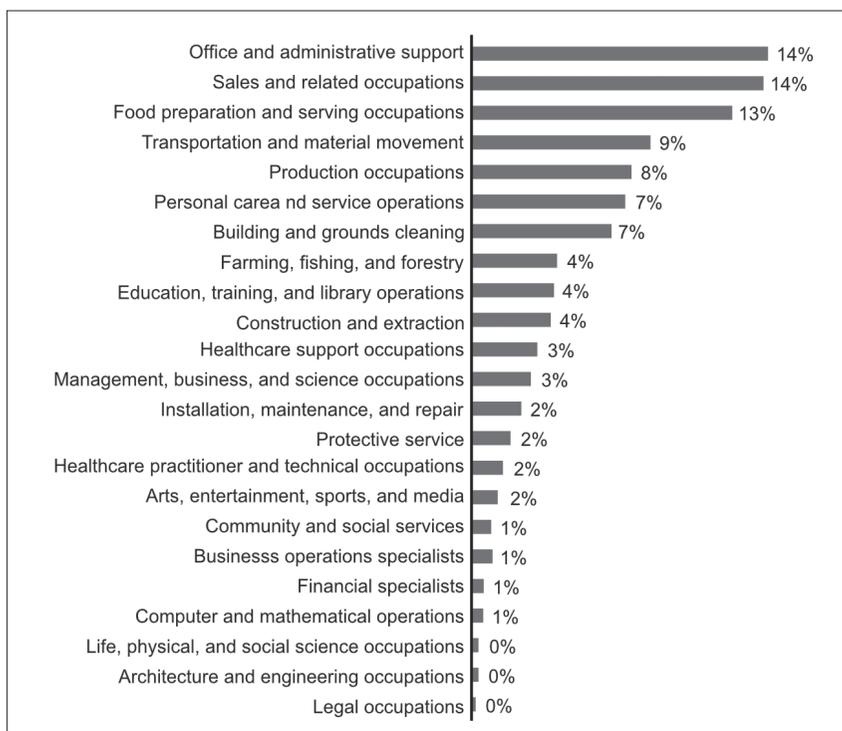
Work speedup has hit a wide range of professional and upper echelon occupations in recent years, whether in tech work, school teaching, university research, financial affairs, health care, or hotel management. Intensive, even frantic, work schedules are practically the norm in the tech industry, and the pressure makes tech a young person's world, as does the rate of change in technology and tasks. The industry has not been kind to older workers, brutally jettisoning those with obsolete skills, offshoring midlevel jobs, and hiring eager-beaver college grads to populate start-ups.<sup>8</sup>

What about the bottom third of occupations? A truly shocking aspect of work in the bay metropolis is how many lousy jobs there are in such a high-flying, sophisticated economy. The income and poverty data for low-wage work were reviewed in chapter 3, showing that the bottom third of the labor force constitutes a cheap labor pool earning less than a living income. Here the focus is on the quality of jobs, working conditions, and life chances for that bottom third—and most of the lower half of workers and their families. Good documentation about this group is actually more plentiful than for the middle and upper rungs of the laboring population.

To begin with, low-wage jobs are heavily concentrated in a few sectors, such as retail, hotels, cleaning services, food preparation, and domestic service (fig. 4.1). Jobs in these industries often come with distinct social burdens. The front end of retail requires close, fawning personal attention to clients and their desires. Hotels and hospitality jobs have similar characteristics, plus a

7 On the extra payoffs to middle level Bay Area workers, see Storper et al. 2015, pp. 45, 56.

8 Benner 2002, Bardhan et al. 2004, Burchell et al. 2005, Lyons 2017.



**Figure 4.1: Chief Occupations of California Low-Wage Workers, 2012–2013**

Source: Bernhardt 2014.

large number of back-end jobs that involve even more intimate contact with and cleaning up after guests. Domestic service, such as cleaning, childcare, housekeeping, and gardening, comes with an even higher degree of personal subordination and even humiliation—such as caring for someone else’s children while one’s own are latchkey kids. The Bay Area’s upper classes would be hard put to get to their fancy jobs, raise their privileged kids, and enjoy evenings out on the town if their minders disappeared; but they are not always grateful for the service or respectful of domestics. Ironically, these normally invisible workers are so vital to the operation of the metropolitan economy and class system that as they are priced out of housing in boom times, a chorus of howls about their absence goes up from employers, politicians, and upper-class households.

Second, the lower echelons of the workforce suffer from a multitude of disadvantages beyond low wages. They do not, as a rule, have much autonomy at work nor are their tasks particularly creative or satisfying. The worst-paid jobs are all too often done under difficult, dirty, and dangerous conditions. Low-end jobs almost never offer the possibility of advancement and career

building, and they are the most unstable, forcing people into frequent bouts of unemployment. On top of everything else, low-end workers are devalued by the rest of society for their lack of skills, education, and stability.<sup>9</sup>

Third, the life conditions for low-wage households are the poorest. In the expensive Bay Area housing market, many live in converted garages or their cars (see chapters 3 and 6). The children of such workers are the least likely to get a good education and get ahead. Bad jobs and unstable lives impact people's health: more physical breakdowns, mental health issues, broken families, and addiction, as well as lower life expectancy. At the same time, the proportion of low-wage workers who lack health coverage to help when they are sick or injured is much higher than for the rest of the labor force. Not only does this adversely affect their own lives, it forces them to go to work sick, where they are more likely to be injured or to infect others.<sup>10</sup>

### **Employment Insecurity and the Gig Economy**

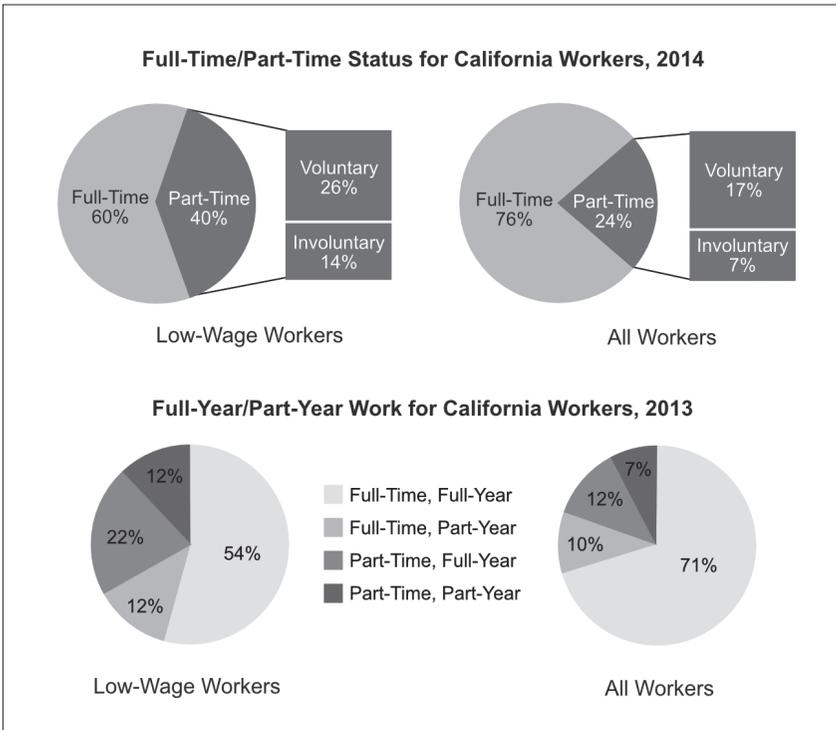
A central feature of the New Economy of the Bay Area since the 1980s has been greater contingency and insecurity of employment. The postwar regime of stable, full-time, and lifelong employment is a thing of the past. It featured, in the upper tier, career engineers at IBM in San Jose, tenured professors at California's public universities, and long-term jobs for skilled mechanics at United Airlines repair shops. In the middle were union workers with seniority at General Motors in Fremont, U.S. Steel at Pittsburg, and Lockheed in Sunnyvale. Of course, workers in the bottom tier never enjoyed much stability, but some did gain relatively permanent jobs in manufacturing, hotels, and municipal agencies. That kind of stability is much diminished over the last quarter century, and the burden of insecurity has fallen disproportionately on the young.

Companies began shifting en masse to "flexible" or "contingent" employment in the last decades of the twentieth century. This consists of putting out noncore work to subcontractors, employing temporary workers hired through outside agencies, and utilizing self-employed consultants for special projects. Silicon Valley companies were in the vanguard of the national movement to flexible/contingent labor, sporting some of the highest percentages of temp, part-time, and contract labor in the country, just as they were in

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9 Bernhardt et al. 2015. For a portrait of low-wage work in America, see Ehrenreich 2001. On the devaluation of workers, see Jones 2016, Wise 2015. On its long history under capitalism, see Sayer 1995 and Perelman 2000.

10 Case & Deaton 2017. Recall, too, that the bottom half of the American populace have no net wealth and the bottom fifth are perennially in debt; this leaves them with no financial cushion to make up for bad wages and other aspects of precarity.



**Figure 4.2: Full-Time and Part-Time Work in California, 2014**

Source: Bernhardt 2014.

offshoring production and programming jobs. The transformation of employment relations has been every bit as fundamental to the New Economy as the new IT innovations.<sup>11</sup>

There are various estimates of the share of employment that is flexible/contingent in the Bay Area, but it appears to be between a quarter and a third of all jobs. A recent study of Silicon Valley estimates that over a quarter of jobs are subcontracted, mostly in food service, landscaping, and security work. Another study of California as a whole showed part-timers to be about 25 percent of the workforce and those with less than year-round employment closer to 30 percent (fig. 4.2).<sup>12</sup>

A striking aspect of contingent employment is the high correlation with low wages and lack of benefits. Workers hired through temp agencies in California, for example, earn only two-thirds of the average wages of all workers and are twice as likely to be living in poverty. Low-wage workers are

<sup>11</sup> Benner 2002, Applebaum et al. 2003, Kalleberg 2009.

<sup>12</sup> Benner 2014, Bernhardt et al. 2015.

far more likely to be part-timers, have erratic work schedules, and be laid off first in lean times, and these things make their personal lives not just flexible but chaotic. Unstable and unpredictable work has clear negative effects on income volatility, individual psychology, and family conflict. Subcontractors are also less attentive to workplace dangers and more likely to be used for hazardous work. No wonder many people have taken to calling this group of working people “the precariat.”<sup>13</sup>

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The new Gig Economy of the twenty-first century has received wide attention, but is greatly exaggerated in size and framed as something new and revolutionary, hailed with the usual gusto by its avatars like Travis Kalanick, who says, “It’s good for everybody, it’s not red or blue.” In most respects, however, the Gig Economy is just an extension of flexible and contingent employment relations. While commonly touted as a kind of freedom from regular work and direct supervision, it is more like the latest twist of the rope that millions of workers hang on to for dear life.<sup>14</sup>

A study in San Francisco found that the proportion of gig workers—defined as independent contractors, temps, and part-timers—has not gone up in recent years. Using a more narrow definition of gig work as independent contracting, a recent study of California put the percentage in single digits, a bit higher than the country as a whole, and unchanged over time. Only a small proportion of these were based on digital platforms, such as Uber, TaskRabbit, and InstaCart—around 1 percent of the labor force (also higher than the rest of the country).<sup>15</sup>

The paradigmatic worker of the Gig Economy is the Uber driver, who uses a personal vehicle to provide taxi service. The key technical development is the smartphone app used by customers and drivers to coordinate with each other and make payments, which is more efficient than the old taxicab dispatcher system and more flexible than public transportation. Bringing your own car is less than revolutionary, since many workers, such as carpenters, have always supplied their own tools.

Debate is raging around the world about the pluses and minuses of the Uber system versus taxis and public transport—systems that are often all too easy to fault. Most young people like Uber because they have grown up in a world of smartphones, convenience, and contingent work. Most Uber drivers

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13 Dietz 2012, Schneider & Harknett 2017a & b.

14 Kalanick quotation in Kessler 2013.

15 Green 2016a, Bernhardt & Thomason 2017. See also Manyika et al. 2016, though the it lumps contract work with people renting on Airbnb and trading on eBay to earn income.

like the extra income they earn off their otherwise idle cars and time—especially given the lousy state of wages in the lower half of the labor market. Cab drivers almost universally hate the competition, which lowers their take and can even eliminate their jobs entirely. In San Francisco, where cabbies once bid for expensive licenses (“medallions”), hundreds have been bankrupted.

A big question is whether the drivers are simply employees of Uber and its fellow companies, and therefore subject to normal labor market rules and regulations—which up to now they have completely avoided. In 2016, a British labor tribunal ruled that they are, indeed, employees, and in 2017 the European high court ruled that Uber is a transportation company, not just a tech platform. But gig work is not regular employment; rather, it looks a lot like alternative forms such as “inside contracting” of skilled laborers in early steel mills, self-employment by fast-food franchise operators, or independent contracting by professionals. These kinds of employment relations can offer workers a valued degree of autonomy, but demand, in turn, a huge amount of self-exploitation.<sup>16</sup>

Uber driving offers a certain degree of independence and flexibility, but as most drivers eventually find out, the wages don’t add up to a good living. Meanwhile, Uber is skimming off a nice cut from every transaction and they are the ones setting the wage and profit rate. Ultimately, Uber controls the conditions of work through the settings on its app and leaves its drivers to shoulder all the risk of fluctuating demand, traffic conditions, and irregularity of work. This is contingent employment in new clothes.<sup>17</sup>

In a further twist, online platforms are being used by conventional bosses to manage the workforce: making short-term contracts, setting up weekly schedules, calling people in on short notice to fill absences, etc. As more and more employers use automated scheduling software to micromanage workers’ schedules from day to day and week to week, people’s home lives are being badly disrupted. This kind of unpredictable scheduling is especially hard on women workers, who bear a disproportionate share of domestic responsibilities.<sup>18</sup>

Something else is afoot here, too; gig work is part of the individualizing of economic life and financial responsibility. Every man, woman, and child is implored to take personal control of work, retirement, insurance, education, and so forth. Alas, greater responsibility means greater risk of failure. The Gig Economy is the antithesis of collective responsibility and class solidarity. It is furthering the expansion of the precariat.<sup>19</sup>

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16 Osborne 2016, O’Connor 2017.

17 Scheiber 2017.

18 Kantor 2014, O’Connor 2016.

19 On financialization of personal life, see Martin 2002.

### Workers Show Their Colors

So, with that introduction to the state of occupations and employment in the Bay Area, what about the people who fill those jobs? The first, most striking characteristic of the working class of the region is that the workers are mostly people of color. While the upper classes are overwhelmingly white—the 1% almost without exception and the top 20 percent overwhelmingly—the majority of working people are not.

A new American working class is coming into being in California and it is heavily weighted with people of color. This has enormous implications for class and race relations, but is by no means a simple *fait accompli*. The history of race and class in America makes such a claim immediately suspect as a gloss over the chasm between the two. Nevertheless, something unprecedented is happening here in the Bay Area and across the state, involving a substantial overlap of class and race, at a minimum, and a gradual merging of the two, at the limit. The balance of this chapter explores several ways that the two are coming together in practice.

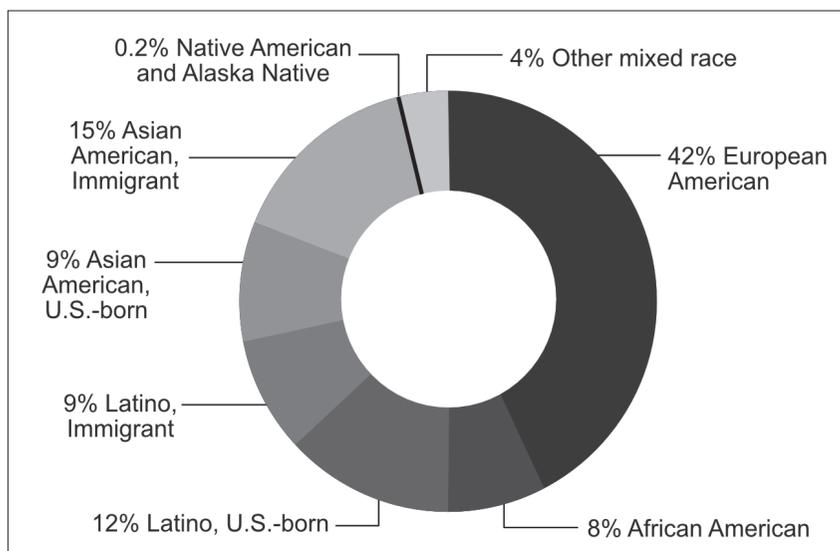
The working population of the United States was once made up overwhelmingly of two groups: people of European descent who arrived in the north in the mass migrations of the eighteenth to early twentieth centuries and people of African origin brought to the southern states by the slave trade. As Europeans assimilated, they merged into a new identity as “white,” a long process not without painful exclusion along lines of nationality and religion. Africans dispersed in large numbers during the Great Migration north and west in the mid-twentieth century, moving at last into the class of wage workers; but they remained a people apart because of white racism and Jim Crow laws.<sup>20</sup>

California was always different in its racial makeup, as a result of Mexico’s historical overlap with the Southwest and the arrival of Asian immigrants from China, Japan, the Philippines, and India. It rejected slavery, but its racial order was often draconian. It had a wretched record on race and immigration for the first century of statehood, starting with the dispossession and slaughter of indigenous people in the Gold Rush, followed by a vicious anti-Chinese movement in the 1870s, Asian Land Laws of the 1910s, and Japanese internment in World War II.<sup>21</sup>

Things began to turn around after the war as a western branch of the civil rights struggle broke down restrictions on marriage, employment, schooling,

20 On becoming white, see Lipsitz 1998, McDermott 2006. On intra-European racism, Roediger 2005. On slavery and capitalism, Williams 1943, Rockman 1997. On the Great Migration, Gregory 2005. On the racial legacy of slavery, Roediger 2008.

21 On California’s early racial order, see, e.g., Almaguer 1994, Chan 1991, Brilliant 2010.



**Figure 4.3: The Bay Area's Racial Mix, 2012**

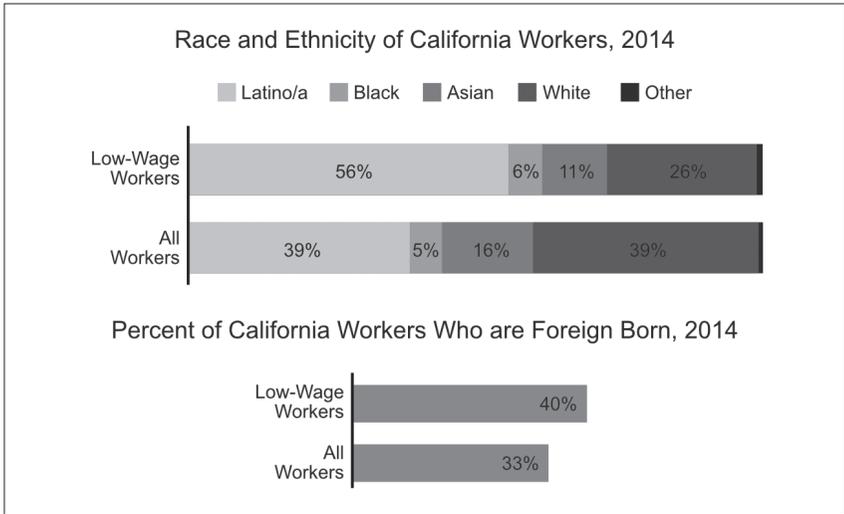
Source: Policy Link 2015 (5-county Bay Area).

and housing, even before the better-known U.S. Supreme Court decisions and congressional laws at the national level. California's racial makeover took off after 1965 when the harsh racial quotas of the 1924 Immigration Act were relaxed and the state became the largest point of entry for the new wave of immigration from Asia and Latin America. As a result, the state has been utterly transfigured over the last fifty years.

The racial makeup of today's California is roughly three-eighths European American, three-eighths Hispanic American (Latino), one-eighth Asian American, and one-eighth African American and Native Americans. The Bay Area's racial mix echoes that of California with one significant difference; it has a larger slice of Asian Americans and a smaller one of Latinos (fig. 4.3). Greater Los Angeles, by contrast, tilts heavily toward Latinos. Not surprisingly, California's two dominant metropolitan areas are the most diverse in the country. The United States as a whole, by contrast, is still majority white: five-eighths European American, two-eighths Hispanic/Latino, and one-eighth African American, with many fewer Asian Americans.<sup>22</sup>

The new immigrants and their children came looking for work and filled jobs that were opening up by the millions in the 1980s and 1990s up and down

<sup>22</sup> For an overview of the Bay Area's racial composition, see Pastore 2008. Nothing is implied by dropping the inconvenient hyphens in speaking of various immigrant-American groups.



**Figure 4.4: California's Workers by Race & Origin, 2014**

Source: Bernhardt 2014.

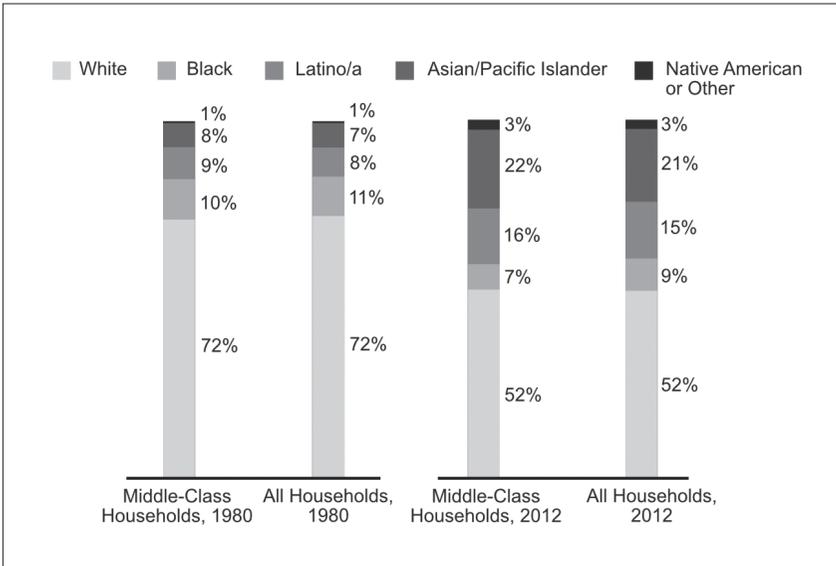
the state. California's booming labor demand and immigration tailed off in the first decade of the twenty-first century, but by that time the working population had been transformed from majority White to majority Brown, with a touch of other colors. The Bay Area's working population looks similar, except that Latinos and Asians each make up about 25 percent (fig. 4.4).

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If the Bay Area's labor force is such a mixture of people, how big a role do race and racism play in sorting out and splitting up the working class? Since the region prides itself on its racial tolerance, there ought to be no simple racial order among Bay Area workers. To a considerable extent this is true. The largest group in the middle-wage workforce is white, but a great many people of color can be found in that category, as well (fig. 4.5). One sees a good deal of upward mobility of workers of color into office, supervisory, and skilled jobs and some make it all the way into management and the professions. Education has a clear payoff for all workers of color, though less than for whites and Asians (fig. 4.7).<sup>23</sup>

Nevertheless, there is persistent inequality in the ability of racialized people to gain access to top-flight jobs and a clear disadvantage in terms of wages, regardless of education level and type of job filled (fig. 4.6). The worst jobs in the bottom third of the labor market are overwhelmingly filled

<sup>23</sup> See also Storper et al. 2015.



**Figure 4.5: Racial Mix of Middle-Wage Workers, 1980 & 2010**

Source: Policy Link 2015 (5-county Bay Area).

by people of color (although a quarter of Whites are in the low-wage workforce, too). And it should not be forgotten that people of color own much less property of every kind than white people, by an order of magnitude, and this means fewer homeowners and more indebtedness among the bottom tiers of working households.<sup>24</sup>

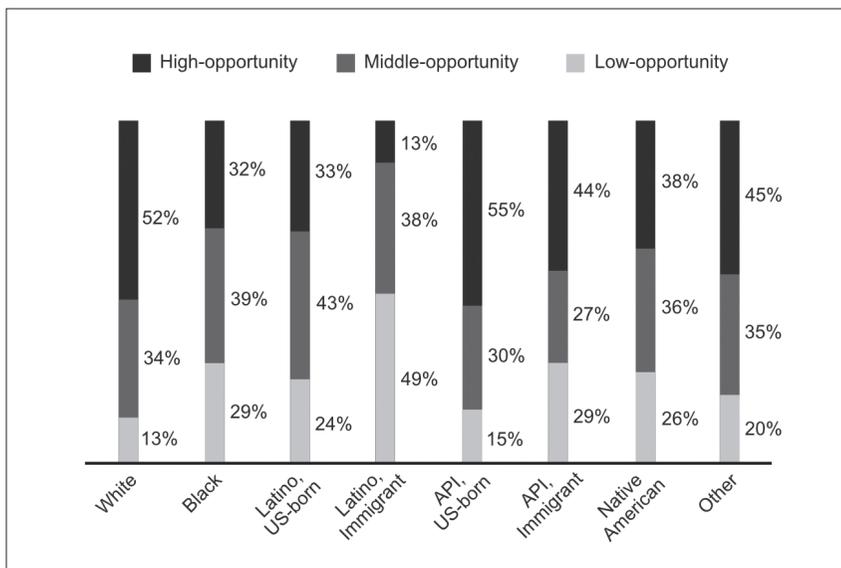
The lumpy racial categories used in most regional statistics need to be broken into finer categories to see who is doing what. The cheap labor force is made up chiefly of Mexicans and Filipinos, plus goodly numbers of Vietnamese, Chinese, and African Americans, and a smattering of Laotians, Cambodians, Koreans, East Africans, Hondurans, Guatemalans, and South Asians. Many of the lowest level workers of every origin are recent immigrants and some are undocumented, making them the most easily exploited of all because they live in constant fear of being revealed to Homeland Security’s Immigration and Customs Enforcement bureau (ICE) and deported.<sup>25</sup>

The most deplorable exploitation is that of day laborers, who are almost exclusively Latino men. The vast majority are undocumented immigrants,

24 For valuable statistics on race and inequality in California, see <http://www.racecounts.org/california/>. On wealth by race in Los Angeles, see De la Cruz-Viesca et al. 2016. No such study exists for the Bay Area.

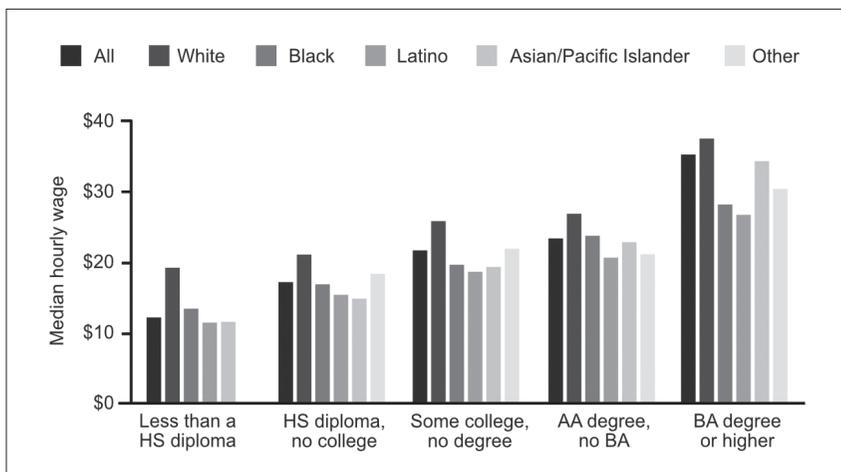
25 The fine divisions among and within these various communities are significant but often invisible to outside observers. On changing definitions of race, see Rodriguez 2000.

CITY AT WORK



**Figure 4.6: Access to Jobs by Race, 2012**

Source: Policy Link, 2015 (5-county Bay Area).



**Figure 4.7: Wages by Education Level, by Race, 2008–2012**

Source: Policy Link 2015 (5-county Bay Area).

and most are from native Indio groups in Southern Mexico and Guatemala (Maya, Mixtec, Zapotec) who do not always speak Spanish, let alone English. You see them standing on street corners every day of the week all around the metropolitan area, including suburbs, where they are much in demand for heavy landscaping, debris clearing, crawling under houses, and other nasty jobs. Attention to the health and safety of these workers is nil. How

much (and whether) they will be paid at the end of the day is always up for grabs.<sup>26</sup>

Agricultural work is not much better. Farmworkers are a major presence in the outer Bay Area counties of Napa, Sonoma, Santa Cruz, and San Joaquin, where they are essential to wine, fruit, and vegetable production. They do backbreaking labor for long hours in the hot sun, often without adequate water, food, toilets, and childcare, and are frequently exposed to toxic pesticides. Some who gain a degree of permanence, as in high-end vineyards, earn a decent income; but even so the wine district of the North Bay has some of the highest rates of poverty in the region.<sup>27</sup>

Another arena marked by high percentages of low-wage jobs and of workers of color is construction. Beyond the better-paid crafts workers are large numbers mustered for one-off construction projects during boom times, from housing in Santa Clara County to malls in Sonoma County. They migrate in from rural counties and live in their trucks while on the job. These, too, are overwhelmingly Latinos, both immigrants and second generation, and many undocumented and working off the books.<sup>28</sup>

### **The State of Immigration**

Over the last half century, California absorbed millions of immigrants, more than any other state in the country. Now they and their children and grandchildren make up the majority of the state's population. By 2015, immigrants numbered over ten million, meaning that over one-quarter of Californians were foreign-born. Children of immigrants numbered over four million, representing nearly half of all children in the state (because immigrants tend to have larger families than folks born in the United States). Given the large number of second-generation youth, the proportion of people of color is still going up. The percentages of immigrants and their children is even higher in the big cities. The Bay Area's population was about one-third foreign-born in 2015, and four of the five counties in the state with the highest percentage of immigrants were in the metropolitan area (Santa Clara, San Mateo, San Francisco, and Alameda Counties).

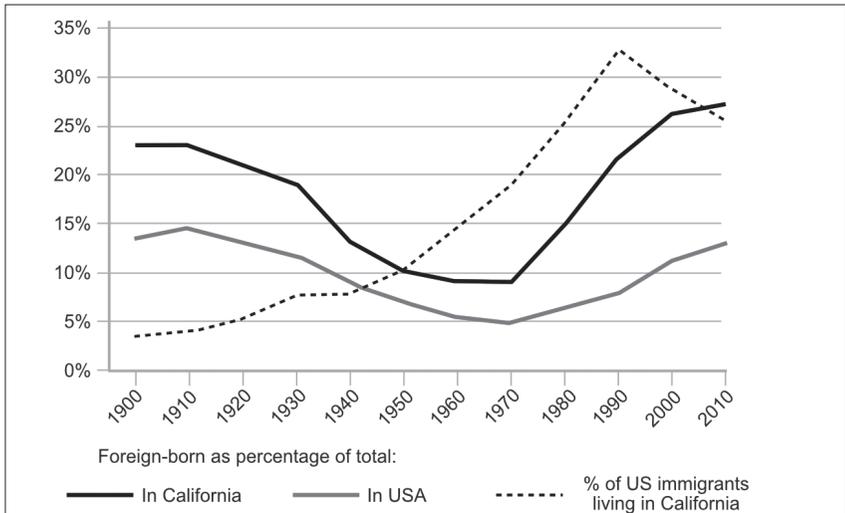
Immigrants are drawn chiefly by labor demand. When jobs in California were proliferating in the 1980s and 1990s, a huge influx hit the state—the greatest numbers since the late nineteenth century. After 2000 the number of immigrants fell off as the state's labor demand plateaued thanks to two major

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26 Gonzalez 2007. See also reports of the National Day Labor Organizing Network at <http://www.ndlon.org/en/>.

27 Walker 2004a. See also reports of California Institute for Rural Studies, <http://cirsinc.org>.

28 Hsu 2014.



**Figure 4.8: Immigration to California and USA, 1900–2010**

Source: Walker & Lodha 2013.

recessions (fig. 4.8). Immigrant labor force participation is a couple percentage points higher than U.S.-born workers. Today they make up a third of the state's workforce and undocumented immigrants are one-tenth. To be sure, immigrants occupy more of the lower-ranked occupations than U.S.-born workers, but they are found in a surprisingly high percentage of upper-level jobs, as well. For example, in 2015 immigrants filled 30 percent of management, business, science and arts occupations in California versus 42 percent for U.S.-born workers.<sup>29</sup>

The new populace of the Golden State has come from all around the world, but the biggest contributors have been Mexico and East Asia (China and the Philippines), with substantial contingents from Central America, Southeast Asia, and Europe. There have been smaller flows from Africa, South Asia, the Middle East, and the Caribbean.

Discussions of immigrant numbers are plagued by the incoherent, unstable, and contentious categories of official statistics and popular discourse. Most figures are given by continent of origin: Asian, Hispanic, European, African, and Native American. The U.S. Census is sufficiently confounded by Latinos to have two measures, one by skin color (White, Black) and one by language (Hispanic, non-Hispanic). Why Brown is not an official skin color is not explained. This leads to some marked distortions in the figures, such as the bizarre claim that California is still 57 percent White because almost

<sup>29</sup> Data from <http://www.migrationpolicy.org/data/state-profiles/state/workforce/CA#>.

half of Hispanics declare themselves to be White. Curiously, the 2010 census only showed 3 percent of Californians to be multiracial, which is a huge underestimate of genetic mixing over the centuries in the United States and Latin America.<sup>30</sup>

The problem, of course, is that race is a notoriously pseudoscientific category that slaps together crude images of physical features, imprecise notions of origin, and vague ideas about religion and culture. Racial concepts are, for the most part, literally skin deep—or go no farther than clothing and speech. But the idea of race is deeply embedded in modern thinking and the practice of racialization has profound effects on the way people are divided, slotted, and scorned. Race must, therefore, be taken seriously as a social force that establishes its own hierarchy (“a racial order”) and that crosscuts class and other divisions. Because it has such important effects, the word “race” cannot be avoided, and terms such as “White,” “Black,” “Asian,” and “Latino” can be deployed here precisely because of their popular provenance, despite the problematic character of such terminology.<sup>31</sup>



Do immigrants displace American-born workers? This is a politically charged question in the present atmosphere of nationalist xenophobia. It is not true, for the most part, that immigrants have taken the jobs of “native” Americans (a suspect term; “U.S.-born” is more accurate). Migrants go where there are jobs, and while jobless workers in economically stagnant regions may falsely blame immigrants for their woes, the fastest-growing regions of the country are, in fact, the ones with the largest numbers of immigrants. In the Bay Area, most migrants have come to fill new jobs, not to replace previous workers in their old jobs. This has always been a place that thrived on a influx of new labor, whether from Europe, New England, Louisiana, China, or Mexico.<sup>32</sup>

Nevertheless, it is true that at the same time as huge waves of new people have come into the country over the last several decades, millions of existing jobs have disappeared as old industries and occupations have shrunk. There has been a wrenching restructuring of the economy and economic geography of the United States, as noted in chapter 2, with an accompanying decimation

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30 Rodriguez 2000, Prewitt 2013.

31 There is some genetic basis to some bodily differences among “races,” such as sickle-cell anemia resistance in West Africans, but it is extremely thin. On the history of U.S. racism, see Marx 1998, McDermott 2006, Roediger 2005, 2008.

32 On migration to jobs, see Piore 1979, Storper 2013. On the history of California demography, jobs, and growth, see Gordon 1954, Walker 2001, 2008. On recent regional growth and immigrants, see Fleming & Leatherby 2016.

of working-class communities across the nation. The Bay Area, too, used to move to a very different rhythm of work on the waterfront, in warehouses and factories, and in fields and canneries. It has seen a largely white labor force replaced by people of different origins and skin tones, as the local working class was thoroughly reconstructed.<sup>33</sup>

The key difference is that in the Bay Area the decline of old sectors and jobs has been masked by the growth of other sectors in the social division of labor. This has been apparent since the early 1980s, when manufacturing first went into free-fall, while health care, finance, business services and tourism were rising rapidly. It became visible again in the collapse and recovery from the Great Recession, where the goods producing and handling sectors and finance fell off a cliff, while tech, health care, and tourism suffered less and recovered sooner. With every shift in the economic base, more and more immigrants and children of immigrants (and women) were hired, while older white workers lost their jobs, retired and moved away.

Of course, there are situations where immigrants have directly replaced previous workers. Many employers have been aggressive in ridding themselves of unionized and better-paid workforces; there are plenty of examples of perfectly good workers laid off and replaced by people willing to work more cheaply. But where does the fault lie—with immigrants who arrive from low-wage countries and are often in desperate straits or with the employers who make the decisions of whom to fire and whom to hire? Many companies are more than happy to break a union, undermine high wages, and exploit the needy of any race or origin. A good example is what happened to the workforce as the giant GM auto plant in Fremont became the NUMMI joint venture with Toyota and now the Tesla electric car factory.<sup>34</sup>

Nevertheless, no one has shown that direct replacement has been a big part of the shift to immigrant and female labor in the United States over the last forty years. Nor has immigration been the main reason that wages have grown very little over the same period; that has to do primarily with the poor performance of the U.S. economy and the decline of unions (see below). The one group who has suffered the most from the competition of immigrants and global trade is the lowest tier of labor force with the least education and fewest skills. Again, who bears responsibility for this? Is it the employers who have systematically garnered an extra measure of profits by hiring immigrants at lower wages than U.S.-born workers? Is it the neoconservatives/neoliberals

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33 On the old economy of the region and local deindustrialization, see Walker 2004b, 2008 and Shapira 1986.

34 For an excellent treatment of worker displacement and immigrant recruitment, see Miraftab 2016. On Tesla's labor issues, see Hansen 2017b.

who have cut taxes and social spending on public education? Or is the capitalist class that has been content to reap the benefits of lower taxes and cheaper labor without investing in education and training for the American work force—of all origins and colors?<sup>35</sup>

The Bay Area has long had a high-road economy that offered opportunity to legions of educated and skilled people and has benefitted mightily from the contributions of the whole spectrum of migrant labor. Overall, it is clear that it has gained enormously from the labor power, skills, and extra surplus value generated by millions of immigrants.

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Discussions of immigrants and race always run into the thorny question of “assimilation” or “Americanization” of people who arrive in the United States from elsewhere. New immigrants from Mexico, China, and Thailand quite naturally identify with their place of origin, just as did Italians, Irish, and Swedes when they first arrived in the United States long ago. Such identities are not continental (“Asian”) or linguistic (“Hispanic”), but national, and replete with memories of old rivalries (e.g., Koreans vs. Japanese, Poles vs. Russians). Identities are even further fragmented within nations, as with the gulf among Mexicans between Mixtecs from Oaxaca, mestizo villagers from Sinaloa, and elite Chilangos from Mexico City. It is only with the passage of time in the United States, in the face of isolation and discrimination, that national and local allegiances erode and new identities begin to grow among immigrants.<sup>36</sup>

By the second generation, that is, those born in the United States, English becomes the primary language in 90 percent of cases. American culture also largely displaces the immigrant cultures of parents and grandparents—though usually with a strong measure of acknowledgment and respect for those roots. This is not, by any means, always a smooth process, especially where English is a second language in the home and bilingual schools are rare. Equally, the tensions within families over the transition are famously controversial and the source of a good deal of literature on the immigrant experience. Assimilation is not by any means easy, but it does happen more readily in the United States than in Europe and other receiving countries. Immigrants rarely remain cloistered in a world apart. Yet a remarkable phenomenon of

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35 On wage effects, see Borjas 2013, Peri 2007. On the extra surplus from new labor recruits, see Moore 2015. On education cuts in California, which hit the children of immigrants the hardest, see Walker & Lodha 2013 and chapter 10.

36 For good portraits of immigrant communities, see Portas & Rumbaut 1990, Ong et al. 1994.

the new era of immigration has been the spread of Spanish as an everyday language in California.<sup>37</sup>

In the Bay Area, the new working class of many-hued workers, like the New Economy of work, is no longer a shock. It is the norm. This is reflected in changing attitudes at work, where people from many different origins regularly mix and socialize, and the way Spanish, Chinese, and Tagalog mingle with English in the workplace and in residential communities. This is not to say that racism is a thing of the past, but that it is in retreat. One of the key sites of integration is on the job, where the common experience of work often generates a rough sense of equality and community among working people. Not surprisingly, some employers have taken to banning speech in any language but English in order to undermine worker solidarity and organizing.

The openness of young people to the new demography and racial mixing is very encouraging. Polls showing greater liberality of the young of matters of race, immigration, sexuality, and religion are legion, and nowhere is this truer than in the socially liberal San Francisco metropolis. One of the most impressive developments in today's California is the everyday normality of interracial dating, sex, marriage, and offspring. The percentage of mixed-race children is over 5 percent and may run as high as one in ten, depending on racial self-definition. The Golden State is working hard on creating the new interracial society out of the motley crew of people from the four corners of the earth. It is, of course, still a distant ideal, but the distance traveled over the last generation or two gives hope for the future of the country.<sup>38</sup>

### **Immigrant Rights and Wrongs**

The immigrant rights movement has been one of the pillars of the struggle to defend the welfare of working people in California in recent decades. The main thrust of immigrant rights work has been the legal battle for recognition of undocumented immigrants' legal status and right to live, work, and thrive in the Golden State, where around one in ten residents have entered the country without papers. The movement got off the ground in the 1980s with the effort to win amnesty for immigrants without papers, and it achieved a measure of success in the 1987 immigration act. Then the politics of immigration got dramatically worse, with Southern California as the heartland of anti-immigrant organizing in America, spawning such deplorable groups as the Minutemen and Federation for American Immigration Reform (FAIR).

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37 Romero 2017. On Europe's resistance to assimilation, see Pred 2000.

38 One sign of improvement was the failure of the new appeal to "color-blind" treatment of everyone to take hold via ballot proposition in the early twenty-first century. Bonilla-Silva 2003. On mixed-race kids in California, see Clark et al. 2017.

Following a major recession and rioting in Los Angeles in the early 1990s, California went into a spasm of immigrant bashing. In 1994, Governor Pete Wilson (a former mayor of San Diego) pushed Proposition 187 to cut off government benefits to the undocumented, arguing that they were a major drag on a state budget already deeply in deficit. Supporters of immigrants rallied to get Prop. 187 declared unconstitutional in the courts, but the fight moved to Washington, DC, where California politicians led a new anti-immigrant drive. The reactionary Gingrich Congress and the rightward-tracking Clinton administration bought into the idea of building a wall along the California-Mexico border (Operation Gatekeeper) and passed a draconian new immigration act in 1996 aimed at deporting undocumented and criminal immigrants. California got its wall long before Trump.<sup>39</sup>

By the dawn of the twenty-first century, however, California was in recovery from its addiction to immigrant bashing. While the rest of the United States is still trying to get its collective head around mass immigration, California passed that point a generation ago. The demographic revolution had become clear as day by 2000, as the census showed that people of color had become the new majority in most cities in the state. A pivotal change came in the wake of Prop. 187 and its flood of xenophobic propaganda, when immigrants began to seek citizenship and voting registration in large numbers. As a result, the electorate started its dramatic shift away from dominance by upper-class Whites to a new majority with far more progressive views. Along with this, more and more Latinos and Asians were elected to city councils, mayors' offices, the legislature, and Congress (see chapter 10).

An important rallying cry in the early twenty-first century was securing universal IDs and driver's licenses for undocumented people so they could function normally. A statewide law was passed to that effect in 2003, but the recall of liberal Democrat Gray Davis immediately thereafter allowed newly elected Governor Arnold Schwarzenegger to veto it—chiefly on budgetary grounds, since the state had fallen into another deep deficit because of the dot-com meltdown. Nevertheless, immigrant activism kept moving ahead, gaining local IDs in cities such as Oakland and San Francisco, because the reality of the undocumented was not going away.

After another decade passed, and the Democrats retook the legislature and the governor's office, a statewide driver's license law was approved in 2014. A million undocumented immigrants quickly applied for the new IDs—out of the estimated 2.5 million such people in the state. Today's polls show

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39 On Prop. 187, see Ono & Sloop 2002, Walker 1995a. On Operation Gatekeeper, see Nevins 2002.

four-fifths of public support a clear path to citizenship for the undocumented. Not only is the majority of Californians now immigrants and their children, almost all of them with family ties to undocumented individuals, the rest of the white citizenry nor longer feels threatened by the demographic transformation of the state.<sup>40</sup>

In the new Millennium, Los Angeles became the national center of immigrant organizing, led by the National Immigration Law Center and National Day Laborers Organizing Network. Both were active in the Bay Area, along with local groups such as the Chinese Progressive Association and East Bay Alliance for a Sustainable Economy (EBASE). Local philanthropists such as the Haas, Jr. Fund, San Francisco Foundation, Rosenberg Foundation, and Mitch and Freada Kapor were pouring money into legal challenges and immigrant rights organizing.<sup>41</sup>

The legal protection of immigrant rights has been led by attorneys, many of whom have been in the thick of the defense of individuals and families in the arcane corridors of the immigration courts. A number of key legal defense organizations have been formed, coming from various parts of the progressive and racial spectrum; they include the Lawyers' Committee for Civil Rights, ACLU of Northern California, Asian Law Caucus, and La Raza Centro Legal in San Francisco and the Centro Legal de la Raza in Oakland. A powerful coalition of a dozen organizations came together in 2006 as the San Francisco Immigrant Legal and Education Network.<sup>42</sup>

The overlap between immigrant rights and labor organizing has also been considerable in both Northern and Southern California. They came together spectacularly in May 2006 with enormous marches of immigrant workers in Los Angeles, Chicago, and other cities around the country. The rallying cry was legalization of the undocumented, defeat of the reactionary Sensenbrenner immigration bill in Congress, and protection of immigrant workers from workplace raids by ICE/Homeland Security. Unfortunately, it has been hard to follow up on the momentum gained in that moment given the growing anti-immigrant sentiment elsewhere.<sup>43</sup>

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In the twenty-first century, mass immigration shifted away from California, after labor demand flattened out. Immigrants began to flow in large numbers

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40 Kopetman 2016, Hayes & Hill 2017.

41 Personal communication, Ellen Widess, formerly of the Rosenberg Foundation.

42 On immigrant rights law, see Cahn et al. 2012.

43 On the origins of the mass marches and evaluation of subsequent efforts, see Voss & Bloemraad 2011.

to the eastern half of the United States, which was even less prepared to receive the new immigrants than the Golden State had been a generation earlier. Reactionary forces gathered steam in the Southeast and Midwest, and the terror attacks of 2001 triggered a spasm of xenophobia. The political atmosphere darkened across the country. The Bush administration, to its credit, resisted some of the anti-immigrant backlash and the Sensenbrenner immigration bill failed in Congress. Nevertheless, pursuit and deportation of undocumented immigrants rose to levels not seen since Operation Wetback in the 1950s.

The new strategy was the pursuit of “illegal and criminal” immigrants, with the criminality argument hardened by the redirection of the South American drug trade through Mexico and the growth of gangs of traffickers south of the border. ICE agents were set loose to round up immigrants at workplaces, arrest them at home, grab parents waiting for their kids in front of schools, and even seize people from courthouses. Many of these were demonstrably innocent of any wrongdoing: kids brought to the United States by their parents, people with traffic violations, and some simply trying to report for hearings on their refugee status.

The onset of the Great Recession brought yet another setback. Although immigrant voters contributed substantially to President Obama’s election in 2008, immigration reform was soon forgotten. His administration continued deporting undocumented and criminalized immigrants in large numbers (if fewer than either the Clinton or Bush administrations), in part to reduce visible unemployment from the Great Recession (a reason too often overlooked).<sup>44</sup>

One branch of immigrant rights activism was quite successful under Obama, however: the “Dreamer” movement. Dreamers are the children of undocumented immigrants, who arrived as kids, grew up in the United States and are thoroughly Americanized young adults now. They are not accused of any crime but are threatened with deportation because they are not U.S. citizens. As the home of a quarter of the Dreamers, California took the lead in fighting for their rights. A California Dream Coalition came together across college campuses. This proved to be a powerful appeal to which educators and governments responded with financial support for college students.

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44 Deportations under Obama are estimated at over five million, less than half the number under Bush and Clinton. About half were apprehended and returned at the Mexican border; the other half were full legal removals from within the United States, which are more permanent. On that score, Obama’s record was worse than his predecessors. <http://www.migrationpolicy.org/article/obama-record-deportations-deporter-chief-or-not>.

A national organization, United We Dream, was formed in 2007 out of regional groups in Los Angeles, the Bay Area, and other big cities, to push for the DREAM act in Congress, which was defeated several times. To get around Republican opposition, the Obama administration created the Deferred Action for Childhood Arrivals (DACA) program in 2012 and signed up 750,000 Dreamers for renewable work permits. DACA was vilified by the anti-immigrant forces and promptly rescinded by President Trump after his arrival in office. Not surprisingly, a federal judge in California put that decision on hold and it is still in the courts at this writing.<sup>45</sup>

After 2011, Dreamer groups, led by the National Immigrant Youth Alliance, broadened their fight to take on mass deportations and to protect the rights of immigrants as a whole. The movement became dramatically more militant, breaking with mainstream efforts to secure immigration reform from Congress. They began leading protests across the country against the government's mass deportations. Their demands were backed by hundreds of mainstream labor and immigrant organizations, leading to the call for a national day of protest on April 5, 2014, under the banner *Ni Una Más* (Not One More). A payoff came when President Obama declared a moratorium on deportations that break up families—but that victory was overturned by the federal courts.<sup>46</sup>

In the face of the deportation onslaught by ICE/Homeland Security under the reactionary Trump administration, activists moved in new directions. Some focused on quick response to threats to deport specific individuals and families, through protest and providing refuge. Cities such as San Francisco, Berkeley, and San Jose reaffirmed their status as sanctuaries and some counties joined the movement.<sup>47</sup> Sanctuary means a refusal to cooperate with federal agents by turning over immigrants arrested locally for deportation. Some unions also joined in the move to protect their members from deportation. For example, the San Francisco hotel workers' union, UNITE HERE Local 2, began rewriting contracts so that hotels would not cooperate with ICE and threatening to stop work en masse when some owners tried to get workers to submit their papers to prove legality.<sup>48</sup>

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45 On the Dreamer movement, see Nichols & Fiorito 2015.

46 Foley 2014. Thanks to Ellen Wides for insights on the immigrant rights movement.

47 This built on the Bay Area's long-standing sanctuary movement, which started in Berkeley in 1971 to protect draft dodgers and military deserters. Sanctuary was revived in force during the "Contra" wars in Central America in the 1980s, when the Bay Area was the receiving area for thousands of innocents fleeing the carnage. On sanctuary, see Cahn et al. 2012.

48 On workplace resistance, Bacon 2017.

The national battle over the future of immigration, which has been simmering for decades, burst into flame in 2018. The Trump administration's efforts to build more wall along the Mexican border, deport more "illegal" immigrants, and reduce the inflow of refugees from war-torn countries brought things to a head, as it became clear that the goal of the Far Right is to suppress mass immigration altogether and return the country to the days before 1965, when White America reigned supreme. DACA had become the focal point of the public fight over immigration policy in Washington, DC, as the Democrats, led by representatives from California, demanded permanent residency for the Dreamers.<sup>49</sup>

### **Making and Breaking the Working Middle Class**

While the common American view is that most people fall into a massive middle class between the rich and the poor, that formulation is not plausible. As argued in chapter 3, the top echelons of income earners are upper class; this is clearly true of the 1%, or capitalist class, but also applies to most of the 20 percent of professionals, managers and technical workers commonly referred to as the upper middle class. This leaves the vast majority of modern society as part of the working class—still a useful category, even if workers make up a huge, disparate group.

There are, of course, a large number of middle-income wage and salary workers who might be called the middle class. The terminology is dubious, however, in that these people do not have a clear basis that sets them up as a "class" apart from other workers, as do the capitalists and propertied or the professionals and managers. True, higher-paid workers do have some significant elements of difference: more skills, education, independence, and financial security, and they are more likely to be white and work in offices (hence another favorite term, "white collar" workers). Ideologically, they quite often see themselves as above the mass of uneducated, unskilled, and impoverished workers of the bottom half of the labor force, who are much more likely to be immigrants and people of color. A reasonable compromise is to call this group the "working middle class."

Still, there are a lot of mistaken beliefs about how people arrive in the working middle class and why it has been shrinking in recent decades. The conventional view, framed by economists, is that wages are determined by education and skill, or what is known as "human capital." In this view, those with more schooling or training merit their higher payoff. Conversely, those

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49 Berman 2018. Even the H-1B program so vital to the tech industry is in the sights of the Republicans.

who have fallen behind in earnings lack the skills and education to fill the growing number of sophisticated jobs created by the new technology. They have failed to invest the time and money to up their “human capital.” This is, however, a view more congenial to the well-educated professionals like economists than to the reality of most working people’s lives and labor.

In fact, skills and education do not always align closely with wages, as, for example, the college-educated high school teacher who earns a modest salary for coping with unruly students all day and the municipal sanitation worker with seniority who earns a comfortable living with benefits for going on a daily garbage route. There are three big social forces operating to elevate or depress wages in a way that has little to do with work capability and competence.

The first, as already noted, is race and gender discrimination, which lowers the payoff to workers at every skill level (see last chapter). The second is economic geography; there’s payoff for the luck of the draw of where someone is born (or migrates). Regional prosperity raises the payoff for the same skills, previously shown for Bay Area. Similarly, more advanced nations pay their workforce better than poor nations. And those differences can change over time, as when the U.S. economy soared after the Second World War and workers came along for the ride. The difference in incomes is out of proportion to any gap in education—as any immigrant to the United States from Eastern Europe can attest.

The third force at work is unionization and class struggle. The reason so many working people could get on the bus for that ride to the Great American Middle Class was the mass unionization unleashed by the New Deal and labor mobilizations of the 1930s. The new industrial unions, organized under the Congress of Industrial Organizations, elevated a whole new strata of ordinary factory workers on Fordist assembly lines, in chemical works and refineries, and in trucking and dock work to a whole new level of wages and benefits, not to mention social respect (the CIO later merged with the skilled trades unions of the American Federation of Labor to form the AFL-CIO).<sup>50</sup>

Did those working people really move up the class ladder? No. What happened was that unions elevated the wages for a huge swath of industrial (and later, office) workers, allowing the working class to take home a larger proportion of national income than ever before (see again fig. 3.11 in chapter 3). This was not simply a passive result of national prosperity, because unionized workers make more than nonunion labor at every skill level, as well as better benefits. On top of this, the unions were an important political force driving the creation of New Deal and Great Society programs for unemployment

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50 Fraser & Gerstle 1989, Lichtenstein 2002, Glass 2016.

insurance, Social Security, and Medicare that markedly improved the economic security of the working class as a whole. For that reason, the more prosperous middle-income group really ought to be called the unionized middle class.<sup>51</sup>

By contrast, the main reason the working middle class shrank over the last forty years is the decline in unionization, which has fallen from a third of the U.S. labor force to single digits. Union density has withered under the onslaught of deindustrialization of former mass production industries, the rise of new unorganized sectors, and direct employer assaults. Added to this was the decline of public education, meaning that more and more working-class kids left school with little knowledge and few skills. Even in the high-flying Bay Area, union density fell for decades and so did the wages of the bottom two-thirds of the workforce. Short-term improvements have come at the end of long upswings like the 1990s, when labor markets tighten, but the long-term decline of the working middle class is unmistakable here, as around the country.<sup>52</sup>

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The Bay Area was a major union stronghold in the past and still has a vigorous labor movement. Labor organizing and activism began under the skilled trades unions, going back to the eight-hour movement of the 1860s. At the turn of the century, San Francisco was an almost fully unionized city and the Union Labor Party dominated politics for a decade. When mass industrial workers began to organize, San Francisco led the way with the first general strike of the epoch in 1934, inspired by the struggles of the International Longshoremen and Warehousemen's Union (ILWU). By the 1950s, unions had organized over half of San Francisco's workers, and the East Bay was not far behind.<sup>53</sup>

Today the Bay Area's union density is about one-sixth of the workforce, about half again that of the United States, but is no higher than the rest of California. A big reason for the decline of the unions in the Bay Area is that the booming tech sector is notoriously antiunion. Yes, tech firms pay well and hold out the possibility of striking it rich, but they have no intention of

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51 On the union wage, see Freeman & Medoff 1984, Bernstein 2015. Another effect of mass unionization is that economists added a new category between skilled and unskilled labor, called "semiskilled," which mostly referred to unionized factory labor.

52 On union decline, see Moody 1989, Logan 2006, Western & Rosenfeld 2011. For an attempt to put lipstick on the class pig of late, see Samuelson 2017. For the opposite view, see Cohen 2017. Unions are still under assault in the courts and state legislatures, as New Deal-era rights of organizing and representation have been steadily whittled away.

53 On local union history, see Glass 2016.

yielding control over their affairs to unions. Several major efforts to organize Silicon Valley in the 1970s and 1980s came to naught. A crucial skill developed by tech executives has nothing to do with digital innovation; rather, it rests on how to outmaneuver union organizers. The disdain of tech industry leaders for unions is illustrated by the view of Paul Graham, founder of Y Combinator, who recently argued that government labor regulations create inefficient companies that overpay unionized labor and that “industries afflicted by unions are sclerotic so have left lots undone.”<sup>54</sup>

Some of the leading unions in the bay region today are the several branches of UNITE HERE, such as Local 2 in San Francisco, Local 19 in the South Bay, and Local 28 in the East Bay. The Teamsters are well represented in trucking, delivery, and buses, represented by Local 853 and Joint Counsel 7. ILWU Local 34 is less militant than it used to be but still a presence on the waterfront. SEIU Local 1021 in San Francisco and Oakland, and the California Nurse’s Association more widely, are strong advocates for healthcare workers (and patients). The building trades are still well organized by unions such as the IBEW Local 6 in San Francisco, Local 617 on BART, and Local 332 in the South Bay.

A major bulwark of unionization is government work. Unionization rates were bolstered in the late 1960s when laws against public sector unions were relaxed. Today the unionization rate for government workers is nearly 60 percent in the Bay Area—six times the rate in the private sector—and rising. Some of the biggest unions represent public workers such as public school teachers and professors (California Teachers Association, National Education Association, and American Federation of Teachers), state office staff (SEIU Local 1000), and local government workers (approximately fifty locals of the American Federation of State, County and Municipal Employees). The mix of unionized workers reflects the diverse labor force of the region, including many with college degrees.<sup>55</sup>

Government employment has steadily diminished with the perennial budget cuts of the last thirty years and took a dramatic dive in the Great Recession, from which it has not recovered (fig. 4.9); and this has cut into union membership.

On the other hand, union organizing in the private sector has seen renewed success around the Bay Area in recent years, thanks in part to the pressure of the cost of living and the willingness of immigrants and workers

54 On current union density, see Adler & Tilly 2014. On Silicon Valley organizing, see Hayes 1989, Pellow & Park 2002. Graham quote in Green 2016b.

55 Adler & Tilly 2014. On the rise of public sector unions, see Troy 1994; on the neoliberal counterattack, see Fletcher 2012.



**Figure 4.9: Decline of Government Jobs in the Bay Area, 2007–2015**

Source: Bay Area Council Economic Institute 2014 (9-county Bay Area).

of color to organize. UNITE HERE has extended its reach from San Francisco to suburban hotels in the East Bay and Silicon Valley. The Teamsters have signed up drivers for the infamous “Google buses” run by Chariot and Bauer, warehouse workers for Google Express delivery service run by Adecco (itself a temp agency) in Palo Alto, and waste disposal workers at Genentech in South San Francisco. A coordinated union effort in Sonoma County succeeded in organizing the Graton Rancheria Casino, a major employer in the North Bay. Recently, a group of SEIU locals in the Bay Area and Los Angeles have allied under the banner of United Service Workers West to organize food service and janitorial workers at the big airports.<sup>56</sup>

Cooperative organizing on specific occupations and companies has proved effective. So has organizing based on locale. Working Partnerships, a nonprofit created by the Central Labor Council of Santa Clara County, has been leading creative union organizing efforts in Silicon Valley for a generation. Their latest campaign, Silicon Valley Rising, is aimed at organizing service workers at the tech giants and their subcontractors. Examples of recent success are hundreds of food service workers at Intel and Facebook who won union recognition with UNITE HERE Local 19. Silicon Valley Rising claims that some five thousand tech service workers in security, janitorial, food service, and transport have successfully unionized under their campaign. Other new campaigns are underway, such as SEIU 1877’s efforts at the

<sup>56</sup> Said 2017, Bennett 2016. On recent organizing in Southern California, see Milkman 2006.

two largest security firms in the Valley (not surprisingly, Apple and Google recently moved their security services back in-house).<sup>57</sup>

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Getting a union and a contract is not the only means to higher wages. Bay Area unions are in the thick of one of the most important labor struggles of the present moment: the fight for a living wage for the bottom third of the labor force. Raising workers out of the cheap labor force is another major way of expanding the working middle class. A major landmark was the 2015 passage of a statewide \$15 minimum wage by California, the first state to adopt the new target. The new minimum, which will be implemented in annual increments, raises the floor on wages by half and will affect one-third of the Golden State's labor force and a majority of working women and Latinos. Although the greater Bay Area has fewer minimum wage workers than Los Angeles and the Central Valley, one quarter of its labor force earn \$15 per hour or less.<sup>58</sup>

That breakthrough built on efforts to establish living wage ordinances in over 150 cities across the country since the 1990s, including 34 in California. This was the only option to get around Republican control of Congress and state legislatures that made it impossible to budge the federal minimum wage and that of most states. A key idea behind the push for a living wage was to leap over the bare-bones poverty standards of existing minimum wage levels, especially when the higher costs of cities are taken into account. But they usually applied only to municipal workers and employers receiving contracts from city government.<sup>59</sup>

The movement took on new life after the Great Recession hit and the Occupy Wall Street movement exploded across the country in 2011. The latter's signal contribution to U.S. politics was a new focus on inequality and a new vocabulary to talk about class (the 1% vs. the 99%). Many Occupy activists in New York City came out of organized labor and afterward turned their attention to the plight of low-wage workers, spawning an upsurge among the city's worst paid, those working in restaurants and fast-food outlets. A one-day strike in late 2012 was followed by coordinated actions in cities across the country, calling for the seemingly outrageous sum of \$15 per hour, double the federal minimum wage.

Out of that day came the "Fight for \$15" mobilization, which dovetailed with organizing efforts at McDonald's, Walmart, and other giant corporations

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57 Byrd & Rhee 2004, Smith 2015.

58 Adler et al. 2015.

59 On the several ways of calculating a living wage, see Luce 2015.

profiting from low-wage labor. Cities on the West Coast were the first to rally behind \$15 wage floor: Seattle in 2013, then San Francisco and Los Angeles the following year. Meanwhile, the battle jumped back to the state legislatures, with over half raising their minimum wage before California's legislature made the dramatic leap to the new standard. Soon thereafter, the Bernie Sanders campaign forced the Democratic Party to adopt the \$15 wage in its national platform. The Fight for \$15 continues at the municipal level, with an agreement among East Bay cities to coordinate a shift to the new standard.<sup>60</sup>

Living wage and minimum wage campaigns are almost always part of more comprehensive agendas to reduce inequality, organize labor, and improve the welfare of the working class in general. These movements are not just the work of unions, but of labor-community organizations over the last generation, such as Working Partnerships in Santa Clara County and New Economy Working Solutions in Sonoma County. Working Partnerships has been hammering away at the need to organize around the new flexible employment relations and occupational mix in the heartland of tech, and to build broad coalitions in support of labor unions and working-class communities. In 2014, they succeeded in getting Santa Clara County to pass the most sweeping living wage ordinance yet, which includes community benefit agreements, wage theft protections, and preapprenticeship programs.<sup>61</sup>

Other advances in improving low-wage work conditions are quietly being made around the bay region. One example is the passage of a Living Workweek ordinance in Emeryville (an important employment cluster in the East Bay), which requires employers to give two weeks' notice of scheduling changes; this was just the third such ordinance to be passed in the country. The San Mateo County Union-Community Alliance is working to improve access to health care for poor people and immigrants. There are several city ordinances establishing minimum wages in the Bay Area's thousands of restaurants, forcing owners to pay wages and not just rely on tips. Restaurant Opportunities Centers United (ROC), a national advocacy group, has established a regional headquarters and training restaurant in East Oakland to fight the well-known racial hierarchy in restaurants—where the farther back one goes in the establishment, the darker the staff.<sup>62</sup>

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60 Luce 2015, Tung et al. 2015, Bennett 2016, Dreier 2016, Rolf 2017. See also the tracking of Bay Area minimum wages at <https://www.localwise.com/a/108-minimum-wage-in-the-bay-area> and all such ordinances at: <http://laborcenter.berkeley.edu/minimum-wage-living-wage-resources/inventory-of-us-city-and-county-minimum-wage-ordinances/>.

61 Working Partnerships 2014. Thanks to Marty Bennett for his insights on the living wage movement.

62 Salian 2017, Phillips 2017.

Regional advocates are also deeply involved with state-level organizing efforts. One is the battle to improve working conditions for domestic workers such as housekeepers, nannies, and home healthcare attendants. The National Domestic Workers Alliance launched a long campaign in California to gain basic worker rights such as overtime limits and better working conditions, which was won in 2014 (and again in 2017 when sunset provisions were stripped from the original legislation). That coalition encompasses an array of immigrant rights and labor groups such as the Chinese Progressive Association of San Francisco and Filipino Advocates for Justice in Oakland. A parallel SEIU-California effort to gain overtime pay for home healthcare workers got into the state budget in 2015 and the union followed with a legislative push to gain union organizing rights for this dispersed and poorly remunerated group of workers.<sup>63</sup>

### **The Crimes of California**

Crime in America is usually treated as a question of personal malfeasance and individual transgressions of the rule of law. But this view of things is based fundamentally on the Classical Liberal principle of individual responsibility for success or failure in a fair and equal market system; modern liberals soften this to allow for individuals to be led astray by bad conditions of upbringing and education. The conservative view, on the other hand, agrees on individual accountability, but sees criminality as an inherent failing of human beings, including often racist ideas about genetics and the criminal type. The Left view, by contrast, emphasizes the way crime and punishment are structured by class and racial systems that are fundamentally unequal in opportunity, power, and protection. In this view, criminals come mostly from the lower strata of the working class and the institutions of Law and Order are controlled by the upper classes.

A pillar of the neoliberal era since 1975 has been a hardening of the criminal justice system in the United States based on a mix of Classical Liberal and modern conservative thinking. That is, the more progressive liberalism of the New Deal era fell away to leave only personal responsibility shorn of context and social causality; and conservative visions of Super Predators among male youth of color, threatening all white people, reigned supreme for a time. These kinds of unsympathetic, even damning, views of other human

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63 Butler 2017. Unfortunately, all these living wage ordinances and other health and safety laws are only as good as the enforcement effort behind them. Enforcement based on worker complaints, not government enforcement staff, is a huge challenge in nonunion environments, especially for immigrant workers who are unfamiliar with the law and undocumented workers who fear deportation.

beings made a brute-force approach to crime and punishment seem reasonable, rather than stemming from the irrational fears of the upper classes and thuggish mentality of rulers from time immemorial when faced with signs of revolt among the lower orders. Unfortunately, this outlook has filled a vast prison complex and poisoned the justice system of the country.<sup>64</sup>

Nowhere is this truer than in the Golden State. In fact, the Law and Order State built up over the last half century—that is, the apparatus to police the cities, crack down on malefactors, and whisk them through the courts into prison—is, to a remarkable degree, a product of California politics. It was the brainchild of the Los Angeles Police Department under Chief Darryl Gates, backed by the powerful right of postwar Southern California. It was launched at the national level under President Richard Nixon and enlarged under Ronald Reagan, both of whose political careers began in Southern California. It peaked in California under Republican Governor George Deukmejian, from the agrarian power centers of the San Joaquin Valley. It was, not surprisingly, aimed at reversing earlier legal and penal practices in the Golden State and the socially liberal trends of the postwar period (see also chapter 10).<sup>65</sup>

The carceral state of California catches a staggering number of people in its net, where they cycle in and out of courtrooms, police custody, youth camps, local jails, state and federal prisons, and probation offices. At the same time as the fortunes of the Bay Area were taking off in the 1980s, California was putting in place an immense prison system, going from fewer than 20,000 prisoners in 1977 to over 100,000 in the 1990s and over 150,000 by the Millennium. At times this Golden Gulag has been the largest in the world, both absolutely and relative to population size.

The most marginal elements of the working class are the most criminalized, and these are overwhelmingly men of color, black and brown. They have the least chance of finding jobs, let alone good jobs, or pursuing a decent education that might lift them out of the ghettos and barrios. They quickly fall afoul of the law when young and can rarely or ever extract themselves from the stigma. This malignant process begins with the condemnation of errant youth under stringent laws for minor drug offenses and gang membership, with excessively long terms. It continues in overcrowded prisons where young men have every opportunity to fall in with serious criminals and none at all to redeem themselves. Once let out on the streets again, mostly in the

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64 Thanks to Tony Platt for his insights into the current state of carceral reform and the long view of the penal state. On the latter, see also Thompson et al. 1975, Hall & Scraton 1981.

65 Davis 1990, Gilmore 2007, Simon 2007, Pearlstein 2008, Alexander 2010.

poor communities of the big cities, they have little hope of finding decent jobs or escaping prison-born alliances and enmities. As a result, drugs, murderous rivalries, and death stalk the streets of places such as North Richmond, East Oakland, and Hunters Point in San Francisco on an everyday basis.

The hardline approach to Law and Order extends far beyond the prisons and gangs. Working people suffer all the time from the everyday police state installed over the last fifty years in every city across the country. Draconian drug laws have created an underground economy of dealers and suppliers that is constantly at a face-off with police, and their battles leave a bloody trail across city streets. The combination of fear and empowerment among cops too often makes the slightest encounter with an officer an unpleasant occasion, and can just as easily be deadly for young men of color. Cops are armed to the teeth and taught to shoot to kill at the least threat. Police from San Francisco and Oakland to Sonoma and San Jose have been involved in hasty killings of suspects. Even students protesting at the University of California have found out all too swiftly that police brutality does not stop at the borders of well-tended campuses.

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The fight against the Law and Order State has become another vital branch of the movement to protect working people from the conservative/neoliberal onslaught. California's prison complex has come in for harsh criticism by the courts in a series of decisions from *Coleman v. Wilson's* recognition of untreated mental health problems as "cruel and unusual punishment" under the constitution to *Brown v. Plata*, confirming that the state must reduce its overstuffed prison population by tens of thousands. These decisions rested on years of litigation challenging solitary confinement, overcrowding, poor health care, lack of mental health services, punishment by hunger, and generally insufferable conditions. They hit pay dirt with the 2009 *Brown v. Plata* decision by a special panel of Northern California federal judges, which was subsequently affirmed five to four by the U.S. Supreme Court (over the hysterical opposition of Justice Antonin Scalia).<sup>66</sup>

Prisoners themselves have spearheaded the attack on prison conditions, aided by activist attorneys at the ACLU, Legal Services for Prisoners with Children (LSPC), and the Center for Constitutional Rights, among others. A key moment in the fight to better their plight came in a courageous pair of collective hunger strikes in 2011 at the hellish supermax prison at Pelican Bay, which was followed by a mass strike by thirty thousand inmates up and down

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<sup>66</sup> For a review of court cases, see Simon 2014.

the state in 2013. After these protests, the California legislature agreed to hold public hearings, and prison officials were at last forced to relent. What came out of that was Proposition 47, passed by popular vote in 2014, to reduce penalties for a variety of crimes, allow people to expunge minor offenses from their records, and shrink jail and prison populations.<sup>67</sup>

The prisoners have been backed up by organizations of family members around the state, and grassroots militants have called for an end to the entire regime of caging people instead of addressing basic social needs in communities of color and working people. Critical Resistance, formed in Berkeley in 1998, is the best known of these, but others include California Prison Moratorium Project (CPMP) (Oakland to Fresno), A New PATH (Parents for Addiction Treatment & Healing) (Rancho Santa Fe), and the California Coalition for Women Prisoners (San Francisco). In 2003, a new alliance of dozens of organizations around the state was created, called California United for a Responsible Budget (CURB), to support all manner of local initiatives. One notably successful mobilization stopped the construction of new city jail in San Francisco in 2015.

The movement has expanded beyond opposition to prisons and reducing sentences to greater support for ex-convicts reentering civilian life. A recent national project launched by the LSPC is “All of Us or None,” aimed at improving former prisoners’ voting rights and eliminating questions about prior convictions in applications for employment, loans, apartments, government aid, insurance, and so on. The project pushed the San Francisco Board of Supervisors to enact a model ordinance to eliminate such background checks, the Fair Chance Act, in 2014.

Undoubtedly, the most important movement at present is the fight to roll back the Law and Order State on its front lines, the police and their aggressive tactics against people of color. This fight is being led by Black Lives Matter (BLM), which burst forth on the national scene after the police killing of Michael Brown in Ferguson, Missouri, in 2014. The goal of this uprising is to stop the widespread official violence by changing the culture of policing, reducing police armaments, and gaining public review of police actions. The Bay Area, too, has seen an upsurge of police shootings of African American and Latino men, including Alex Woods and Mario Nieto. Oakland has been a major node of BLM, and one of the key antecedents of the movement was the militant protests after the shooting of Oscar Grant by BART transit police in 2010. The Oakland chapter of Black Lives Matter has led several major

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67 St. John 2013, Lovett 2015. There has been some opposition to Prop. 47, however, due to its treatment of rape and child abuse offenders.

protests, such as the mass blockade of the I-880 freeway in July 2016. It was also a local athlete, Colin Kaepernick, who started the practice of football players kneeling during the national anthem, which stirred up such anger from a certain occupant of the White House.<sup>68</sup>

The overall results of opposition to the Law and Order State have been mixed. In California, the state prison population has declined, but many prisoners have simply been shunted off to local authorities, leading to lots of new jail building. Nationally, libertarian and Republican Party initiatives (e.g., Right on Crime) have been at the forefront of reforms that reduce drug penalties but remain as draconian as ever in dealing with felonies. Governor Jerry Brown, very much a conservative in penal matters, follows this line. Brown has vetoed several reform bills, including one reducing minor drug infraction for immigrants to make them less at risk of deportation.

For neoliberals, reform principally means saving money by eliminating the most egregious excesses of the criminal justice system while not rethinking the basic tenets of social control by policing and imprisonment. For all too many Californians, reform of drug laws means legalization of marijuana for medical and recreational use (achieved in 2018), but not reform of the system that ensnares far too many immigrants and people of color in its net. So far, militant struggle from below and cautious reform from above have combined for a measure of progress on prisons, but resistance by police, white backlash to black protests, and the basic conservatism of the criminal (in)justice state are blunting further change.

### **It's a (White) Man's World**

The tech elite is regularly praised to the skies for creating the wonderful world of smartphones, social media, and the sharing economy, and for the progressive potential of such free and easy communication, information, and exchange. The political views espoused by most of the top-flight owners and executives are remarkably liberal on social issues such as race and gender. Nevertheless, on closer inspection the world the tech masters have made in their own backyard is decidedly illiberal: dominated by white men, lower pay, and glass ceilings for women and people of color, and a scandalous record of sexual harassment. These failings have come under greater scrutiny recently and have prompted a growing revulsion against the tech elite.<sup>69</sup>

The much-heralded start-up entrepreneurs, venture capitalists, and corporate barons of tech in the Bay Area are mostly white. The main exception

68 Blaisdell et al. 2015, Rios 2016.

69 Rushe 2014.

is Asian American and Asian immigrant engineers, who are a regular presence among the “techies” or upper tier of technical and managerial staff of the IT companies. In addition, a large number of tech companies have been founded by Chinese and Indian immigrant engineers. Vinod Khosla is one of the most eminent venture capitalists, and there are a handful of other Asians, such as the Filipino American Dado Bonatao; but they are exceptional in the world of Sand Hill Road financiers (behind Stanford). One or two African American capitalists and executives show up in the press from time to time, but they are rare sightings. Latinos in the upper crust of tech are virtually unknown.<sup>70</sup>

Even among the favored Asians techies, there is widespread frustration with the limits on how far they can rise in Tech World. The best route to advancement is to work for companies owned by other Asians. On the other hand, the tech industry has never stinted on hiring people of color as production, office, and auxiliary workers; today, however, they are most likely to be working for subcontractors, not IT companies themselves. Finally, a damning case can be made against the industry for its long-standing exclusion of African American workers, currently hovering around 1 percent of the tech workforce.<sup>71</sup>



The most egregious aspect of the gender order of Tech World has been the widespread harassment of women by venture capitalists, boy entrepreneurs, and misogynist techies. As one well-placed woman in the tech industry has stated, “Silicon Valley has established itself as the boys’ club of the West, just like how Wall Street has established itself as the boys’ club of the East.” For a long time women gritted their teeth and bore the boorish behavior of men on whom they depended for their jobs or financing. If you brought suit for sexual harassment, as did Ellen Pao against her venture capitalist employer Kleiner Perkins, it was a road to pariah status.<sup>72</sup>

What seems to have broken down the wall of silence is the singularly outrageous working conditions created by top management at Uber, led by notorious cofounder Travis Kalanick. As more women stepped forth to denounce the company, Kalanick was finally ousted as CEO. Soon, personal stories of harassment at other companies were pouring forth, and several more of the bad boys of tech were toppled from their digital thrones.<sup>73</sup>

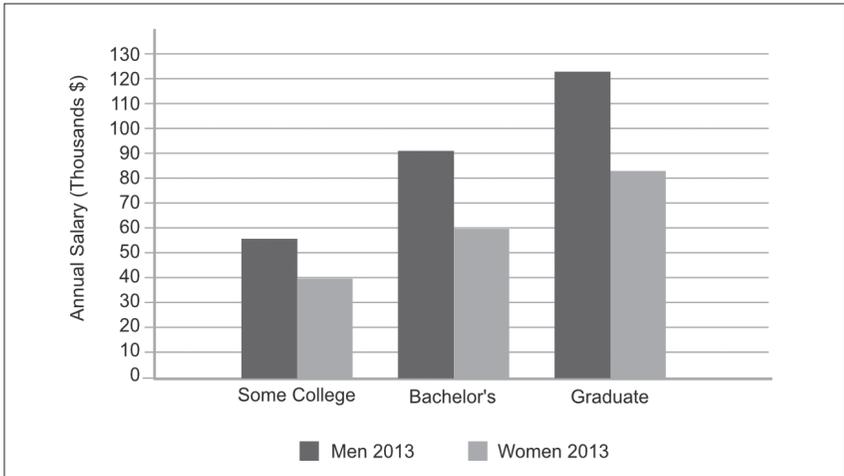
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70 Saxenian 2006, Wu 2015.

71 Wu 2015, Silicon Valley Rising 2015, Fuller 2016.

72 Quote from Natasha Lamb, director of equity research and shareholder engagement at Arjuna Capital. Wakabayashi 2017.

73 Benner 2017c, Carson 2017, Manjoo 2017, Levin 2017b.



**Figure 4.10: Gender Pay Gap by Education Level, Silicon Valley 2013**

Source: <http://peninsulapress.com/2015/02/06/gender-pay-gap-silicon-valley/>.

Employees, courts, and government agencies have begun demanding that companies such as Google and Twitter reveal their internal data on hiring, pay, and promotions. These confirm the male dominance in tech. For example, of Lyft's sixteen hundred employees (excluding drivers), 42 percent are women; of Uber's global workforce of twelve thousand, 36 percent are women; Lyft's leadership is 36 percent female, Uber's 22 percent; Lyft's technical workforce is 18 percent women, Uber's 15.4 percent.<sup>74</sup>

This is not to say that women are well treated outside tech. Up and down the occupational hierarchy, women's pay rates are systematically lower for the same work, despite being better educated on average (fig. 4.10). Harassment and mistreatment of women workers is widespread, and it takes many forms besides sexual predation, such as differential hiring, promotion, and respect. Even more subtle kinds of misbehavior by men leave female colleagues feeling isolated and set up to fail. The persistence of gender discrimination is especially discouraging when one considers that the bay region has been an important site of agitation for women's rights in the past; this was one of the first places to put women's suffrage on the ballot, to put women in positions of authority in labor unions, and to win equal compensation for women for the same work—not to mention the Bay Area's centrality in the fight against homophobia.

The worst economic consequences are those that befall women in the bottom third of the labor force, especially single mothers and their children.

<sup>74</sup> Benner 2017d, Lien 2017, Levin 2017c, Wakabayashi 2017.

Far too many such mothers get by on minimum wage and part-time and unstable employment, and a quarter of them are unemployed. Their households scrape by on meager earnings and state assistance. More than 12 percent of California households are female-led and another 12 percent are single women living alone. Children of single mothers are three to four times more likely to live in poverty than those with two parents. The problem is more dire in the low-wage economies of Southern California and the Central Valley, but the same pattern exists in the Bay Area.<sup>75</sup>

Because of the hardships they face, women have been in the forefront of all the movements just discussed. Marisa Franco began immigrant organizing in San Francisco before going on to be a leading advocate for immigrant rights in Arizona and Marielena Hincapié, now director of LA's National Immigration Law Center, got her start with the Legal Aid office in San Francisco. Women have risen to positions of leadership in the union movement as heads of Central Labor Councils in San Francisco (Josie Mooney), San Mateo (Shelley Kessler), and Alameda County (Josie Camacho). They have led some of the most creative union organizing efforts, like Tho Do of Local 2 of UNITE HERE, Luisa Blue of SEIU 521 and 1021, Amy Dean, Cindy Chavez, and Derica Mehrens of Working Partnerships in Santa Clara County and Maria Noel Fernandez of Silicon Valley Rising. In the fight against criminalization, Angela Davis and Ruth Gilmore have been among the leading voices for abolition, and women such as Alicia Garza, now with the Oakland office of the National Domestic Workers Alliance, have led the fight on the ground to control police violence.

## Conclusion

Despite being the richest region in the richest country on earth, and currently enjoying the best of times, the Bay Area's economy still cannot deliver the goods to all its working people. While the upper echelons of the labor force do well in terms of pay, job quality, and security, conditions for those in the middle are a decidedly mixed bag. Those in the bottom third of the labor force—largely people of color and women—face a working life short on rewards and full of insecurity. For those at the very bottom—unemployed, undocumented, single with children, disabled, or trapped in the criminal justice system—the outlook is quite dire.

Fortunately, the spirit of rebellion against prevailing conditions is very much alive in the Bay Area, and efforts to raise wages, protect immigrants, equalize pay, and reduce imprisonment are making a difference in the lives

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75 Mount St. Mary's 2015.

of millions of working families. These popular movements do not arise from thin air. They are a response to the way people enter the workforce through immigration only to be harried by a xenophobic state; how they experience work in the Gig Economy and misogynous workplaces; how they try to earn a respectable living and build a decent life by joining unions or campaigning for a living wage; and how they and their children are shunted aside by a society obsessed with crime and fearful of the unknown Other.

Some of these are classic class struggles between labor and capital, some are not; but in every case they are driven by basic concerns and dreams of the contemporary working class of the Bay Area and California. Something new is in the air, given the vast and growing inequality between the upper classes and the working people, and it is augmented by the fact that the former are so largely white and male and the latter are not. Yes, the new working class is divided by division of labor, pay, race, and gender, but there are many ties that bind it together, especially among the lower half of the labor hierarchy, such as poor wages, lousy jobs, and rising costs of living.

Nevertheless, a working class in more than name can only be made manifest through common experience, lifelong learning, and fighting for social justice. A real sense of class solidarity has to be forged through struggles such as the ones outlined here for unions, a living wage, immigrant rights, and racial justice and against harassment, criminalization, and out-of-control police.

What this chapter has shown is that in the Bay Area an emergent, multi-racial working class is on the move and is not content to accept the drippings from the banquet of the wealthy fed by the tech economic boom. Working people here are not a declining group in despair and longing for a past Golden Age, as in so many parts of the United States. They are mobilized and looking toward the future, protesting for better wages, fighting deportations and saving black lives, rather than voting for salvation by putting a Great White Hope in the White House. Therein lies real hope for the future as a multi-racial, progressive city, unloosing the shackles of ruling-class power, white supremacy, and political paralysis.