

*14<sup>th</sup> Annual California Policy Issues Conference*  
*Tuesday, November 14, 2006*

**Elections 2006:**  
**Implications for Civic Engagement and Infrastructure Development in California**

The legacy of former Governor Edmund G. “Pat” Brown was revisited in multiple ways at the Pat Brown Institute’s 14<sup>th</sup> Annual California Policy Issues Conference, titled “Implications for Civic Engagement and Infrastructure Development in California.” Over the past year, as the media covered the pending infrastructure legislation, references to Governor Brown’s legendary investments in transportation, water, and education were constant. But equally important, described Dr. Regalado, is that we are revisiting the Pat Brown era through infrastructure investment that was achieved, in part, because of a newfound bipartisan spirit. This intricate combination of political leadership, bipartisan effort, media coverage, and voter participation that resulted in a \$42 billion investment in the future of California is a commendable achievement. Held one week after the 2006 election, the conference was designed to serve as a timely forum to explore this intersection of politics, policy, and infrastructure investment in California.

**Decision 2006: Civic Engagement and Social Infrastructure**

The morning keynote speaker, Ms. Elise Buik from the United Way of Greater Los Angeles, set the tone for the conference in her presentation, “Decision 2006: Civic Engagement and Social Infrastructure.” Ms. Buik argued that along with the newly passed physical infrastructure bonds, renewed investment in civic infrastructure must follow. Efforts should be coordinated to develop the social and physical infrastructure, she argued, to best address California’s poor national ranking in such areas as academic achievement, access to health insurance, and income disparity. Ms. Buik said that a “sense of shared fate and shared public will to change these circumstances” is necessary, especially within the changing demographic context of California. “Building a strong civic infrastructure will look differently than in the past,” she said. With an aging population and a sizeable young population, adequate education is necessary to fill the great demand for the next generation of skilled workers in California. Additional challenges, she added, to our social infrastructure include voter apathy, low voter turnout, increasing NIMBYism, and decline in volunteering.

Alongside Ms. Buik’s recommendations to develop the human capital and social infrastructure of California, she acknowledged that “creating the social fabric will not be easy. . . . Only when the three big players”—public, private, and nonprofit—“are equal partners at the table to address these problems can we hope to build the social infrastructure to match the physical infrastructure.” Once at the table, she continued, these sectors need to address issues of resources and funding, coordination between sectors to link training institutions to employers, and public policy development. Ms. Buik explained how, in an effort to put these recommendations into practice, the United Way is taking steps to improve quality-of-life issues in the region through public policy advocacy and creating pathways out of poverty with educational and economic development. She concluded by encouraging the conference participants also to consider

social infrastructure investments as we discuss the physical ones. Because “Los Angeles is a bellwether for California and the rest of the United States, we need to get it right.”

### **California Has Spoken! What’s Next?**

The opening plenary panel, moderated by Ms. Bobbi Murray from the *Los Angeles Daily Journal*, posed this question: “California Has Spoken! What’s Next?” Mr. Allan Hoffenblum, from the political consulting firm of Hoffenblum & Associates, opened the panel by commenting on the “democratic tsunami” and its implications for California. He pointed out that the electorate made very different decisions at the state and national levels; voters took out their anger at Bush nationally, while at the state level, California wanted a centrist and reelected Governor Schwarzenegger. Mr. Tom Chorneau from the *San Francisco Chronicle* concurred, adding that the Governor’s centrist approach gave voters the feeling that “Sacramento was working for once.” Additionally, he added, the Governor was able to take advantage of multiple issues falling into place. Whether or not these bipartisan efforts will continue in light of a budget deficit remains to be seen.

The panelists also identified some of the political “curveballs” that may keep the upcoming year interesting. Mr. Timothy A. Hodson of the Center for California Studies pointed to the large freshman class in the California Assembly. According to Mr. Hodson, one-half of the Democratic Caucus and one-third of the Republican Caucus will be in their first term. Both the green legislature and leadership politics, said Mr. Hodson, will make for a complicated year in 2007. As for the state level, Ms. Laura Mecoy from the *Sacramento Bee* foresaw potential political fireworks between Governor Schwarzenegger and Attorney General Jerry Brown. Because they have “egos the size of the Sierras” and great capacity for change, she questioned their ability to see eye to eye.

The Governor’s ability to bring diverse groups of stakeholders from different sectors together to solve problems was viewed by Dr. Robert Ross from the California Endowment as a great asset for the state. As a self-labeled optimist who worked with the Governor’s administration on a statewide obesity summit, Dr. Ross predicted that Governor Schwarzenegger’s political clout and consensus-building skills will have tremendous implications for health care reform in California. Due to budget constraints, however, several on the panel expect to see the Governor present a modest health care proposal that will tackle the issue in stages.

### **Framing the Outcome: The Role of Media in Politics**

Moderator Dr. Scott Bowman of California State University, Los Angeles, set the stage for the panel titled “Framing the Outcome: The Role of Media in Politics” by reviewing the recent changes in the media landscape. On the one hand, said Dr. Bowman, the diversity of viewpoints has been reduced by media conglomeration; on the other hand, there has been an increase in “bottom-up news” in the form of Internet news sites and blogging. He described that the challenge for political campaigns is to navigate within both of those realms.

Adding to the media dilemma is the fact that most people still receive their election information from local TV stations, reported Dr. Kim Nalder from California

State University, Sacramento. Because of this, said Dr. Nalder, viewers receive very limited information that is largely based on paid advertising. The preliminary findings from her study on the recent election indicate that there were five times as many political ads covered on the local news stations as political stories. The media's lack of real political information, in addition to the increasing complexity of the initiatives, said Dr. Nalder, allows for the meanings of elections to be swayed by flawed media narratives.

Based on her experience working on the Proposition 87 Clean Energy Campaign, Ms. Yvette Martinez Bracamonte, from Progressive Strategy Partners, described the enormous challenge getting mainstream TV stations to meaningfully cover their complex initiatives. The media's desire for a sexy—as opposed to substantive—story, said Ms. Bracamonte, does not adequately inform voters and creates a bias toward campaigns with deep coffers that can afford paid advertising. Mr. Parke Skelton from SG&A Campaigns described the TV stations as having an inherent conflict of interest: “The less they cover your story—the more you have to buy air time.” The rising cost of paid advertising makes it increasingly difficult for many candidates but the dramatic increase in rates during the week before the election is cost-prohibitive for most downticket races. Blogs, the other election media source, described Mr. Skelton, are not a comparable alternative to real journalism because the bloggers often lack investigative and analytic training and frequently obtain their information from mainstream media sources. Additionally, he said, the content and ideological background of most blogs remains unclear, leaving room for undisclosed bias.

In addition to inadequate election coverage, said Mr. Tracy Westen from the Center for Governmental Studies, negative media are actually contributing to voter apathy. Negative media are fueling what Mr. Westen referred to as a Downward Death Spiral, “a process in which each participant is forced to behave on short-term interests that ultimately lead to the collapse of the system.” Negative ads, said Mr. Westen, carry two messages that create fear, uncertainty, and doubt in the electorate: “(1) my opponent is a jerk, and (2) all politicians are jerks.” These ads create suspicion of all candidates and propositions, he said, leading to low voter turnout, which is undermining the integrity of the entire system. Because ads are less likely to be negative when the candidate appears in them, Dr. Westen recommended that incentives be offered to candidates who appear in their own ads.

### **Pockets and Party Lines: The Politics of Public Expenditures**

Mr. Robert Stern, from the Center for Governmental Studies, moderator for the panel “Pockets and Party Lines: The Politics of Public Expenditures,” posed a series of questions to the panelists regarding the passing of measures 1A, 1B, 1C, 1D, 1E, and Proposition 84. He asked participants to consider why these measures passed? For example, because more money was spent in favor of them than against? Because of bipartisanship in Sacramento? Because voters wanted to invest in their future? Because voters did not realize these bonds would cost twice as much to pay after 10 years? Because we have a “credit card” society that is comfortable with “paying later”?

“The triumph of centrism,” argued Dr. Tom Hogen-Esch from California State University, Northridge, can largely explain the passing of the infrastructure bond package. In his talk, titled “Looking Backward: The Progressive Centrism and the

Politics of California's Infrastructure," he argued that both voters and the Governor were visited by the ghosts of past Governors such as Hiram Johnson, Earl Warren, and Pat Brown. The people believe that government still has a responsibility to invest in California's economy, he said, as evidenced by the upward trajectory of per capita state and local expenditures since the 1970s. "We the voters get it," argued Dr. Hogen-Esch. "We know it's time to invest in the infrastructure." What remains to be seen and what future infrastructure investment will be contingent upon, he concluded, is how successfully the infrastructure investment is implemented.

Though they are a "profoundly remarkable investment," said Mr. Timothy L. Coyle from the California Building Industry Association, the recent infrastructure bonds are only the tip of the \$150 billion iceberg needed to completely repair and update California's infrastructure. Mr. Coyle concurred that the implementation of the bonds is critical, because without voter trust politicians in Sacramento will be unable to make the long-term investments truly needed. This sentiment was echoed by Mr. George Skelton from the *Los Angeles Times*, who argued that state leaders will have to prove they can spend the initial infrastructure money wisely before they ask for any more. "In many ways people in this state are living in a state of denial," said Mr. Skelton, because they don't want to raise taxes or restructure the state tax system.

On a different note, Mr. David Sickler from the Los Angeles Department of Public Works Commission argued that the infrastructure bonds were knowingly passed by voters who want a better quality of life, including quality housing and transportation options. The passing of Proposition 1A was significant, described Mr. Sickler, because voters were angry that \$2.5 billion had been siphoned away from transportation funding due to loopholes in Proposition 42. Voters wanted to secure transportation funding and prepare our transportation system for continued population growth. These bonds were so successful, said Mr. Darry A. Sragow from the law firm Sonnenschein Nath & Rosenthal, LLP, because the campaign talked about fulfilling specific, critical needs (e.g., secure transportation funding). Additionally, said Mr. Sragow, to get a bond passed the campaign must overcome the voters' inherent distrust of government. In this case, he said, centrism and hope triumphed, and he commended the Governor, legislature, and voters for doing the right thing.

### **Advancing the Pat Brown Legacy: Bipartisanship and the Spirit of 2006**

As testament to the collaboration of the past year, the luncheon keynote presentation was shared between Governor Arnold Schwarzenegger and Senate President Pro Tempore Don Perata. Ms. Kathleen Brown from Goldman, Sachs & Co. welcomed the Governor on behalf of the entire Brown family, praising the bipartisan teamwork that has brought a renewed interest in infrastructure. Though she has introduced many governors in her lifetime, said Ms. Brown lightheartedly, none of them has been Republican before today. The Governor, said Ms. Brown, "wears a Democratic suit quite nicely."

*Honorable Arnold Schwarzenegger, Governor of the State of California*

Referring to Pat Brown as “one of the greatest architects” of the Golden State, Governor Schwarzenegger proclaimed that the legacy of Governor Brown will be continued through the recent investment of \$42 billion into California’s infrastructure. Citing visionary leaders such as Earl Warren, Goodwin Knight, and Pat Brown as inspiration for his strategic growth plan, Governor Schwarzenegger said that he was “determined that California would get back its shine and its status as the most wonderful place in the world, that it could be once again the Golden State.”

Based on the *Los Angeles Times* exit poll—which said that two-thirds of Californian’s think we are going in the right direction—he argued that as a state we are already on our way. He gave credit to the voters for choosing “greatness and opportunity” on Election Day and thanked Senator Perata for his collaboration and bipartisan efforts on the infrastructure bond package. “The reason for this new sense of optimism,” said Governor Schwarzenegger, “is very simple; for the first time in years, people are seeing the tangible results from state government, results that make their lives better.” As evidence of the last year’s productivity and cooperation in Sacramento, the Governor cited the creation of 650,000 new jobs, a reduced deficit, an upgraded credit rating, an on-time budget with funding for education and art, and bipartisan efforts to protect the environment and fight global warming. He also discussed his recent foreign trade missions as a long-term strategy to increase employment and revenue in California.

Though the accomplishments over the past year have been great, many challenges lie ahead, said the Governor, and “we should not rest on our laurels.” The Governor proceeded to announce his 2007 policy agenda, unveiling for the first time his intent to reform health care access. Other issues of top priority on the Governor’s agenda included increasing educational accountability, creating youth career paths, reducing overcrowding in prisons, and the formation of competitive legislative districts. Additionally, he added, we need to finish what we started with the budget and infrastructure improvements. The tasks for the upcoming year will be tackled like those of 2006, “in a bipartisan way with cooperation and with respect.” He said he is filled with “hope and optimism” and very proud of the legislators of both parties.

Governor Schwarzenegger attributed the infrastructure bonds’ success and his reelection to simply doing what the public wants—“to concentrate less on politics and more on policy and governing.” In California, he said, we have seen results, and “we have laid out a bright vision for the future.” People from all walks of life have seen “there is more that unites us than that tears us apart, that we are all in this together. . . . And now,” said the Governor, “we are going to continue building. We are going to do exactly what Pat Brown did: build, build, build.”

*Honorable Don Perata, California Senate President Pro Tempore*

Introduced as one of the most “profound visionary leaders our state has ever known” by Mr. Keith Weaver of Sony Pictures Entertainment, the Senate President Pro Tempore, Don Perata, quickly launched into a behind-the-scenes tale of how the bipartisan efforts enabled the creation of the infrastructure bond package. Senator Perata recalled the memorable jet ride on the Governor’s G-5, during which the Governor referred to the Senator’s initial \$7.9 billion infrastructure bond jokingly as “that Mickey Mouse bond of yours.” The Governor, said Senator Perata, was completely right—

California's infrastructure is in need of much greater investment than \$7.9 billion can provide. The key to the successful infrastructure package, said the Senator, was the Governor's ability to communicate his vision and then relinquish control of a project he created. The Senator described the negotiating stage between. After "a lot of Zinfandel," said the Senator candidly, Republicans (who wanted dams) and Democrats (who wanted parks) were able to get "stuff worked out."

The credit for "the single greatest investment ever made in the state," proclaimed Senator Perata, goes to the people of California. The public's faith in government, he said, will be validated by the visible landscape of construction throughout the state. Additionally, he continued, this investment will be the "lifeblood of the state" for the next 10 years. Investment in California's infrastructure is critical because "we are in a dead flat-out race with Mexico to bring goods to the state." We have to attract private investment, said the Senator, so that we can "leverage each dollar a voter invested in California" in an effort to revive the middle class and raise the overall quality of life. His own commitment, said Senator Perata, is the same as the Governor's—"We are not going to let California down."

### **Final Thoughts and Policy Considerations: Interactions with Dan Walters**

Mr. Dan Walters from the *Sacramento Bee* concluded the conference with a political analysis intended to be "a little more realistic about the prospects for California." The dilemma, he began, is that California's diversity, complexity, and competing value systems make it a difficult state to govern. The American system of government, he argued, was not intended for this context. Created by white, male landowners, the system was based on two assumptions: (1) the diffusion of power, and (2) a core worldview and value system. Because the system is based on checks and balances as a way to diffuse power, some sort of consensus is necessary for anything to happen. Though appropriate at the time it was created, said Mr. Walters, within California's current context, this system appears to lack the social cohesion necessary to govern effectively.

Mr. Walters identified three "megatrends" that will impede effective governance in California: the change from an industrial to postindustrial economy, increasing population growth primarily through immigration, and the increasing complexity of government bureaucracy. As a result of these trends, "politicians must deal with two parallel universes," such as the aging affluent homeowners, on the one hand, and the young, ethnically diverse population with children, on the other. Mr. Walters questioned whether, without a unifying factor, there can be consensus on anything in California—the infrastructure bonds included. That is, the only agreement so far was to borrow more money.

The passing of the infrastructure bonds, argued Mr. Walters, occurred when multiple interests aligned, not out of true bipartisanship efforts. Good governance, he continued, would require the creation of real consensus in California. If Arnold Schwarzenegger, with all of his unique attributes, cannot generate consensus and govern effectively, said Mr. Walters, who could? If Arnold Schwarzenegger fails, he said, "is it California's destiny to erode into hostile tribes and enclaves?" Voters today, concluded Mr. Walters, are "testing whether this unique system devised over 200 years ago can function effectively in the complexity and diversity of California."