Crisis in California

Crisis in California:

Everything touched by capital turns toxic

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January 2010

“I should be very much pleased if you could find me something good (meaty) on economic conditions in California ... California is very important for me because nowhere else has the upheaval most shamelessly caused by capitalist centralization taken place with such speed.”

—Letter from Karl Marx to Friedrich Sorge, 1880

Shantytown USA

In California toxic capitalist social relations demonstrated their full irrationality in May 2009 when banks bulldozed brand-new, but unsold, McMansions in the exurbs of Southern California.

Across the United States an eviction occurs every thirteen seconds and there are at the moment at least five empty homes for every homeless person. The newly homeless are finding beds unavailable as shelters are stretched well beyond capacity. Saint John’s Shelter for Women and Children in Sacramento regularly turns away 350 people a night. Many of these people end up in the burgeoning tent cities that are often located in the same places as the ‘Hoovervilles’—similar structures, named after then President Herbert Hoover—of the Great Depression of the 1930s.

The tent city in Sacramento, California’s state capital, was set up on land that had previously been a garbage dump. It became

internationally known when news media from Germany, the UK, Switzerland and elsewhere covered it. It featured in the French magazine *Paris Match* and on *The Oprah Winfrey Show* in the US. Of course this publicity necessitated that Arnold Schwarzenegger, California's governor, and Kevin Johnson, mayor of Sacramento, shut it down. When we visited in March 2009 to investigate, we met Governor Schwarzenegger and Mayor Johnson there by chance. Johnson told us the tent city would be evacuated, saying, 'They can't stay here, this land is toxic.'

Almost half the people we spoke with had until recently been working in the building trades. When the housing boom collapsed they simply could not find work. Some homeless people choose to live outside for a variety of reasons, including not being allowed to take pets into homeless shelters or to freely drink and use substances. But most of the tent city dwellers desperately wanted to be working and wanted to be housed. In many places people creating tent encampments are met with hostility, and are blamed for their own condition. New York City, with a reputation for intolerance towards the homeless, recently shut down a tent city in East Harlem. Homeowners near a tent city of 200 in Tampa, Florida organized to close it down, saying it would 'devalue' their homes. In Seattle, police have removed several tent cities, each named 'Nickelsville' after the Mayor who ordered the evictions.

Yet in some places, like Nashville, Tennessee, tent cities are tolerated by local police and politicians. Church groups are even allowed to build showers and provide services. Other cities that have allowed these encampments are: Champaign, Illinois; Saint Petersburg, Florida; Lacey, Washington; Chattanooga, Tennessee; Reno, Nevada; Columbus, Ohio; Portland, Oregon. Ventura, California recently changed its laws to allow the homeless to sleep in cars and nearby Santa Barbara has made similar allowances. In San Diego, California a tent city appears every night in front of the main public library downtown.

California seems to be where most new tent cities are appearing, although many are covert and try to avoid detection. One that attracted overflowing crowds is in the Los Angeles exurb of Ontario.

The region is called the 'Inland Empire' and had been booming until recently; it's been hit extremely hard by the wave of foreclosures and mass layoffs. Ontario is a city of 175,000 residents, so when the homeless population in the tent city exploded past 400, a residency requirement was created. Only those born or recently residing in Ontario could stay. The city provides guards and basic services for those who can legally live there.

Toxic Tour along Highway 99

"And so, for all the bravado about the state's leading inustry [agriculture]—about the billions of dollars that it adds to the economy and the miracles of production and technical ingenuity that it has accomplished —California's farming is on the way out, as the rising value of its soil produces more in [real estate] lot sales than in cotton, cattle, or almonds. A linear city of shopping malls, housing developments, and office parks spreads from the Bay Area to Sacramento and beyond, and another along Highway 99 from Sacramento to Bakersfield on the east side of the San Joaquin [Valley]."

—Gray Brechin, *Farewell, Promised Land: Waking from the California Dream* (1999)

California's Central Valley is 720 kilometres long and eighty kilometres wide, sitting between the Sierra Nevada and Coast Range mountains. Its two main rivers are the Sacramento and the San Joaquin, which run through the northern and southern parts, giving their names to the valley's two sections. The two rivers join in a massive delta that flows into the San Francisco Bay. It is the most productive agricultural region in the world where, since the 1970s, developers have been paving over fertile soil to build massive tract-style suburban and exurban housing.

For years, the monocultural practices of highly centralized agribusiness have been polluting ecosystems with a toxicity that spreads environmental damage beyond the region. More recently,

the mortgages financing the new homes have become the toxic assets polluting social relations. In the midst of the world's richest farmlands, the Central Valley probably has more foreclosed homes than anywhere else in the world. Historically, some parts of the Valley have had the lowest wages in the US and some of the highest rates of unemployment outside the Midwestern 'Rust Belt.' The Valley competes with the Los Angeles basin for the worst air quality in the US. According to the Environmental Protection Agency, the town of Arvin—immortalized in John Steinbeck's *Grapes of Wrath* (1940) for the government-funded migrant workers camp called 'Weedpatch'—has the dirtiest air in the country.

Interstate 80 is the second-longest highway in the United States, traversing the country from San Francisco in California's Bay Area to the suburbs of New York City. Driving east along Interstate 80 from the Bay Area, chaotic, unplanned suburban sprawl has replaced farmland for nearly all of the 140 kilometres to Sacramento. There are a few breaks when the terrain is hilly and a few crop fields have survived, but otherwise all you see are longs strips of suburbanity: shopping malls, endless rows of tract homes, automobile and recreational boat dealerships (many now just empty lots), office parks and billboards.

Running south of Sacramento, through the heart of the Central Valley, is Highway 99. For decades the towns and cities of the Central Valley have been amongst the fastest growing in the US, and as you drive along the highway you pass through all these

places that until recently had all the garish optimism of boom towns. The first big city you reach after Sacramento is Stockton, home to a deep-water sea port that connects major rivers with the San Joaquin Delta, the Bay and trans-Pacific trade. In the earlier years of the decade, Stockton was at the centre of the speculative housing bubble. In 2008 it had the highest rate of foreclosures in the country. It also has one of the highest unemployment rates and *Forbes* magazine recently rated it the 'most miserable city in the US.' Further south there is more of the same American consumer culture: shopping malls surrounded by massive parking lots and a huge Christian high school in the town of Ripon. In places railroad tracks and changing yards run alongside 99, but many of the tall grain silos and food processing facilities have been abandoned. The next big city is Modesto—the number one city in the US for car thefts and number five on *Forbes*' 'most miserable' list. Here the fertile farmland has been concreted over to build 'affordable' housing for commuters, some of whom endure a two-hour each-way drive to the Bay Area. Continuing south through Merced—with the second highest 'official' unemployment rate of any US city—there's yet more malls and chain stores, but also reminders of the agricultural industry: a few orchards and livestock pens along the highway, as well as dealers in tractors and other farm machinery. You can also see the plentiful irrigation canals that move water from the wet north to the Valley's dry southern end. What is striking is how much of the industrial and agricultural infrastructure appears to be rusting away. Many plants display huge 'For Sale' signs.

Two hundred and seventy kilometres south of Sacramento, you reach Fresno, California's fifth largest city, with a population of half a million. Fresno is the hub of the San Joaquin portion of the valley and it always seems to be in a haze of brown smog, especially during the stiflingly hot summer months. It is the 'asthma capital of California,' a result not only of vehicle and industrial pollution, but also the airborne pesticides and other toxic chemicals used in agriculture. Fresno County is the most productive and profitable agricultural county in the US. Until recently it was also home to three large downtown tent cities, as well as other smaller encampments scattered throughout the city and along the highways.

The first tent city, on Union Pacific railroad property, was evicted in July 2009. It was literally toxic: sludge was discovered oozing out of holes in the ground in the summer of 2008, possibly due to the site's previous use for vehicle repair. 'New Jack City'—after the 1991 film about violent crack-dealing urban gangs—earned its name because two murders have already occurred there. The third tent city is more like a shantytown because many of the living spaces are built with scavenged wood. It is called 'Taco Flats' or 'Little Tijuana' because of its many Latino residents. These are mostly migrant agricultural labourers, unemployed because of the economic crisis and because a three-year drought has severely reduced the number of crops being planted.

Farm work has always been seasonal and unstable, and it has relied on migrant labour since the Gold Rush of 1849. Right now 92% of agricultural workers are immigrants. Chinese workers—often derogatorily referred to as 'Coolies'—were brought in to build the railroads. Once the transcontinental railroad was completed in 1869, they worked in mining until racism and declining yields drove them off. Many ended up labouring in the fields until the Chinese Exclusion Act of 1882, which prevented further immigration, and also resulted in many Chinese being driven out of rural areas and into urban ghettos. Growers then turned to Japanese, Filipino, Armenian, Italian and Portuguese immigrants, as well as Sikhs

from the Punjab region and beyond. During the Great Depression of the 1930s they employed 'Okie' and 'Arkie' refugees from the Dust Bowl—native-born white migrants, mostly former sharecropper or tenant farmers from Oklahoma and Arkansas. Mexican immigrants have also been used for this work and they, along with Central Americans, have become the overwhelming majority of agricultural workers today.

One Big Union

Fresno also has a history of struggle. It's where the Industrial Workers of the World (IWW or 'Wobblies') waged a successful six-month Free Speech Fight in 1910-11. The battle attracted several hundred Wobblies and other migratory workers from up and down the West Coast to support the right to organize on public streets and to 'soapbox.' The guiding force was IWW organizer Frank Little, who arrived from a free speech fight in the agricultural area around Spokane, Washington. (Little, who was half-Indian, was lynched in Butte, Montana in 1917, whilst helping organize a copper workers' strike and arguing that working men should refuse to fight a World War on behalf of their oppressors.) At the time, Fresno called itself the 'Raisin Capital of the World' and at the end of each summer, 5,000 Japanese workers and another 3,000

hobos would arrive in Fresno for the grape harvest. Much like the tent cities today, workers camped out downtown and looked for work in what was known as the 'slave market.' The Japanese were often very united and willing to strike for higher wages and better conditions. Knowing that the IWW tried to organize all workers, regardless of race, nationality, ethnicity, gender or sector, the local elites were terrified that the Japanese might align themselves with the IWW. They resorted to violent harassment and mass arrests of IWW soapbox orators, frequently using vigilantes. The struggle continued in the courtroom where the Wobblies took up as much time as possible, seeking to make their trials political and agitating for class struggle. This fight for free speech was victorious, although its main effect was Fresno's political leaders and local farm owners becoming more tolerant of the conservative American Federation of Labor (AFL) and its attempts to organize farm workers.

The next major IWW confrontation took place in 1913, in the Sacramento Valley's hop-growing region. The Durst Hop Ranch in Wheatland advertized in newspapers throughout California the need for 2,700 workers. In fact they needed only 1,500. The intention was to create a surplus of workers to push down wages. The advertisements eventually drew 2,800 workers of 24 ethnicities, speaking two-dozen languages. It was extremely hot, there was no clean water and there were only nine outdoor toilets. People had to sleep in the fields if they did not want to pay Durst for a tent and, without clean drinking water, the only alternative was paying Durst's cousin five cents for lemonade. Stores in town were forbidden to come to the ranch to sell to the workers, forcing them to buy supplies at Durst's own store. With no garbage removal or sanitation, many workers became sick. Durst withheld ten per cent of wages until the end of the harvest, hoping that the filthy conditions would drive many to leave without collecting them.

A hundred or so of the men had some connection to the IWW and they quickly called a meeting, more to discuss the deplorable living conditions than the pitiful wages. About 2,000 people gathered to hear the Wobbly organizers speak, but the meeting was broken up by the sheriff and his men. Four people were killed in the resulting riot, two workers and two from the sheriff's posse. Most of

workers fled the Durst Ranch and scattered. A reign of terror then began. All over California radicals were targeted in the hunt for the Wobblies judged responsible for inciting the riot. But the state's investigation of the unhealthy conditions at the ranch that followed led to new laws to improve the living conditions of agricultural workers.

Even so, fifty years later almost nothing had changed concerning the creation of a 'reserve army of labour,' or the use of racism to keep workers divided and weak. The appalling conditions under which workers continued to labour, as many still do today, encouraged Cesar Chavez to lead a farm worker organising drive in Delano in the San Joaquin Valley in the 1960s. It resulted in the formation of the United Farm Workers union.

Gold, green gold, black gold: California's capitalist development

Gold was discovered in California in 1848. The Valley grew with the rest of the state as capitalism appeared seemingly out of nowhere, practically overnight. California gold enabled the world economy to recover during the age of revolution in Europe and it fired the rapid urban industrial expansion across the United States. The San Francisco Bay Area became one of the most dynamic regions of capitalist accumulation in the late 19th Century, a role that the area of Southern California around Los Angeles continued to play throughout the 20th. California's later expansion was based on 'green and black gold': agricultural commodities and oil. From the early 20th Century, several counties in California began to lead the US in the production of both.

Agriculture is much like any other form of capitalist production. With increasing mechanization, the concentration of capital and centralization of production (and now with the use of genetically modified crops), higher yields can be achieved with fewer workers, who labour on a smaller number of larger farms. California's Central Valley was the first region in the US to develop this system

of industrial agriculture on a mass scale: agribusiness. As capital tightened its control of farm work—in a move from its 'formal' to 'real' domination over labour—the resulting highly productive agricultural sector was able to take advantage of advances in transportation to sell its products on the world market. This in turn threw weaker producers into crisis. In Europe, millions of peasants were driven off the land, and many were forced to emigrate to places like the US. Globally, cheaper food meant workers could feed themselves and their families more cheaply, allowing wages to fall, even as working class living standards—in some countries—rose.

The novel *The Octopus: A California Story* (1901), by Frank Norris, paints a vivid picture of this process of the proletarianization of the Central Valley's agricultural labour force in the 1880s. A generation later, John Steinbeck described the completion of the process in *The Grapes of Wrath* (1939), as internal migrants—the dust bowl refugees—trekked from Oklahoma to the Central Valley during the Great Depression seeking work. This agribusiness system of market-driven, centralized production resulted in the violent and brutal industrial exploitation of agricultural workers. These conditions are still apparent today, as an army of mostly Mexican and Central American farm and ranch workers roam throughout California toiling for low wages and under equally precarious conditions. The main difference is that the increasing reliance on petrochemicals in agriculture exposes farm workers to a wider variety of deadly toxins.

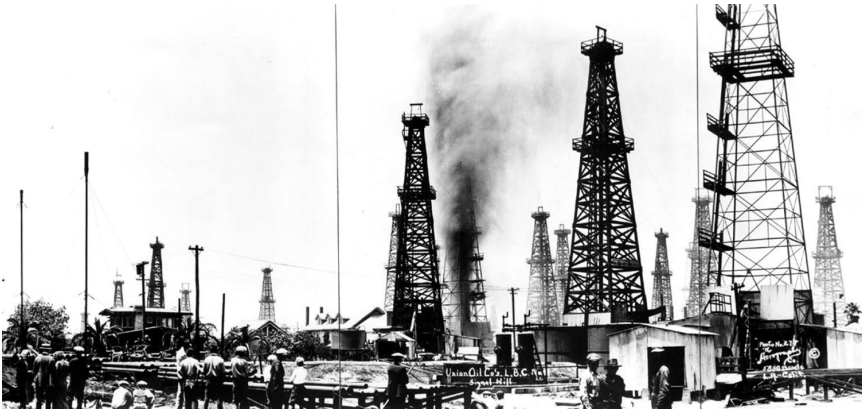
Water has become a commodity critical for California's development. Most rain falls in the state's northern part, but eighty per cent of the agricultural and urban demand is in the south. An enormous, now creaking infrastructure of interconnected canals, dams, reservoirs and pumps moves water from sea level in the north to an elevation of 150 metres in the south, allowing vegetables, fruit and nuts to be grown in the San Joaquin Valley. But California's development has always been rooted in an ideology of endless growth and the idea that soil is real estate. From the 1980s onwards, water distribution across the state has become more deregulated, whilst influence over the bureaucracies managing water has shifted from agribusiness to property developers. As

farmland has been paved over, water once used to irrigate crops has become available to property developments as far afield as Orange County in southern California, Las Vegas in Nevada and Phoenix, more than 1,000 kilometres away, in Arizona's rapidly developing sunbelt. Water, freed from its obligations to Central Valley agribusiness, was part of the fuel that fired the massive housing boom throughout California and the south-western US. But as demand for water outstripped supply, the conditions for future droughts were created.

At the same time as much farmland has made way for development, other farms and ranches have centralized and concentrated even more as they have shifted to a narrower range of more lucrative cash crops and livestock production. Between 1996 and 2006, dairy production increased by 72% and almond acreage by 127%. An amazing eighty per cent of the world's almond crop comes from 250,000 hectares of orchards in the Central Valley. This form of monoculture has its toxic effects. There are simply not enough bees in the Valley to pollinate all the almond trees, so over forty billion of them are brought in for the three weeks the trees are in bloom in February: some are trucked all the way along Interstate 80 from New England and others are flown from as far away as Australia. En route the bees are fed what amounts to insect junk food: high-fructose corn syrup and flower pollen imported from China, causing Colony Collapse Disorder. As many as eighty per cent of bees have left their hives, never to return. Since bees pol-

linate nearly two-thirds of plants that end up as food, this could have disastrous consequences for humans.

The 'rationalization' of agriculture, coupled with property development, has already had disastrous consequences for humans in Mendota, a town fifty kilometres due west of Fresno. Mendota's population is just under 10,000; 95% of its residents are Latino and most work in agriculture. Mendota claims to be the 'cantaloupe capital of the world,' but the crop requires irrigation and the drought has prevented planting, putting many people out of work. The town now has a second title as the 'unemployment capital of California,' with a 41% jobless rate. As alcoholism runs rampant and the social fabric breaks down, the nearby Mendota Federal Prison offers one of only a few future employment possibilities. Budget problems mean the prison is currently only forty per cent finished, but President Obama has pledged $49 million of stimulus money towards its completion. Once built, it should provide 350 jobs. Prisons are a growth industry in California, where one in six prisoners is serving a life sentence.



At the end of the 19th Century, oil was discovered in Kern County, in the southern, San Joaquin part of the Central Valley. Kern County contains three of the US' five largest oil fields. With all the refineries in the area adding to the toxic mix, the air is heavy with ozone and other forms of particle pollution. Exposure to industrial chemicals, especially in the workplace, is listed in various reports

as a major cause of toxicity in the region. Women's Health magazine listed Bakersfield, the County seat, as the country's most unhealthy city for women.

This southern end of the Valley was merely a desert until the irrigation projects brought water. But the soil also contained salt and alkalis from an ancient seabed. A plan was devised for a master drain through the centre of the Valley that would dump these wastes in the San Francisco Bay from which they could be flushed out into the Pacific Ocean. Environmental protests prevented the completion of the project and the drain instead ended up dumping into the Kesterson Reservoir, site of a refuge for migratory birds. In the early 1980s, birds began to die in large numbers, chicks were born with deformities and cattle grazing nearby became sick. The cause was discovered to be selenium, a naturally occurring trace element common to desert soil, toxic in high concentrations. The area became another human-made toxic hotspot, the reservoir was drained and capped with soil, and the wildlife sanctuary closed.

But the poisoning of land, people and animals is not limited to mistakes like Kesterson. Concentrated, high-yield farming is chemical-intensive. A result of this is rapid soil-depletion, salinization, desertification and outright toxic contamination—by metals such as lead, and salts like selenium. These chemicals include carcinogens that cause cancer, teratogens that cause birth defects and mutagens that cause genetic changes. In 1988, the United Farm Workers union demanded that five toxic pesticides used by grape growers—dinoseb, methyl bromide, parathion, phosdrin and captan—be banned.

Toxic housing, toxic self-medication

California's housing boom, like that of the US more generally, was fuelled by the creation of collateralized debt obligations (CDOs) that were based on readily available subprime and other risky mortgages. CDOs rapidly became 'toxic assets' when the bubble burst. The notion of 'toxic assets' is of course something of a

metaphor, but the housing boom created hundreds of thousand of homes that are *literally* toxic. It began with the confluence of the national housing boom and the rebuilding of New Orleans and other parts of Louisiana, Florida and Texas in the aftermath of hurricanes Katrina and Rita in 2005. Massive quantities of drywall—also known as plasterboard or gypsum board—were needed. Builders, especially developers of large-scale housing tracts like Lennar Corporation, the second biggest home-builder in the US, imported 250,000 tons from China. Although this Chinese drywall mostly ended up in Florida and Louisiana, much of it also found its way into Central Valley developments. The material gives off carbon disulfide and carbonyl sulfide, which corrode copper pipes, electrical wiring and appliances like air conditioners. Worse still, people have suffered nosebleeds and rashes, whilst children have been afflicted by ear and respiratory infections.

Owners wishing to sell these toxic new homes are legally required to reveal that they have Chinese drywall, resulting in house prices falling as low as $19,000. Some of the bigger builders, like Lennar, are ripping out the drywall and repairing some of the homes they built. But others have gone bankrupt, or are on the verge of collapse, and have done nothing. Most banks have refused to renegotiate or adjust loans on these toxic homes, leaving their buyers trapped.

Beyond these doubly toxic walls lie the Fresno tent cities, which are plagued by a high level of drug use, particularly methamphetamine, commonly called ‘meth’ or ‘crystal meth.’ Across the working class areas of Fresno, the use of this addictive psychostimulant drug has been defined by local health workers as having reached ‘epidemic’ proportions. The Central Valley was the birthplace of the modern illicit form of this drug, originally produced and distributed by biker-gangs like the Hell’s Angels. The biker drug networks were mostly broken by the police in the early 1990s, only to be replaced by Mexican drug cartels using even more rationalized international systems of production and distribution. The Central Valley around Fresno is key to meth production not only because of the large-scale operators, but also the tens of thousand of smaller producers, all of whom use the rural setting

to operate clandestine labs and super-labs on farms and ranches. The plague of this commodity of immiseration is growing across the US. As social order breaks down due to the crisis, many turn to self-medicating themselves with this toxic substance.

Social problems in the Central Valley once again attracted international media attention in August 2009, when the BBC aired the documentary, *The City Addicted to Crystal Meth*. Filmed in Fresno, it details how social breakdown has been accelerated both by the urban sprawl during the housing bubble and by the unemployment and mass foreclosures that have accompanied its inevitable collapse. The resulting desperation spread meth to the working class beyond the Central Valley, making it one of the most popularly abused drugs in the world today. The documentary features meth-users decrying 'cookers,' those who actually mix the toxic chemicals to produce the drug, as being 'brain damaged.' Meanwhile, many admit their own brains have been damaged by use of the drug which is sometimes consumed by those as young as eleven. Some families contain multigenerational users, and many have been destroyed with increased incidences of domestic violence, incarceration and premature death.

The chemicals used to produce meth are not only highly toxic, but highly flammable too. Many meth labs have exploded as a result, killing the cookers and burning down nearby buildings. Some cookers produce meth on the run and have ended up burning down whole motels when their rooms have exploded due to inadequate ventilation. Beyond its immediate costs, one of the worst aspects of the manufacture of methamphetamines is the waste. Each kilogram of meth produced results in five to seven kilograms of waste. Inevitably, this frequently gets dumped in remote rural areas, such as the parks and forests in the foothills enclosing the Central Valley.

An image from our future?

Commonplace though it may be: the economic crisis is global. So why focus on California's Central Valley? Because, to return to Marx, '[t]he country that is more developed industrially only shows, to the less developed, the image of its own future.' Because the upheaval most shamelessly caused by capitalist development in California has continued unabated, perhaps even gaining speed. Because the wasteland of devastated eco-systems and toxic lives that we encounter there, where capitalism has contaminated every aspect of human social relations it has touched, may be what lies in store for all of us.

In the Preface to the first German edition of *Capital* in 1867, Marx suggests we observe 'phenomena where they occur in their most typical form.' In his day that meant 'production and exchange' and the conditions of 'industrial and agricultural labourers' in England. If we do this, he said we can confront those who say that in their own country 'things are not nearly so bad.' In our day, the United States—particularly California—has replaced England as the world's most advanced capitalist economy. Here we see that violent exploitation of humans is linked to the abusive treatment of the land. That toxic housing, toxic mortgages and the abuse of toxic drugs complement each other. And, in almost impossibly rarified form: the full irrationality of toxic capitalist social relations.

Gifford Hartman works as an English-language teacher, teaching working-class immigrants in the San Francisco Bay Area. He also works in a literacy programme in a public library. Previously he has taught English in South Korea and Greece. He is a member of the Insane Dialectical Posse (whose writings can be found at www.FlyingPicket.org) and helped create the Red & Black Reading Room within Oakland's Niebyl-Proctor Marxist Library.

This zine brought to you by an autonomous committee against the crisis; some of our projects can be found online at http://likelostchildren.blogspot.com

Everything touched by capital turns toxic

The United States' most populous state, California is the world's eighth largest economy. The state has some of the planet's most productive farmland and in the 1990s enjoyed an extensive real-estate boom. But intensive, industrialised agriculture has polluted much of the environment and now, with more foreclosed homes than anywhere else in the world, it is also home to a growing number of tent cities. Gifford Hartman takes us on a road trip through California's Central Valley to witness the toxicity: of mortgages and ecosystems, houses, drugs and human relations.

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