Zona Libre: Conservatism, Urban Growth, and the Rise of the New Economy in the San Diego Borderlands

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Zona Libre: Conservatism, Urban Growth, and the Rise of the New Economy in the San Diego Borderlands

A dissertation submitted in partial fulfillment
of the requirements for the degree of
Doctor of Philosophy in History

by

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Abstract

Both the rise of conservatism as well as the neoliberal turn of the twentieth century have received much scholarly attention in recent decades. Often, these two subjects are examined separately, with the former focusing on questions of party realignment in the United States and the latter on global economic shifts toward privatization, finance, and the segregation of labor types across international boundaries. As a result, efforts to trace the dual movement between questions of domestic politics and international economy are left underdeveloped. “Zona Libre: Conservatism, Urban Growth, and the Rise of the New Economy” remedies this gap by exploring the linkages between conservatism and neoliberal globalization, arguing that instead of a top-down innovation of business, the contours of the New Economy were dictated from the middle-up by middle-class homeowners wary of the impact of growth and development on their quality of life.

The San Diego-Tijuana corridor, a uniquely urban binational space on the U.S.-Mexico border, proved an early microcosm between 1965-1995 of both the political and economic forces that would come to transform the United States moving into the twentieth-first century. After World War II, growth liberalism created a government-subsidized class of white homeowners seeking to safeguard their quality of life. Fearful of the potential impact of traditional smokestack industries and the physical and political presence of an industrial proletariat, they forced business interests to seek binational solutions. But, as international economic integration between San Diego and Tijuana accelerated, these same homeowners demanded tighter border controls. In the end, the reorientation of the region’s economy to globalization birthed a brand of conservatism dedicated to a new nativism centered on protecting quality of life.
Acknowledgments

All scholarship is a collective effort. I have been fortunate to have worked with some of the best and brightest ever assembled at the University of Arkansas. To start from the beginning requires a heartfelt thank you to my graduate school cohort, namely Madeleine Forrest and Michael Powers who were nothing but supportive in our years together. Nate Conley proved, time and time again, to be my best friend in the program. We started this journey together and finished together, riding the highs and lows along the way, each talking the other off the ledge at different points. Thank you, Nate.

In terms of mentors, I stood on the shoulders of a brilliant collection of scholars to produce this dissertation. Patrick Williams and Kathryn Sloan pushed me to new considerations and inspired me to explore topics far different than anything I anticipated when I arrived, making me a far better thinker in the process. To my advisor, Michael Pierce, I am forever indebted. His tireless efforts, gentle pushes, and gracious encouragements made this project possible; his brilliant insights made it worthy.

Lastly, I would like to thank my partner in life, Ashley Whiting. Scholarship can be lonely work, save for when you live with another historian. Always international in her outlook, she challenged this Americanist to look further and cross borders both mentally and physically. It is something I will continue to do in all future endeavors.
Dedication

To those that carry the fire and light the spark.
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Figure 1.1 Map of San Diego County
Introduction

What America is, California is, with accents, in italics.

- Farnsworth Crowder, Journalist, 1946

This dissertation is about white middle-class homeowners on the U.S.-Mexico border who contested global capitalism. Instead of a top-down examination of the ways in which business shaped American society, this story is one of expectations being dictated from the middle up, creating the shape and character of the modern New Economy, which segregates low-wage industrial production in the developing world while prioritizing a high quality-of-life dependent service economy in the United States for members of the white middle class.

San Diego, California, from very early in the twentieth century, proved a bastion of white middle-class homeowner politics. This oasis of leisure on the west coast attracted mainly midwestern retirees seeking to escape the hustle-and-bustle of industrial capitalism. As a sanctuary from smokestacks, San Diego developed a civic culture moored to principles of clean growth and dedicated to principles of open space, natural beauty, and the absence of an industrial proletariat. Multiple booster regimes came and went, all hoping to bring the traditional markers of capitalist growth to the city, and each found themselves forced to navigate a minefield of white homeowner resistance.¹ Mid-century liberalism, with its wide-scale subsidization of white

homeownership only deepened the power of this class. With the numbers to effectively wield the nation’s most progressive instrument of direct democracy, California’s ballot initiative system, white homeowners effectively mobilized to influence, delay, and undermine area-booster’s efforts to develop industrial capitalism in San Diego. In this way, these white homeowners, more than the bankers and chamber of commerce types, are responsible for the development of a New Economy designed to protect their quality of life.\textsuperscript{2}

White homeowner resistance to change is a familiar topic in the existing literature on twentieth-century American politics. Homeowners feature as central characters in narratives on the nation’s rightward turn constituting as they did the shock troops of Richard Nixon’s “silent majority” in the late 1960s as well as the “Reagan Revolution” of 1980. Their resistance to social changes ranging from civil rights to the sexual revolution are identified as catalysts for major electoral party shifts. Combined with top-down descriptions of business interests managing this rightward turn from above, the birds eye view of the historiography on modern conservatism presents a coalition of component parts forming the ideological opposite of the liberal welfare state.\textsuperscript{3} For a long time, the \textit{prima facie} need to identify the ideological opposition to liberalism

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\textsuperscript{2} Leisure, closely tied to quality of life, played a significant role in southern California appeal for both vacationers, but more importantly, retired white homeowners. See Lawrence Culver, \textit{The Frontier of Leisure: Southern California and the Shaping of Modern America} (New York: Oxford University Press, 2011).

limited lines of inquiry to subjects that fit that description. In recent efforts to confront this shortcoming, historians have begun to unpack the constructed dichotomy between liberalism and conservatism. As Elizabeth Shermer argues, the modern era’s political divide did not emerge from battles between statism and anti-statism, but instead “depended on how state power was deployed, who the state was intended to serve, and what types of policies the state was pursuing or curtailing.”

San Diego typified this reality. Local political struggles had much more to do with the control and allocation of resources than they did explicit ideological differences. In these struggles, pro-growth or anti-growth were far more significant labels than liberal or conservative. Additionally, because San Diego shares the same metropolitan space with the Mexican city of Tijuana, a framework of Democrat vs. Republican contains little explanatory power in dissecting the coalitions that sought to coordinate cross-border development or those that opposed it. San

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Diego’s white homeowners fought for the state to protect their quality of life first and foremost, with all other issues absorbed by this animus.

By piecing together the discarded dreams of area business leaders, tossed aside in frustration from their proverbial drawing boards within the San Diego Chamber of Commerce, this dissertation traces the accommodations forced on capital by white homeowner resistance to growth. With each innovation in political economy, area boosters sought to solve a paradox at the heart of growth liberalism: how to maintain the endless growth needed to generate capitalist profit without degrading the quality of life that very same growth underwrote for affluent white homeowners. Losing more battles than it won in its clashes with homeowners, the San Diego Chamber of Commerce’s solution to the paradox shifted south of the border. Mexico, with its largely untapped workforce and politically disempowered populace, presented an apparent solution to their problem. Yet, the need for accommodation persisted; the more capital sought to expand cross-border economic integration, the more white homeowners demanded an increasingly barricaded border, ever fearful of the infiltration of a non-white working class. As the New Economy took shape, wherein types of labor were segregated across international boundaries, the fights over development in America’s Finest City foreshadowed the ways geography, borders, and resource allocation combined to forge a transnational race and class-based hierarchy.

Since Alan Brinkley’s 1994 call for historians to correct American conservatism’s orphan status in scholarship, there has been a deluge of work focusing on the rise of the right in America. The explorations that emerged tended toward social history to quantify the grassroots origins of conservatism and solidify it as a social movement in opposition to liberalism. More often than not, these works focused on the spatial composition of urban environments, with white suburban communities acting as the petri dishes for backlash to issues such as busing, school integration, crime, and taxes. The fact that these communities were themselves products of the liberal welfare state must be identified as something more than a contradiction or irony of modern conservatism.

This dissertation seeks to illuminate a more explicit connection between modern conservatism and liberalism. To do so, it utilizes a much broader definition of conservatism than traditional examinations of American politics. Political scientist Corey Robin argues that conservatism is first and foremost about the defense of privileges along intersecting lines of race, class, and gender. Focused on “power besieged and power protected,” conservatism is an activist doctrine seeking to address/remedy loss. That loss may be real or perceived, material or ephemeral, but it is what motivates political mobilization on the right. Mid-century liberalism, in carefully constructing white middle-class homeowner communities, anchored around the patriarchal nuclear family, intentionally generated countless “private regimes of power.” In San Diego, protection of this liberal ideal stood as the guiding logic in quality of life politics, with

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conservative homeowners acting as gatekeepers to this liberal ideal as opposed to its ideological opponents.

By broadening our definition of conservatism to incorporate the degree of overlap it shared with liberalism, at least in terms of building and maintaining the social unit of the family, we gain the ability to assess more accurately the motivations behind San Diego’s quality of life politics. Representing a multi-layered identity tied to the expectations born of mid-century liberalism, quality-of-life proved a dynamic political force, capable of picking up, adapting, and even combining, different political impulses ranging from environmentalism to eugenics. Whether retirees, middle-managers, or elite educated knowledge workers, each of these groups possessed the same material goals of protecting their property values, safeguarding the educational opportunities for their children or grandchildren, and enhancing the quality of their leisure. Mooring their political machinations in the material basis of liberalism makes the contradictory coherent while also revealing the unparalleled dynamism from which modern conservatism draws its power.

Although I focus on conservatism in a specific geographic setting, my arguments engage with broader discussions concerning the rise of neoliberalism. Despite a categorical distinction as part of the broader rightward turn, the historiography on neoliberalism’s connection to modern

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8 Robert Self identifies this political struggle between broadening or restricting access to the liberal family unit as a struggle between “breadwinner liberalism” vs. “breadwinner conservatism.” Each accepts the family, in some form, as the center of social life and its maintenance a political goal. See Robert Self, All in the Family: The Realignment of American Democracy since the 1960s (New York: Hill and Wang, 2012).
conservatism’s ascendance in the United States remains underdeveloped. In part, neoliberalism’s ever-broadening elasticity bears some of the blame, as scholars across multiple fields work to reel it in and give it specificity. Similar to the weaknesses historian Daniel Rodgers outlined in the use of republicanism by scholars of the eighteenth and nineteenth centuries, the problem with neoliberalism is “not simply that of a word passed through too many hands and made to do too many things…the deeper, unnoticed problem was the unraveling sense of what kind of entity [it] actually was.”

In hopes of adding some solidity to the term, this dissertation seeks to bridge the gap between the suburban history of conservatism and broader examinations of neoliberalism. In doing so, I utilize theorist David Harvey’s definition of neoliberalism, which argues for it being less a firm ideology as much as a specific political project initiated by capital to seize the power of the state for its own purposes. More recently, Quinn Slobodian has identified the motivating impulses within neoliberalism, finding that the intentions of its early architects had little to do with creating free markets, but instead with generating “insulated markets.” Following decolonization, the fear of rampant democracy led capital to design institutions not to “liberate

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11 David Harvey, *A Brief History*, 19.
markets but encase them, to inoculate capitalism against the threat of democracy.” Therefore, neoliberalism is a “form or variety of regulation rather than its radical Other.”

The San Diego-Tijuana corridor sheds light on how this process of insulation worked, and in some cases did not work, on the ground. While the process of insulation is prominent in the processes of decolonization, it is also identifiable in San Diego. With each innovation in business practices, the San Diego Chamber of Commerce sought to insulate the interest of capital from homeowner ire. At times, these efforts were overt, such as when the Chamber wielded its power to dismantle Citizen Planning Committees in 1967. In other instances, they were more covert, such as the Chamber pivot to cross-border development which offered the potential of federal monies free from the need for local approval. In Tijuana, the development of a transnational capitalist class, comprised mainly of those that operated/managed the maquiladora system, successfully utilized the powers of the state to insulate their industry from democratic challenges from below. This was enabled both by the consolidation of single party rule in Mexico as well as growing foreign investment beginning in the 1970s. This transnational capitalist class utilized state power to command and control the region’s growing proletarian labor force and prevent meaningful opposition.

Despite the best efforts of businessman north of the border to achieve insulation, resistance continually forced them to accommodate the expectations of homeowners. Each

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challenge north of the border helped solidify the system south of it. In this way, uneven
development in the border region represented a negotiated equilibrium that promised the
continued elixir of growth for business while also ensuring a high quality of life for the region’s
homeowners. Neoliberalism, therefore, was not solely a top-down implementation but the result
of a fragile alliance between homeowners and capital.

Over time, the fragility of this pact began to show. As international capital accelerated its
efforts to privatize Mexico’s assets in the 1980s, precipitating the need for the North American
Free Trade Agreement, the increasingly integrated economy created relative winners and losers
within homeowners communities in San Diego County. Highly-educated coastal communities
benefited immensely from the rise of the knowledge economy, an essential feature of
globalization. Meanwhile, inland communities, often comprising a new generation of
homeowners that worked as middle managers for corporate capital, faced relative precarity in the
New Economy emerging by the 1990s: high unemployment, soaring housing costs, budgetary
shortfalls for local services, and even displacement.

It is in this context of a changing economy, especially the anxieties of these inland
communities, that modern nativism first emerges as a major political force. This dissertation
represents one of the first scholarly attempts to identify the material underpinnings of the modern
conservative turn towards white nationalism. To be clear, anti-immigrant sentiments have long
been a feature of American politics, but their virulent outburst in California in the 1990s remains
a largely unexamined phenomenon in the context of either modern conservatism or

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14 San Diego’s coastal, upscale, highly educated communities match the content and character of
those identified by Lily Geismer in Massachusetts and followed a similar political trajectory. See
Lily Geismer, *Don’t Blame Us: Suburban Liberals and the Transformation of the Democratic
neoliberalism. In this changing economic environment, generating as it did winners and losers within a broadly defined white middle class, immigrants became a scapegoat for explaining these shifts. This resulted in Proposition 187 in 1994, a virulent anti-immigrant measure aimed at denying local services to undocumented immigrants including education and health-related services.\textsuperscript{15}

The political campaign around the issue heavily utilized quality-of-life rhetoric to paint immigrants from Mexico as a grave material threat to tax-paying homeowners. Then-governor Pete Wilson, who had so deftly utilized quality-of-life politics in his time as mayor of San Diego, hitched his diminishing re-election chances to Prop 187 with great effect. The measure passed with majority-support in white middle-class enclaves across the state. But the differences in depth of support are telling. In San Diego County, coastal communities offered narrow margins of support, numbering just a little over 50 percent. Inland homeowner communities on the other hand, provided support at levels over 80 percent.\textsuperscript{16} These totals foreshadowed a future split within the middle-class coalition powering the negotiated equilibrium. In the process of slating different communities to different fates, the architects of the New Economy committed to a future narrowing of the middle-class. In doing so, it sealed inside the negotiated equilibrium a ticking time bomb of political disruption, one that would eventually explode on the national stage in much a similar fashion to the way it did in California in 1994.

\textsuperscript{15} Kim Phillips-Fein identified the void of scholarly examinations of nativism in modern conservatism in her 2011 state of the field essay: “Despite the large amount of research on racism and the right, the strong streak of anti-immigrant and nativist sentiment in the conservative movement – which seems especially present today- has not been as well studied.” See Kim Phillips-Fein, “Conservatism: A State of the Field,” American Historical Review 98 (December 2011): 735-736.

Chapter One focuses on San Diego’s historical commitment to being a city free from a working class. Early bouts with labor radicalism, including clashes with Mexican revolutionaries in Tijuana in 1912 as well as the Industrial Workers of the World in 1915 left a lasting impression on San Diego’s middle-class residents. From these experiences emerged a growing expectation that San Diego avoid “smokestacks” in favor of open space and a pristine environment that attracted “the right sort” to the city.

Chapter Two examines San Diego following the Korean War. Faced with a lagging economy, the Chamber of Commerce initiated industrial recruitment campaigns in hopes of luring production facilities to San Diego. As part and parcel of the growth liberalism model, city boosters hoped to cash in on federal programs meant to boost area-infrastructure. Yet their attempts to pass a General Plan in 1965 ran headlong into homeowner resistance. Highly organized citizen planning committees as well as other homeowner advocacy organizations rallied to block the plan, utilizing California’s referendum system to force the issue to a city-wide vote. The election resulted in San Diego being the first city in the country to strike down a General Plan by popular vote. Forced to consider other alternatives, and undergoing its own internal changes stemming from larger shifts in the national economy, the San Diego Chamber of Commerce shifted its focus to bi-national economic cooperation with the Mexican city of Tijuana. The resulting “impossible dream” of a cross-border consumption nexus defined by bi-national facilities and infrastructure induced cooperation between borderlands businessmen and the Mexican government.

Chapter Three chronicles the intensification of quality of life politics, resulting in a powerful homeowner movement in favor of anti-growth. Believing it faced the prospect of Los Angelization, meaning a class and race-based transformation of demographics, San Diego’s
white homeowners sought to isolate themselves from both Los Angeles and Tijuana via open space buffer zones in addition to building moratoriums. Tapping into this angst, Pete Wilson became the champion of limited growth advocates, drawing power from coastal homeowners to become mayor of San Diego in 1971. During his earlier career as a California assemblyman he had proved particularly adept at mongering fear over the U.S.-Mexico border and the growing illicit drug trade. Once mayor, the Tijuana River Valley project, a cooperative effort between San Diego and Tijuana to channel the cross-border floodplain and lay the groundwork for future development along an increasingly porous border, proved low-hanging fruit, and Wilson withdrew the city from it. Drawing from San Diego’s tradition of being a city of leisure, Wilson attempted to pivot city development away from the growth liberalism model, looking forward instead to a New Economy model focused on “clean growth.” To do this he utilized a unique zoning regime that placed moratoriums on construction in much of the city and emphasized downtown development of the convention center. A decade of virulent homeowner resistance finally boiled over in 1978 in the form of Proposition 13, an extreme property tax-cutting measure, which signaled the final death knell of growth liberalism.

Chapter 4 represents the first scholarly attempt to reckon with the after-effects of Proposition 13. Facing extreme budgetary shortfalls, communities across the state in the 1980s struggled to adapt to a new period of democratically sanctioned austerity. San Diego County began to feel the strain of Pete Wilson’s building moratoriums as new homeowners were pushed further and further north along the I-15 corridor. This put newer homeowners in direct contact with new rural surroundings, often dotted with migrant labor camps. The failure of development projects like “Rio Tijuana” had precipitated a monetary crisis in Mexico, greatly damaging the economy and sending desperate men north looking for work. This influx of immigration, at the
same moment a new generation of homeowners sought to build their quality of life in new areas, set in motion a localized struggle for resources. While upper-middle-class coastal communities enjoyed a continuous stream of public services, inland communities felt the pinch. This resulted in a scapegoating of migrant workers as the cause of budgetary shortfalls with claims that they burdened local services such as health, education, and criminal justice. By the 1990s, then-governor Pete Wilson tapped into this rhetoric, latching his quickly fading 1994 re-election chances onto his vocal support for Proposition 187, a virulent anti-immigrant bill that sought to deny undocumented immigrants of public services. The result was the first electoral mainstreaming of modern nativism and a historic political come-back for Pete Wilson. Not only did this strategy foretell the future of conservative political strategy, it also revealed cleavages within homeowner politics. Highly educated coastal communities, privileged by local zoning and supportive of the quickly-globalizing economy put forward in the vision of the North American Free Trade Agreement, offered lukewarm support to Prop 187, while less secure inland middle-class communities, facing both the brunt of austerity and displacement from globalization, supported the measure in overwhelming numbers.

The arc of San Diego’s development, and the politics surrounding it, represent a precursor to the impacts of a system of economic globalization that emphasizes finance/service industries in the continental United States and the segregation of low-wage manufacturing in developing countries. One of the more virulent effects, the rise of modern nativism, continues to dominate American politics. In part, this is because the paradox of mid-century growth liberalism has yet to be solved, leaving a shrinking class of white homeowners to continually intensify their demands for accommodation from economic elites to maintain their expected quality-of-life.
Figure 1.1 from Davis, Mayhew, and Miller, Under the Perfect Sun.
Chapter 1
City in Motion

In 1961, the San Diego Chamber of Commerce initiated a new industrial recruitment effort it hoped would bring jobs and prosperity to the region. The "Build Industrial Growth" (B.I.G.) initiative attempted to fuse industrial recruitment efforts with outreach to the broader community. By fostering a sense of citizen involvement, civic leaders hoped B.I.G. would generate the public good will needed to entice business investment in the area. Over 250,000 orange envelopes went out to county residents. Each contained the B.I.G. mission statement describing the plan to lure factories as "big, vital, and essential to our continued growth and prosperity." Additionally, the envelopes included a request that recipients send back a one-dollar commitment to further boost recruitment efforts: "Get your dollar into the pot. It's your future you're investing in." Many envelopes returned, few contained a dollar.

The responses to B.I.G. shocked civic leaders. They did not expect the scathing rebukes aimed at the Chamber of Commerce for daring to promote industrial growth in San Diego. One letter began, "If you want to live in a BIG town so bad why in the name of heaven don't you move up north to Los Angles and enjoy all the benefits of big city life [like] smog, limited parking, unendurable traffic, increased crime rates and various other ADVANTAGES too numerous to mention." This particularly peeved San Diegan continued, "Just for kicks send a delegation of your most rabid members up to L.A. and make them stay for six months. When they return see if they still have the intestinal fortitude to try and perpetuate such a disaster on

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1 Build Industrial Growth Advertising Program, 1961, series 1, box 8, folder 21, San Diego Chamber of Commerce Records, Special Collections and University Archives, San Diego State University.
our nice little town of San Diego." 2 Another letter contained more nakedly class-oriented fears believing that industrial recruitment would bring with it "unskilled labor many of whom would merely add to the load the welfare carries." Noting similar concerns, yet another San Diegan offered a succinct challenge: "fight crime, fight slums, no New York here, Down with B.I.G." 3

The most consistent theme in community criticism was the fear that San Diego would become like other cities. In the eyes of its citizens, San Diego was unique and exceptional. It represented a place of permanent vacation, a paradise of leisure free from the demanding freneticism of the east coast. The city achieved this by mostly avoiding industrial capitalism and its ill effects. Of these ill effects, fear of the political and physical presence of a working class—often brown or black—worked its way into the framing of opposition. Whether it be congestion, slums, or welfare rolls, San Diego's white middle class homeowners defined their freedom as synonymous with a standard that excluded threats to their quality of life. For these vocal residents, the promotion of industrial growth threatened the quintessential character of the city as a place free from the frantic, vulgar, and unwashed.

Of course, as it was, the city possessed a working class. The motivating force behind initiatives like B.I.G. was city business leaders’ perception that new capital would stem the outflow of industrial workers to other cities. In the decade before the launch of B.I.G, the end of the Korean War as well as technological changes, precipitated a decline in military manufacturing dollars that reached a crisis point by the early 1960s. This induced a panic among

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2 Percy T. Prettwillie to San Diego Chamber of Commerce, no date, box 9, folder 7, San Diego Chamber of Commerce Records.
3 Iris Bascomb to San Diego Chamber of Commerce, August 27, 1961, box 9, folder 7, San Diego Chamber of Commerce Records; Anonymous to San Diego Chamber of Commerce, no date, box 9, folder 7, San Diego Chamber of Commerce Records.
civic boosters who recognized that the defense industry and its ancillaries generated 78% of the earned incomes in the region.  

The cycle, though, came to an end in the early 1960s. Between 1960 and 1961, the gross income of San Diego's aerospace industry fell from $1.1 billion to $215 million. The shift to jet propulsion made San Diego's Convair plants expendable pieces on the edge of a geographically shifting production chain. The 1962 closure of Convair’s largest plant left 27,000 San Diegans unemployed and hit the real estate industry hard. Relatedly, local service and housing industries felt the pinch as consumer spending declined. In the early 1960s, other sunbelt cities were hitting their stride while San Diego became a nationally recognized bust town suffering net out-migration as many of the highly-paid aerospace workers relocated to Seattle and Los Angeles where Boeing and Douglas jet manufacturing was taking off.  

As with many cities in the Sun Belt, San Diego underwent dramatic economic expansion after World War II. The rise of the military industrial complex funneled federal dollars into both research and development as well as production. In addition, San Diego hosted multiple military installations, making the area economy highly dependent on the garrison state. This form of Keynesian stimulus produced, as it did for the nation more generally, the high wage economy upon which the liberal consensus operated. Stimulated growth produced rising incomes which bore increased consumption which begot more growth. This virtuous cycle, as long as it lasts, produces relative political and economic stability.

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4 Harold Keen to Floyd Burton, January 25, 1960, box 1, folder 4, Harold Keen Papers, Special Collections and University Archives, San Diego State University.
At the heart of the liberal consensus existed a paradox though, and San Diego was one of the first cities to run up against it. The fundamental building block of the postwar economy, the social unit of a white, patriarchal, and suburban nuclear family contained within its very social fabric a set of expectations, chief among them a high quality of life. The definition of quality was ever-changing and by the 1950s had come to be very broad and included high wage work, homeownership, and premium education for children. Increasingly, the ingredients necessary to sustain the kind of Keynesian growth that powered rising living standards became threats to the very quality of life they had underwritten. Industrial production, specifically, with its accompanying traffic, pollution, and proletariat, represented the opposite of the postwar liberal promise, particularly in the Sunbelt.6

San Diego, by the 1960s, became one of the first cities to grapple with this paradox for reasons both geographic and historic. An isolated cul-de-sac, San Diego depended on population centers around it for its economic vitality. Los Angeles provided access to outside markets, while Tijuana, by the 20th century, provided a lucrative trading partner. Demographically, midwestern retirees composed a large part of the population and served as a vital engine of growth. The mainstay of its economy was land speculation, and the steady flow of retirees’ investment and annuity dollars provided this boom-and-bust industry with a feathered landing.

A combination of economic stability, a predominantly white homeowning class disproportionately made up of retirees, and the area’s natural beauty, created a civic culture that eschewed industrial growth as early as the beginning of the twentieth century. Bouts with labor radicalism during the Progressive era intensified this inclination among city leaders and the

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6 For the expectations surrounding postwar liberalism, homeownership, the family, and quality of life see Self, All in the Family.
middle class. Simultaneously, as economic integration with Tijuana accelerated, the border began to represent a kind of psychic barrier in the mind of San Diegans that separated their “wholesome” community from the “sins” of Mexico. Tijuana came to represent San Diego’s other: whereas San Diego was rich, Tijuana was poor - moral v. immoral; safe v. dangerous; controlled v. uncontrolled; white v. brown; Protestant v. Catholic; clean v dirty. These dichotomies, increasingly codified over time, embodied the racial, moral, and economic anxieties of San Diegans.7

After World War II, tourism and annuity dollars were not enough to quench the thirst of a booster class looking to cash in on postwar development. The federal government was subsidizing large scale projects across the country, and San Diego area business leaders wanted in on it. But their efforts to lure outside industrial capital ran headlong into strong popular discontent with the citizens of San Diego in the early 1960s. Faced with a civic culture that oscillated between ambivalence and hostility toward the forms of economic growth that typified other postwar Sunbelt locales, the interests of capital in San Diego were forced to look in new directions. The existing networks San Diego and Tijuana’s integrated economy proved the groundwork for the innovation of segregated labor in the New Economy that shuffled the negative contingencies of an industrial proletariat south of the border, leaving San Diego as the headquarters for white collar management.

From the late-nineteenth century forward, San Diego’s geographic location in the southwest corner of the continental United States proved to be its greatest obstacle to economic

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growth. To the east of the city is an untamable desert complicating access to water and external markets (railroads initially ran to Los Angeles first before cutting south to San Diego leaving the city dependent on its northern neighbor). Flanking San Diego to its west is the Pacific Ocean, an ostensibly advantageous feature, but one local capital tapped inconsistently compared to its coastal colleagues. And to the north is Los Angeles, San Diego's economic and cultural nemesis, brimming as it is with largely nonwhite working-class populations. The City of Angels is now segregated from San Diego by a double thick border wall: the highly affluent Orange County and a 506-square kilometer Marine base (Camp Pendleton).5 To the south of San Diego lay a literal border wall, this one separating "America's Finest City" from Mexico and all its imagined horrors, represented most starkly by a skyline of slums projected from atop the hilled topography of Tijuana. For much of San Diego's history, these geographic realities created an intractable problem for attracting outside investment. As historian Mike Davis puts it, San Diego lacked "the capital to develop the necessary resources" as well as "the resources to attract the necessary capital." This cyclical impediment to development gave San Diego the unshakeable reputation as a speculative boom/bust town "at the end of the line." 9

But these geographic obstacles existed concurrently with extreme cultural and political challenges to economic growth. During the Progressive era, when other municipalities engaged in pitched political battles to address the denigrated material conditions of an industrial working class, San Diego looked for ways to avoid their presence altogether. This impulse derived from a growing political culture focused on the idea and identity of “city-beautiful.” What made San Diego unique is that its lack of capital investment made its local economy highly dependent on

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8 For the conservative influence of Orange County see McGirr Suburban Warriors.
tourism and real estate speculation. The result was a city without a prominent proletariat, filled as it was with shopkeepers, bankers, and retired homeowners.

San Diego’s cultural resistance to the presence of a working class was sharpened by multiple high-profile engagements with labor radicalism in the early twentieth-century which cut against the grain of the city’s middle-class character and heightened fears of those south of the border. In 1911, in a periphery outbreak of violence stemming from the Mexican Revolution, a coalition of socialists including both American-born members of the Industrial Workers of the World (I.W.W.) and Mexican campesinos raised the red flag over Tijuana, deeming it liberated from its bourgeoisie dictators. This armed band invited their Anglo neighbors in San Diego to partake in looting Mexican middle-class homes, to which droves of San Diegans of all stripes gladly obliged. Still, despite posing no immediate threat, this armed, bi-racial, working class coalition overthrowing their social betters south of the border not only cemented Tijuana as San Diego’s unsightly neighbor, but it also generated a middle-class anxiety that boiled over into violence the following year.

In 1912, San Diego faced its own run-in with the menace of socialism when the Free Speech Movement arrived on the doorsteps of the city. Organized by a chapter of the Wobblies, workers of various trades and ethnicities sought to challenge a local ordinance that banned unions from soapboxing in the city. These challenges to authority ran headlong into the combined might of Southern California’s two leading booster barons. General Harrison Gray Otis, a militant union buster and owner of the Los Angeles Times, convinced his San Diego equivalent, John D. Spreckels, to push through an ordinance banning free speech for labor

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unions. Together, they strived to rid their region of the I.W.W. whose lack of internal trade-based or racial hierarchies, in addition to its embrace of syndicalism, made it a distinct threat to these wealthy tycoons. As Justin Akers Chacón and Mike Davis note, "no other group, not even the Communist Party in the 1930s or 1950s, managed to so enrage employers, or arouse more hysteria amongst the properties middle classes, than the IWW in its heyday." But this was because "no other group ever fomented such courageous or far-reaching rebellion in the lower depths of California Society."\(^{11}\)

After the first mass defiance of the ordinance on free speech, San Diego police imprisoned IWW members in droves. The Spreckels-owned *San Diego Tribune* editorialized that when it came to Wobblie prisoners, "Hanging is too good for them and they would be much better dead; for they are absolutely useless in the human economy; they are waste material of creation and should be drained off in the sewer of oblivion there to rot in cold obstruction like any other excrement."\(^{12}\) The very humanity of this working-class insurgency was incompatible with San Diego's civic culture.

In support of the prisoners, Wobblies poured into San Diego by the hundreds from across the country. When one of the arrested workers died from a beating, the I.W.W. held a funeral procession through San Diego's downtown. This culminated in a violent pogrom wherein the middle-class citizens of San Diego, comprising shopkeepers and property owners, resorted to vigilante violence to punish the Wobblies and restore their vision of order in San Diego. As


California historian Kevin Starr noted, "the San Diego free speech battles revealed the depths of reaction possible in the threatened middle - and lower-middle classes of California." But while intersecting racial and class hostility no doubt motivated the brutality and violence against mixed-race workers in 1912, it also, relatedly, centered on a question of what it meant to be San Diegan. The Wobblie incursion not only challenged the race and class-based identity of San Diego, it also exemplified an alternative San Diegans feared to their very core: a city embroiled in overt conflict over that identity. It is therefore not surprising that the nature and character of development in San Diego became the defining issue of the city’s mayoral elections in 1913 and 1917, both of which pitted Progressive candidate George Marston against more traditional city boosters.

Born in Minnesota before the Civil War, Marston had migrated to San Diego in 1870 at the age of 20. He worked as a store clerk and as a teetotaling barkeep before opening his own dry good store. From there he rose to civic prominence as one of the most progressive voices in the community. As an avid supporter of Teddy Roosevelt and Robert La Follette, Marston believed that a business is "more than a shop; it is a kind of institution, serving the community not only in business but in civic affairs." Additionally, he believed "that the people of this world should not only have a living wage but opportunities for a great measure of health, comfort, and beauty." He extended this challenge to the business community at large. As a president of the Chamber of Commerce in 1899, he declared:

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...it is one of the duties of the Chamber...to encourage every project for making the city and its surroundings more attractive to strangers. Good roads, and trees along the best drives are particularly worth your attention. In this connection allow me to suggest that the Chamber of Commerce enlarge its sphere of work, not confining its purpose very strictly to commercial matters, but taking hold of any public affairs pertaining to the material interests of San Diego...There are various improvements necessary in a growing town that could be brought about if only some organized force were set in motion...With cooperation and some work we can give weight and influence to the San Diego Chamber of Commerce and render it a very useful association to the community.

Marston’s commitment to this principle ran deep; he funded what would become San Diego's first public library, organized the city's YMCA chapter, and donated land both inside and outside the city for park/recreational space. Marston also funded the research for San Diego's first urban development plan in 1906, which advocated for a broad and open downtown.15

As a mayoral candidate, the main thrust of his campaign involved large civic projects meant to create an aesthetic of "city beautiful." This vision proved directly at odds with many budding southwestern capitalists seeking to lure traditional industrial capital. A high stakes debate over "smokestacks vs. geraniums" became a contest for the soul of San Diego that came to define the city’s politics for generations to come.

For Marston, the central question facing San Diego did not entail opposition to capitalism as much as the curtailment of some of its specific aspects, namely, the requisite existence of an underclass. As a city of scenic beauty, profit lay in attracting tourism, which attracted retirees looking to move to a place of permanent vacation. With this in mind, Marston argued the most desirable and profitable future were one and the same: a city with wide open spaces and a highly

developed landscape meant to attract "the kind of man or business that fits in with our natural conditions." This form of "clean growth" would carry a preference for "retirees, tourists, and sailors rather than heavy industries and industrial unions." Heavy industry brought with it certain ailments on the quality of life: pollution, traffic, and, most undesirable of all, workers. Rather than a city like Pittsburgh, congested and dirty as it was with the physical and political presence of a lower class, far better to avoid those complications entirely. Although Marston faced ultimate defeat at the hands of a powerful cabal of city boosters seeking traditional industrial development, his vision of "clean growth" left a lasting imprint on the city of San Diego and anti-growth forces would invoke his memory when contesting development in the 1970s.

While Marston was its most outspoken proponent, the concept of city beautiful held a particularly lasting resonance in San Diego. One of the city's central legacies of the Progressive Era was the development of Balboa Park in the early 1910s. The large-scale project, featuring the construction of buildings utilizing Mission Revival style architecture to commemorate San Diego's Spanish past, was part of a plan to host a world's fair in hopes of becoming the main port of call for ships after the completion of the Panama Canal. The resulting Panama-California Exposition of 1915 became a national headline bringing much fanfare to the sleepy city of San

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16 This created an interesting dynamic for the small labor movement active in San Diego. In what would become a pattern, organized labor often found itself in alliance with the city's more business friendly, and therefore pro-growth, interest groups. See Davis, “The Next Little Dollar,” in *Under the Perfect Sun*, 42-43.

17 Although boosters in this era often leveraged their economic power, based in real estate speculation, into political power, they ultimately struggled to draw the capital they needed to fulfill their vision. At this time, and for the entirety of the pre-war era, Los Angles proved “the avaricious big sister capturing whatever investments eastern investors propelled to the far western hinterlands.” See Corso, “San Diego: The Anti-City,” in *Sunbelt Cities*, 329; Stone, "George Marston Created Beauty in San Diego,” *San Diego Evening Tribune.*
Diego (San Diego was the smallest city to ever host a world's fair). With a theme of progress, the scene blended together the past (all city employees that attended wore colonial Spanish garb) and the future (Woodrow Wilson commenced festivities by turning on the lights for the Exposition from the White House).\(^1\)

Familiar with failure, San Diego lost its bid to be the main harbor on the west coast to the much more naturally suited San Francisco. Still, the remnants of this attempt, Balboa Park and its ornamental buildings, gained an almost sacred status as the heart of San Diego. Showcasing a unique blend of urban features, open spaces, and cultivated nature, all saturated with a collective memory of a mythical past, Balboa Park became a physical embodiment of San Diego's commitment to city-beautiful.\(^2\)

This vision of a recreational city uncluttered by the freneticism of capitalism was an allure shared by the region more generally. From the Progressive era forward, Southern California, as historian Lawrence Culver states, presented itself as "a frontier of leisure."\(^3\) Those with the means could permanently escape from the drudgeries of hustle and bustle. This aesthetic vision intersected with notions of clean growth, particularly in San Diego where the dominant industries remained tourism, land speculation, and the enticement of retirees. Combining the two, converting tourists to homeowners, became a lucrative investment in the 1920s and '30s. The key to these conversions was selling San Diego as a paradise free from the less attractive features of industrial capitalism, particularly class struggle. This provided San Diego with a unique migratory pattern. Whereas other places in California were inundated with working-class Okies and Arkies, San Diego boasted mainly middle and upper middle-class retirees hailing from

\(^{18}\) Engstrand, San Diego, 135.
\(^{19}\) Ibid.
the broader Midwest.\textsuperscript{21} To the extent San Diego faced any working-class migration before and during World War II, it was contained to farm work on its agricultural periphery. But despite this desire to avoid a growing working class, even the "nicest" city requires a low wage labor force to act as the sellers, transporters, and servicers of luxury wares. Through this process of recruiting tourists, recreation and leisure became synonymous with the restricted privileges of whiteness. Labor, on the other hand, was for a preferably out-of-sight and often nonwhite laboring class.\textsuperscript{22}

For much of the twentieth century, Tijuana was the archetypal sleepy border town. Long seen as the frontier within Mexico, the northern border zones were mostly left to their own devises during the Depression and post-war periods as they developed relationships of interdependency with U.S. border cities. Tijuana proved no different. From the Progressive era forwards, citizens on both sides of the border came and went as they pleased as goods and services flowed back and forth. Occasionally, there were business disputes but nothing the San Diego and Tijuana Chambers of Commerce could not arbitrate on their own. But while the border was all but nonexistent when it came to commerce, it still bore weight whenever San Diegans felt the need to differentiate themselves from their southern neighbors.

While leery of the radicalism that San Diegans perceived to lurk south of the border, the city boosters increasingly saw Tijuana as an integral part of San Diego tourism. Advertisements for the Panama Exposition of 1914 heralded Tijuana as a must-see location for potential visitors; it figured so prominently in booster material that rival Los Angeles admonished San Diego for its lack of patriotism. But many of the area boosters, including Spreckels, invested so much in

Tijuana, that the business interests of each city were indistinguishable from the other. In fact, the San Diego press often treated Tijuana as a subsidiary of San Diego, in one instance claiming that Tijuana's entertainment district was "the greatest attraction the city has" (meaning San Diego).23

After the United States implemented prohibition in 1920, the profitability of cross border investment expanded. Anglo capital poured into Tijuana over the course of the next decade fueling the rapid construction of bars, clubs, resorts, and even a state-of-the-art horse racing track. All of this made Tijuana an even more essential part of San Diego's quest to lure tourists: San Diego and its lily-white beaches by day; Mexico and its sinful temptations by night. Over time, this carefully cultivated psychological segregation between a clean San Diego and a sinful Tijuana became more and more embedded in San Diego's civic culture. The invisible international boundary separating the two cities did more than differentiate drinking laws, it carried the psychic burden for San Diegans committed to distinguishing the imagined wholesomeness of their community from the debauchery they projected onto Mexico and Mexicans. Yet, the truth of the matter was that, by and large, Mexicans did not participate in the sinful activities, nor was it Mexican capital underwriting their production. In both cases, it was the upstanding citizens of San Diego and their beloved tourists that were the mainstay customers.24

For the Mexican government, these types of cross-border economic arrangements suited them fine as it provided for the kind of economic stimulus that the Mexican state was not able, or more accurately not willing, to provide to La Frontera. Tijuana was considered to be particularly remote amongst border cities and therefore needed to make due on its own. But there were

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23 Proffitt, Tijuana, 190.
24 Ibid.
moments of exception. In 1934, Mexican President Lazaro Cardenas, a populist concerned with maintaining the standards of the Revolution and preventing foreign capital from exploiting Mexico, banned gambling in Tijuana and closed the casinos and resorts. He even ordered a privately-owned golf course to be repurposed as an irrigation district for local farming. But after Cardenas' presidency, changing priorities left Mexico City disinclined to continue overseeing the economic well-being of those in such a far-flung border city, and so Tijuana returned to the stability of its previous arrangement: a cross-border economy of interdependence with San Diego.

This interdependence was not just a matter of geography, it was also a matter of policy. To develop its northern border region, Mexico had declared much of it a free trade zone, or Zona Libre, as early as 1851. Goods imported into this area did not face tariffs unless they continued further into central Mexico. During the Porfiriato, the areas granted this special status expanded to include all of Baja California. Yet, the turnover atop Mexico's federal institutions following the Revolution led to inconsistent policy on border exchanges. The Great Depression of the 1930s put a predicament at the doorstep of the Mexican government: Mexican-made goods were not reaching either of Baja California's two major urban centers, Tijuana and Ensenada. While the rest of the nation suffered from a lack of investment and production, there were openings for Baja California to welcome foreign produced goods, both for day-to-day sustenance, but also in terms of equipment, such as farm machines, to kick start the local agriculture economy. Thus, in 1937 Mexico declared Tijuana and the entire Colorado River basin a permanent Free Trade Zone.  

\[\text{25 Ibid, 145.}\]

According to historian T. D. Proffitt, the effects were immediate and dramatic: "Within a fortnight, Tijuana imported 19,247 bultos of goods: groceries, perfumes, clothing, building materials, and oil and petroleum products." By 1940, the Baja economy grew by 200%, and by the 1960s Tijuana was pulling in 40% of the revenues generated by foreign trade along the northern border.\(^{27}\) While initially this policy served the short-term goals of bringing economic stability to the border, the impact of economically integrating San Diego and Tijuana established the groundwork for a region that would become the centerpiece of a new economic order by the 1990s.

During the Great Depression and New Deal era of the 1930s, which saw increased labor radicalism across the country, San Diego was quick to deter labor radicalism in city limits. But on its agricultural periphery, mainly the Imperial Valley, organized Latino workers, many of them immigrants, made a stand against the power of agribusiness in 1934. These campesinos had union roots that branched through the 1920s and then joined a wider network of support in the form of the Cannery and Agricultural Workers International Union (CAWIU). Their organizing activities and subsequent strikes provoked a violent response from Imperial Valley growers.\(^{28}\)

Like the response to the Wobblies two decades before, skilled artisans and middle-class shopkeepers were organized to break the strike. Additionally, law enforcement at both the county and state level were used. Even the Mexican government, under President Plutarco Elías Calles, assisted in the crack down on the Mexican side of the border. This level of mobilization against workers became a new standard in California agriculture. In the words of historian Mike Davis, the Imperial Valley growers “franchised their strikebreaking methods and militant anti-radicalism

\(^{27}\) Proffitt, *Tijuana*, 175.

\(^{28}\) CAWIU later joined the United Cannery, Agricultural, Packing, and Allied Workers of America (C.I.O) in 1937; Chacón and Davis, *No One is Illegal*, 57.
to farmers in the rest of the state.” Their actions also revealed the possibility of direct cross-border cooperation in controlling the laboring classes. It would be another thirty years before Cesar Chavez would lead another effort to organize California’s agricultural workers.

While lending support to neighboring growers and their battles against immigrant labor, the San Diego Chamber of Commerce was quick to clamp down on labor radicalism within the city itself. A 1938 cartoon, published in a local paper by the Employer's Joint Advisory Council, features a family of four and its luggage surveying a San Diego ravaged by a dust storm entitled "Labor Trouble." With this scene before him, the father, clad in a suit, proclaims, "Let’s not stop here!" The ad goes on to warn of the impact deterred vacationers would have on the burgeoning housing industry: 85% of new homeowners chose San Diego "because they came here as tourists and liked the city." The standard was set; San Diego would be an economy that sought certain kinds of middle class residents, ones with the wealth and disposition to avoid the un-niceties of class struggle.

In the postwar period the border continued to be more of an abstract concept than the militarized boundary it is today. It was not unusual for Mexicans or Mexican-Americans to cross the border each Sunday to attend church. Cattle from both sides of the border grazed freely in the Tijuana River Valley. On this subject, the San Diego Chamber of Commerce first broached the idea of a border fence in 1950 following an outbreak of hoof and mouth disease in Mexico. In the end, a fence was never built because border-area landowners communicated their

\[\text{Ibid.}\]
\[\text{Labor Leader, September 14, 1938, box 7, sub-series 1, item 19, San Diego and Imperial Labor Council Records, Special Collection and University Archives, San Diego State University.}\]
\[\text{Starr, Golden Dreams, 76.}\]
discomfort with the land easement allotments needed for construction. Making the border anything less than permeable was not a priority for area business interests.

This general amicability did not come without the occasional controversy. Just as the actions of Mexican president Cardenas greatly offended business leaders in the 1930s, the actions of the Mexican state occasionally ruffled the feathers of San Diego's citizens. In 1959, a dozen Americans were arrested for illegal gambling at the popular Rosarito Beach Hotel. A popular getaway for Anglo tourists, including Hollywood elites, the Rosarito Beach Hotel was known for its palatial gambling halls. Laws against gambling in Mexico came and went but were rarely enforced. The citizens of San Diego took this sudden enforcement as a personal affront. A campaign was initiated to raise the bail for those arrested and calls were made for the border to be closed. Instead of closing the border to prevent Mexican immigration, the call for closure was meant to effect the opposite: to prevent Americans from spending money in Mexico. As one resident put it "the border should be closed immediately, maybe those Mexican bastards would then wake up to who is feeding them." In addition to characterizing Tijuana and its people as parasitic, many San Diegans also denigrated the city as a "stink hole," and "cesspool." Another resident concluded "close the border" and "build a big fence." For businesses, the economic interdependence of the two cities was apparent, but in the perception of San Diegans, the presence of Mexico and Mexicans, and the particularities of economic integration, were quickly becoming a salient political issue.

33 Charles H. Zierman to Harold Keen, February 2, 1959, box 1, folder 4, Harold Keen Papers, Special Collections and University Archives, San Diego State University; Anonymous to Harold Keen, February 3, 1959, box 1, folder 4, Harold Keen Papers.
Demographic changes in Mexico fed growing resentment north of the border as the population of Tijuana began to expand by the 1960s. Part of what sustained the Mexican Miracle, a period of unprecedented economic growth following World War II, was the investment of outside capital. But these arrangements, often facilitated through loans administered by global institutions like the International Monetary Fund, opened the door for structural adjustments that accelerated dramatic shifts in the shape of the Mexican economy. The stripping of public land and infrastructure from Mexico’s agricultural interior forced massive internal migrations that swelled the populations of urban centers, particularly along the border. By the 1960s, this ever-increasing pool of untapped labor potential became a point of interest for business and financial interests in both sides of the border.

In 1962, as the post-Korean War economic malaise lingered, San Diego elected a new mayor. Frank Curran, a Democrat in a highly Republican city, won in large part because of his connections to the Chamber of Commerce. As a city councilman, Curran had had close ties to the previous administration of Charles Dail which had fostered a public/private alliance that ran city governance. Public money funneled in from the federal government for various projects but was allocated according to the preferences of local boosters, namely those with power in the Chamber of Commerce. For example, the city used federal money to fund a private nonprofit development corporation, San Diegans Inc., to oversee the construction of a new civic concourse in downtown San Diego. Curran represented a continuation of this model of governance and a preservation of the status quo. In the interest of industrial recruitment, the city adopted a booster slogan of "City in Motion", and Curran did what he could to facilitate outreach. At the same

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time, he harbored a uniquely clear-headed analysis of the ways in which industrial recruitment efforts went against the character of San Diego.

Born in Cleveland in 1912, Frank Curran's family moved to San Diego in 1919. In Ohio, his father had been a boxer of sorts (a "carni" as the younger Curran described it). In addition, he also worked in the wallpaper industry. The impetus for uprooting his family to San Diego was a promise the older Curran made to himself that he "wasn't going to work again." For Frank Curran’s father, work involved "pounding a time-clock or being responsible for hours at a time." San Diego, as a frontier of leisure, offered an existence free from these constraints and the family crafted a living based on involvement in real estate speculation. This outlook on work left an indelible mark on Frank Curran and his view of the region’s economic prospects. Not only did he see the lack of a working class as an essential feature of San Diego's character, he also saw it as an economic advantage. While he placated those seeking to recruit industry to the "City in Motion," Curran believed in a "peculiarity" to San Diego's economy. Having lived through the Great Depression he recognized that San Diego escaped relatively unscathed and credited this insulation to the city’s large volume of retirees. By the postwar years, this shield against economic downturn had thickened to include social security as well as private and public-sector pensions. "We're always the last one into a depression and the first one out, the least one hurt" Curran concluded. For him, this insulation owed itself to the nature of the income. He also conceded that while this model prevented economic lows, it also capped the degree of economic highs.  

36 Ibid, 6.
In the national postwar context, San Diego's reliance on annuities and distrust of industrial expansion, revealed a paradox at the heart of postwar liberalism. The rise of social welfare had created new dynamics that held the power to propel, but also potentially undermine, economic expansion. For San Diego’s banker/real estate interests, eschewing high-scale industrial production amounted to the loss of a titanic opportunity. Growth liberalism of the late 1940s and 1950s centered on some degree of smokestack production. This made the Keynesian vision of high wage suburban consumption, in its ideal moored in a symbiotic relationship between research, development, and industrial production, an uneasy fit for the cultural aesthetic of San Diego.

Faced with the problem of reconciling the clean-growth aesthetic preference with a mid-century liberal economic program focused on hyper-capitalist growth, San Diego's booster class, in the end, could not pass on the money. The federal government's investment in the military industrial complex was set to invigorate sunbelt economies, but in addition to white collar research and development, of which California became a central hub, there were also needs for traditional industrial production facilities. With San Diego's numerous military bases, it became a natural choice for companies like Convair to set up shop with patriotism stemming from World War II granting industrial companies a temporary reprieve from San Diego’s geranium references.37

In this way, San Diego acted like a traditional sunbelt locale: utilizing an influx of federal dollars to both sustain large-scale employment but also to streamline urban development goals. Seeking to recruit industry, business-oriented boosters, while vocally opposed to the liberal state, gladly utilized its programs to see their visions for economic growth advanced. All

in all, federal support, particularly those projects justified under the guise of waterway conservation programs, spurred urban development and completed even the most ambitious of area-boosters’ goals at greatly reduced local expense. One such project consisted of San Diego's man-made Mission Bay which served as an aquatic recreational playland. First imagined by the Chamber of Commerce in 1944, and completed a decade later, it became home to host numerous resorts and the world-famous Sea World amusement park.38

With its history of land speculation, many of San Diego’s grasstop leadership hailed from enterprises related to real estate and property development. But as the stucco blight of suburban expansion stretched across the county, area-boosters needed injections of capital to maintain demand for further development. Much of this development was subsidized by the construction of freeways. For real estate interests, freeways “could accomplish overnight miracles, turning a relatively marginal parcel of hinterland into a new suburban retail hub or a dormitory for a commuter.” To transform these areas into profitable engines of growth, city boosters needed “insurance companies, pension funds, and corporations with surplus capital [to] promptly irrigate their dusty mesas and former cattle ranges with torrents of cash.”39

Conrad Arnholt Smith was the model breed of businessman who profited mightily from this form of development. Owner of United States National Bank, Smith, known locally as Mr. San Diego, maintained flexible preferences for the style of growth so long as economic expansion was ultimately achieved. In what was a unique form of vertical integration for both housing and tourism, Smith utilized his financial resources to monopolize each unit of production in the realms of construction and consumption. Housing developments required

38 Davis, “The Next Little Dollar,” in Under the Perfect Sun, 77.
39 Ibid, 74.
Smith owned land and financing Smith’s bank, all the while boosting the future profitability of Smith-owned shopping centers. As the owner of many local hotels, taxis, and even the San Diego Padres, it was also difficult for tourists to miss Smith’s web.

A backer of Republicans, including one of the original boosters of Richard Nixon (who referred to San Diego as his “lucky city”) Smith was indicative of the kind of grasstop leader that commanded Sunbelt economies. But he was also unique, not only in his scale of command, but also in his international business dealings. He possessed significant business investments in Tijuana as part of his extended tourism empire.40

While Smith was the most powerful of city business leaders, he was not the only interest influencing San Diego’s Chamber of Commerce. Interests were geographically dispersed between hoteliers interested in redeveloping downtown, upscale rent-seekers in search of coastal property development, and real estate kingpins seeking to transform North County and East County into new suburban frontiers. At times, these groups fought over some of the specifics regarding resource allocation, but their general goals often overlapped. Of central importance was utilizing federal funds to induce an inflow of outside capital to maintain property values.

This form of politics, what historian Elizabeth Shermer calls "developmental neoliberalism," became the postwar model for Sunbelt development. Area boosters straddled a delicate balance between economic development/growth and the growing middle-class contingency of homeowners' expectations of "city beautiful."41 In San Diego, industrial development and lower wage workers were, in large part, relegated to the southern and eastern portions of the county, far removed from the nicer coastal enclaves. The southern part of

40 Ibid, 90-97.
downtown, and the strip of land stretching all the way to the Mexican border (roughly 18 miles), became the more "working class" districts serving as barracks for both the labor needs of military production and local tourist/service industries. Yet, geographic segregation of classes, was, by itself, not capable of ameliorating the tensions of postwar development.

City booster used federal dollars for development without public interference only when the character of development matched homeowner expectations: transforming Mission Bay into an aquatic park boosted home values and quality of life. Downtown projects on the other hand were not politically popular because they incurred cost to the city without direct benefit to homeowners.⁴² So while San Diego boasted the kind of recreational facilities that were an asset to recruiting outside business firms, those same potential suitors sensed that the community commitment to their relocation did not run very deep.

In the 1950s and 1960s, it was common for national firms to match the efforts put forth by cities attempting to facilitate relocation. They produced copious literature on their wants and expectations and hired real estate directors that would facilitate moves to new locales. A main driver of these relocations was a desire to escape the highly unionized, and thus high-wage, northeast and industrial Midwest. The Sunbelt offered both an escape from an undesirable political climate as well as newer communities that attracted skilled workers. Cities like Phoenix, Dallas, and Tampa Bay led the way by developing recruitment strategies that included extravagant advertising campaigns. To claim a business “friendly” environment, a city needed

⁴² In fact, the funding of San Diego’s Downtown Civic Concourse, a project that spanned both the Dail and Curran administrations and intended to boost property values of local elites with sunken capital in the downtown area, was financed using the pensions of public employees to bypass the need for public approval. See Robert G. Wright, transcript of an oral history with Frank Curran conducted by Robert G. Wright, March 26, 1983, 19.
low taxes, lax regulations, cheap labor, and publicly-funded amenities and infrastructure capable of luring skilled white-collar management. Even though, by 1961, San Diego was late to the game, many in the Chamber of Commerce felt confident that a perfect year-round climate and seaside location would give the city an edge.\textsuperscript{43}

From the perspective of business, the physical climate and civic governance were not the only considerations. As Andrew Evans, the manager of real estate for Westinghouse put it, site selection came down to “tangible, as well as intangible factors.” Low taxes and subsidies were not enough by themselves. According to Evans, what a company must have is “acceptance by the community as a genuine citizen of that community. It does not want to be thought of as an outside enterprise which just happens to have landed there.” H. C. Stakeman, vice president of real estate for Rockwell Manufacturing echoed this sentiment: “a community’s greatest asset lies in the character, skill, and attitude of its people.”\textsuperscript{44} These companies understood that a population not desperate enough to welcome their relocation with open arms presented a likely liability in the future.

Realizing this, San Diego’s Chamber of Commerce knew its recruitment efforts had to operate on two fronts. They needed to make an extended effort to shore up support at home while also aggressively pursuing outside capital. Launched in 1961, B.I.G. was meant to accomplish the first measure, while an extensive ad blitz in all the largest business magazines would secure outside commitments. Ads emphasized the potential for commerce enabled by an "ultra-modern

\textsuperscript{43} Chamber of Commerce, B.I.G. Committee Minutes, August 12, 1964, box 1, folder 11, San Diego Chamber of Commerce Records.
\textsuperscript{44} Andrew E. Evans, “What Our Company Expects From Your Community As An Industrial Neighbor,” May 29, 1964, box 8, folder 12, San Diego Chamber of Commerce Records; H. C. Stuckeman, “What We Are Looking For In Your Community As A Location For a New Plant,” May 29, 1964, box 8, folder 12, San Diego Chamber of Commerce Records.
ocean shipping terminal," the availability of cheap land for industrial buildings ranging "from 5,000 to 60,000 square feet" and labor costs "10-15% lower" than other parts of California. The untapped potential for explosive growth made San Diego "America's Blue Chip Territory."45 Yet the tone and tenor of the advertisements betrayed San Diego’s internal identity crisis. Some of the ads emphasized low-cost industrial space, but the more convincing were tailored toward attracting white collar management and the even better still focused on research and development. Boasting "14 research institutions" San Diego could provide a "creative, academic atmosphere." One ad featured a scuba diver surveying ocean life and read "just another day at the office in San Diego."46 Efforts like these doubled down on San Diego's more reflexive self-image, a place where the boundary between work and leisure was indistinguishable. Time-clock tyranny reigned elsewhere, not in San Diego.

After three years of recruitment efforts, and despite landing some future mainstays in the fields of research and development, San Diego remained last among other communities in the state in outside investment.47 Orange County, Los Angeles and the San Fernando Valley more than doubled the percentage of plant relocations to California as compared to San Diego (which achieved a mere 8%).48 In the larger civic imagination, the Marston model for San Diego held firm. If the city was to develop economic viability in the twenty-first century it would

47 There was momentary excitement in 1964 when the city believed itself to be on the verge of landing multiple Ford Motor Company plants. The belief was that Ford wanted to link up with the Kaiser Steel Factory in Fontana along the future I-15 corridor. Nothing came of it. See John Harter, Memo to Pascal Dilday, July 26, 1963, box 9, folder 1, San Diego Chamber of Commerce Records.
have to follow a different path. The failure, and widespread rejection of B.I.G., was a preview of the fights to come.

Popular pushback to industrial recruitment grew to become something much more than angry-letter writing. In 1964, at the height of the Chamber of Commerce’s attempt to forge a “City in Motion,” anti-growth sentiment became rigid political resistance. A successful bid for outside recruitment necessitated not only an increase in industrial zoning, but expansions of recreational spaces as well. The crafting and passage of a General Plan provided a city the means to do both. Numerous municipalities passed, or revised existing, General Plans as a pre-requisite for participation in Great Society redevelopment programs. Often perfunctory procedures handled by city councils, General Plans were important because they quantified need and viability for municipal development. For the city’s investor class, matching federal funds for various land development projects made their wildest booster fantasies seem within reach. Among the various programs, Urban Renewal funds were often the easiest to get and came with the fewest strings. But, it was also the topic which sparked the greatest volume of backlash from San Diego’s middle class.49

Multiple citizens committees formed to oppose the General Plan including Concerned Citizens for Private Property as well as the Citizens Protective League. The latter, led by an insurance salesman named M. J. Montroy, spearheaded a drive for signatures, garnering enough to put the General Plan to referendum vote. Facing a city-wide election, the San Diego “establishment” found itself unexpectedly on the defensive. Forced to make a case for the

General Plan, the San Diego Chamber of Commerce could only make routine arguments for economic growth, which did not gain traction in San Diego.\(^{50}\)

The biggest sticking point centered on Urban Renewal, which sparked racial anxiety in white homeowners across the country. Many feared that its programs forced cities to racially integrate majority white communities. The weekend before the scheduled vote, thousands of homeowners in San Diego woke up to “Eviction Notices” posted on the front of their houses with what appeared to be the official seal of the city. They read:

You are hereby ordered to vacate your home…your house will be occupied by an underprivileged minority race family now living in a slum area…In a recent survey of your area it was found that there are no negro families living within 300 feet of your property, therefore ‘racial discrimination’ is presumed to exist and the San Diego urban Renewal Authority has determined that you are in a blighted area and your house is subject to condemnation and seizure.

On election day, San Diego became the first city in the country to vote down a General Plan with a resounding 66,000 no votes in a two to one margin against.\(^{51}\)

While racism played a central role, the oppositional citizens committees seamlessly integrated white backlash with resentment towards developers. As one anti-plan broadside posited, the committee that drafted the plan was “loaded with bankers, big property owners and others who favor using federal funds to rebuild San Diego in order to increase the value of their property at no expense to themselves.”\(^{52}\)

For many San Diegans, racial integration and development were interchangeable processes, both of which undermined the quality of life they had come to expect. Federal money did not just


\(^{52}\)Ibid, 34.
represent big government and social engineering, it was simultaneously big business and big
growth. As Montroy, head of the citizen’s protective league put it, the General Plan “opens the
door for the federal bulldozer and enables speculators to carry out redevelopment schemes.” The
shot across the boosters’ bow was unmistakable. San Diego’s attempts at redevelopment had to
be managed, planned, and negotiated with a white conservative home-owning voting base
dedicated to preventing any type of development that threatened their quality of life.53

This brand of conservatism was born of a paradox at the core of a postwar liberalism whose
economic consensus held unflinching economic growth was the magic elixir to widespread
prosperity, a means by which all could access “the good life” as defined by a middle class
suburban existence. But, by any objective measure, economic growth threatens “the good life”
with pollution, traffic, and resource depletion. In addition, growth requires a laboring class, and
the physical and political presence of a working class inspires an environment of class conflict,
yet another threat to the tranquility promised by postwar liberalism. In short, capitalism gives,
but it also takes away.

This paradox was not lost on the San Diego Chamber of Commerce. In a study funded by the
Chamber entitled “Challenges to San Diego,” sociologist Herbert Fredman laid it out: “disquiet
about the quality of life is largely a middle class and upper middle-class phenomenon. Therefore,
community leaders must continue to weigh two largely conflicting demands – one for more
growth to allow the poor to improve their lot; the other for less growth, to allow those who have
achieved material success to enjoy more tangible values.” From the 1960s onwards, white
middle class San Diegans never shied away from utilizing their political power to protect their

Anti-City,” in Sunbelt Cities, 334.
ability to enjoy more “tangible values” and showed little desire in allowing poor people, especially Latinos, to improve their lots.\textsuperscript{54}

For business interests to fully harness San Diego’s economic potential required a change in strategy. Development born of the give and take negotiations with San Diego’s homeowner class precluded the recruitment of major industrial firms like Ford. Instead, as the 1960s gave way to the 1970s, another possibility presented itself: the proximity of Tijuana, Mexico, and its ever-increasing industrial proletariat provided the potential regional engine for growth that capital desired, safely segregated as it was on the other side of the border, leaving the quality of life of San Diego’s middle class safely intact.

\textsuperscript{54} Herbert Fredman, “Challenges to San Diego,” 1972, box 1, folder 5, Records of San Diegans Inc., Special Collections and University Archives, San Diego State University.
Chapter 2

The Impossible Dream

Following the General Plan debacle of 1964, the San Diego Chamber of Commerce looked to rethink and reorganize its efforts to sell economic growth. The expectations of San Diego’s citizens, inextricably tied to a clean aesthetic vision for the city, precluded the more traditional methods of luring outside capital. The standard model of developmental neoliberalism, wherein networks of locally-controlled dynastic wealth utilized federal monies to determine the style and pace of urban expansion, simply could not hold under the city’s political conditions.¹

Citizen committees held tremendous sway over the General Plan process in 1965, and only proliferated in number afterward. The second attempt to pass a General Plan in 1967 required key concessions: the removal of all urban renewal language as well as overhauls of the city-organized citizen planning committees to involve more than just Chamber of Commerce members, as had been the case in the drafting of the 1965 General Plan. This empowerment of local citizenry, though confined to property owners, gained national recognition as an unrivaled experiment in democracy. Between 1965 and 1971, power diffused, congealing into multiple polarities between citizens, city managers, and the Chamber of Commerce. These struggles for influence shook up the city’s power structure at the same moment national economic changes pushed the region towards a New Economy that transformed the composition of area-business and its leadership.

The General Plan attempt of 1965 proved to be the last gasp of a dying order in San Diego. Major figures such as C. Arnholt Smith felt the world shifting beneath their feet. In a process that played out in many Sunbelt cities in the late 1960s and through the 70s, San Diego’s centers of power, including the Chamber of Commerce, fell to new breeds of businessman, mainly, those in finance or technology. The national firms they represented tended to have a broader, more global view of economics and looked to San Diego’s border proximity with great interest. The resulting disruption of traditional politics led to a period of uncharacteristically multi-polar distribution of power in San Diego creating openings for new economic direction as well as dramatic shifts in leadership.

At the same moment the economic leadership of San Diego underwent an infusion of new blood, Mexico began looking in new directions to achieve growth as well. Import-substitution, Mexico’s protectionist policy agenda after World War II, began to show serious cracks in its effectiveness by 1968. Therefore, the border region witnessed the culmination of long wrought shifts in economic priorities when the Mexican government launched expensive initiatives to promote border industrialization in hopes of attracting outside capital. In addition, Mexico sought to fund massive improvement projects meant to overhaul its urban centers. Nowhere did this occur on the scale it did in Tijuana. In what became the largest redevelopment project in Latin America, the New Tijuana or Rio Tijuana project sought to channel the Tijuana River to establish the groundwork for an integrated cross-border economic zone.

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2 Shermer, *Sunbelt Capitalism*, 305.
This created potential boundless opportunities for a new wave of San Diego leaders seeking to reconcile capitalism’s need for growth with the expectations of an affluent citizenry opposed to it. The resulting relationship between state agencies on both sides of the border seeking new paths for development forged a new economic vision moored to seamless integration. Yet the form and function of this new vision could not pass without the input of San Diego homeowners who organized to oppose the seamless border zone advocated by capital. The result was a negotiated vision which pared back the aspirations of business in favor of a more rigid division wherein San Diego served as a paradise headquarters for white collar management and Tijuana became a barracks for a new industrial proletariat.

“In the lives of cities, as in the lives of men, there arrives times of decision. It appears such a time of decision has arrived for San Diego.” So begins a 1969 San Diego Chamber of Commerce publication entitled “Aspirations San Diego 1970-2070.” In it, the leaders of the Chamber presented their collaborative view for San Diego. In what amounted to a major reimagining, it continued, “we can afford to be, and perhaps we should be, more selective in promoting growth.” If not, the proposal warned, “there is no small danger we may become like Los Angeles or become part of a megalopolis.” Such a strong change in tone on the part of the Chamber of Commerce reflected the lessons learned from the humiliating defeat of the General Plan in 1964.4

The scale of such a public setback recalibrated the thinking of many local leaders. One land developer summed up the problem, as well his sense of the solution, in a 1966 letter to San Diego’s city manager wherein he strongly recommended “that we rededicate ourselves in the area of aesthetics and beauty in the life of the San Diego community.” He continued that the city was too busy being like other cities even though “most other cities are dirty and some crummy. We cannot rest on our laurels.” Mayor Frank Curran provided a more romanticized spin, claiming that the people of San Diego were like the pioneers who came west and “didn’t want to be confined… didn’t want to have to deal with the conventional systems that were developed in the east.” To gel with these expectations, the city of San Diego needed to bank on its unique attributes and escape the methods of development that generated the degraded quality of life in other cities.

To avoid just such pitfalls and explore avenues of alternative development, the San Diego Chamber of Commerce, in 1965, created a twelve-member committee tasked with the assignment of fashioning an Economic Development Research Report to act as a blueprint highlighting a new way forward. The committee included a host of fresh new faces instead of the Chamber’s usual suspects. One such person, Lucille Mortimer, was the first woman to be granted such a position in the history of the chamber. She had started as a secretary and worked her way up into chamber prominence. Described as particularly sharp with facts and figures, Mortimer consistently produced the Chamber’s most detailed accounts of the area economy. “It was a once

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5 Mike Fletcher Letter to Tom Fletcher (San Diego city manager), June 15, 1966, box 1, folder 15, San Diego Chamber of Commerce Records, Special Collections and University Archives, San Diego State University; Robert G. Wright, transcript of an oral history with Frank Curran conducted by Robert G. Wright, March 26, 1983, 18, Oral History-Historical Collection, San Diego Historical Society.
in a lifetime experience” and, in her words, comparable to having a baby: “it took a lot of time and the delivery was hard work, but the results were more than satisfactory I think.” The 1,000-page document, weighing in at nine pounds, served as a basis for chamber strategy for the next decade, including its “Aspirations San Diego” piece calling for a pivot away from “bringing things” to San Diego.6

Drawing from the report’s conclusions, the chamber’s first order of business hinged on the passage of a revised General Plan. To accomplish this required radically different branding from that undertaken in the debacle of ’64. Scheduled for a vote in 1967, this new iteration of the General Plan scrubbed any direct mention of “Urban Renewal,” but more importantly it pivoted its selling points. The marketing approach in ’64 emphasized industrialization as well as business friendly redevelopment, an approach that failed to account for voters’ anxiety over the negative impacts on their daily lives. To avoid repeating this error, the Chamber packaged the new General Plan as a way to manage growth; in fact, its sole purpose, according to its promoters, lay in harnessing and protecting San Diego’s natural gifts. One such advocate, deputy mayor Jack Walsh, described the General Plan as “a common sense tool for preserving our wonderful living environment.”7

In adherence with its way of doing business, the San Diego Chamber of Commerce buttressed its efforts at rebranding the General Plan with a no-holds barred advertising campaign. One informational brochure showcased a white family of four having a picnic on Mission Bay

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7 Jack Walsh, to Joseph F. Sinnott, November 1, 1967, box 1, folder 17, San Diego Chamber of Commerce Records.
and read “San Diego must have a plan and guide for orderly growth and development.”

To protect this idyllic lifestyle, residents were urged to support the General Plan. Another tactic, showcasing a characteristic disregard for subtlety, involved the San Diego Chamber of Commerce hosting a movie night at Balboa Park. At the event, community members watched an “award-winning” film entitled “No Time For Ugliness” which covered the horrors of run-away and unmanaged urban growth. Following the film, Chamber members and local academics hosted a question and answer session regarding the General Plan.

Still, even with these efforts, the main obstacle, as it had been in ’64, centered on the question of Urban Renewal. The fear that the federal government would either transform San Diego in the name of civil rights, or allow it to be transformed by business hell bent on growth, proved a deciding factor in the previous election. This time around, area business leaders met the question head on by emphasizing that Urban Renewal funds were to be locally controlled. Additionally, they maintained a coordinated emphasis on the idea that other cities were receiving money that rightfully belonged to San Diego. As local investor Frank Hope Jr. put it, in speaking with the San Diego Union, he hoped voters “will take a realistic and not an emotional view on federal Urban Renewal.” He did not see it as a socialist plot, but instead a combination of “enlightened government planning and free enterprise.” Additionally, he added “as long as we keep paying our taxes...they will be happy to use the money in Los Angeles.” The point was

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clear, unless San Diegans wanted their tax dollars going to their multiracial nemesis, they too needed to participate in Urban Renewal.10

The Chamber of Commerce re-education campaign successfully reoriented the perception of the General Plan. Instead of a government/booster plot aimed at San Diego’s quality of life, the General Plan embodied the protection of white homeowners from those same forces. As deputy mayor Jack Walsh proclaimed in a private letter to a chamber associate, “I hope the villagers now know that the shoutings have been disputed by reason.” The result of these efforts: a narrow passage of the 1967 General Plan.11 The immediate need to curry favor with the citizenry removed, the city council, in a surprise move in March 1968 took over all planning functions, removing citizen committees from participation. In the words of historian Anthony Corso, “the council felt that this neighborhood experiment in democracy had gone too far.”12

Behind the scenes of the General Plan rebranding and city council power grab, seismic shifts were changing the composition of city leadership. For nearly a century, San Diego had been run by a select group of booster families. This was facilitated by an extremely insular socio-economic setting; figures like C. Arnholt Smith were overgrown fishes in a small pond. The accelerated nationalization of finance undermined this unique eco-system leaving it vulnerable to be overtaken by new forms of capital. In fact, it was the integration of national firms in the San Diego economy that revealed the corruption of the Smith empire. By 1972, investigators discovered that Mr. San Diego, had lent his own business entities almost 575% of First National Bank’s capital in what amounted to a precursor to Enron-style money laundering. In the

11 Jack Walsh to Joseph F. Sinnott, November 1, 1967, box 1, folder 15, San Diego Chamber of Commerce Records.

While the most dramatic example, the collapse of Smith represented the swiftness of ongoing changes throughout San Diego’s power centers from roughly 1965 to 1972. These kinds of changes took place across the Sunbelt. As historian Elizabeth Shermer notes “most promoter machines lasted through the 1950s; few survived the 1970s intact.”\footnote{Shermer, \textit{Sunbelt Capitalism}, 305.} For San Diego, that overhaul came even faster. According to a sociological study of community influence, only five of the people listed in the 1965 power structure (including mainly the Chamber of Commerce and city government) were still active in San Diego by 1969. In 1965, the median age of top influencers was 63. By 1969, it was 53. The analysis concluded, “San Diego is more of a manager town with very few large wealthy businesses, and few are locally owned.”\footnote{Rosemary J. Erickson, \textit{Who’s Running San Diego?: A Sociological Investigation of Community Influences}, February 8, 1977 (Western Behavioral Sciences Institute, La Jolla, California), 35.} Herbert Fredman, in his Chamber of Commerce commissioned study of San Diego’s challenges published in 1972, painted a similar picture: “San Diego has seen a noticeable shift in the control of local enterprises – in many cases businesses headquartered in the area have become part of larger aggregations with home offices elsewhere.”\footnote{Herbert Fredman, “Challenges to San Diego,” 1972, box 1, folder 5, Records of San Diegans Inc.}

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Taken together, 92% of companies in San Diego employed less than 100 persons. Those situated in emerging technological field proved the most profitable and therefore held the most power. Oceanics, to name just one example, became a mainstay of the San Diego economy, performing contract research for the federal government. This work, performed by highly trained scientists, often in conjunction with the Scripps Research Institute or the University of California San Diego. Electronics also achieved record growth between 1965 and 1972 as San Diego, with its highly educated population, proved a perfect match for an “increasingly highly sophisticated industry.”

This professionalization of city leadership, particularly in the Chamber of Commerce, brought with it fresh perspective on approaches to investment and industrial recruitment. Finance played a much larger role in laying out the city’s business priorities. These priorities were headlined by a commitment to maintaining San Diego’s unique environmental gifts. As the Chamber’s Area Development Committee argued, the new thrust of the Chamber of Commerce was to do “what must be done to provide for our citizens a dynamic economy while protecting and enhancing the quality of life which has distinguished this beautiful city for so many years.” To accomplish this, San Diego would “build a healthy economy...[by] embarking on a program to entice corporate headquarters to the area” because they were “clean and compatible.”

This desire to maintain San Diego’s quality of life generated from two impulses. The first stemmed from a realization of the political power of San Diego’s homeowners and judicious guardianship of quality of life. For San Diego to meet its full economic potential it would need to

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18 Richard D. Bregante to San Diego Keymen, May 14, 1970, box 8, folder 7, Records of San Diegans Inc.
do so in a way that placated homeowner sentiment. As the Fredman study concluded, businesses needed to realize they were not separate entities from the community. If San Diego becomes “a grimy, smoggy, mind-numbing expanse like much of Los Angeles, it is unlikely that business will be any happier than the rest of the community.”

Second, the more animating impulse sprung from a new vision for the United States’ role in the global economy. Representative of the increased influence of finance, a 1970 Chamber generated planning analysis included the following revelations from the largest bank in California: “What the world needs today is trade, more trade and freer trade…The United States in general and California in particular has a large stake in an improved and enlarged international trade with all its economic, financial, political and ideological implications in the years ahead.” One of these implications? The decline of the United States as a center of production. As a result of this, the United States as a whole needed cities focused on management: “New York has grown by managing the production of goods throughout the nation while depending on the importation of those goods for its existence, so can the United States gradually assume this role relative to the world by providing capital, direction, and services to their nations in return for their products.” By becoming a city of management, San Diego could plant its flag in a new global order.

San Diego proved the rule for a changing economic landscape identified by sociologist Daniel Bell wherein knowledge work supplanted the centrality of manual labor. Foreshadowing a “post-industrial society,” San Diego provides concrete examples of the transformations Bell

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forecasted along lines of social structure, polity, and culture. Whereas other cities, such as Pittsburgh and Detroit, faced a shift from manufacturing to professionalization, San Diego started with a clean slate. More importantly, this style of economic growth fit with the expectations of San Diegans dedicated to maintaining a high quality of life free from the effects of traditional industrialization.\(^{21}\)

The resultant shift in economic orientation presented new horizons for San Diego. Under the old economic regime, focused as it was on production, San Diego’s physical location proved a liability, but a new emphasis on management made it an asset: “On the positive side, San Diego’s location gives it certain special advantages…the city is the American gateway to Baja, California.” In the same report, the vice president of another financial institution, First National Bank, echoed this sentiment: “San Diego’s location adjacent to the Mexican border and the 300,000 plus residents of Tijuana gives it certain advantages not enjoyed by most American cities. One advantage is the possibility of operating twin plants or related plants on both sides of the border.”\(^{22}\)

San Diego was no stranger to the idea of cross-border development with Tijuana; a century of economic co-dependence had necessitated these kinds of linkages. As early as 1954 the Chamber of Commerce “recognized the marketing possibilities in this great and rapidly developing area to the south…interested in mutually profitable trade relations.”\(^{23}\) This history


\(^{22}\) City of San Diego Planning Department, “San Diego’s Industry,” 57, Records of San Diegans Inc.

generated a degree of cultural and institutional experience unmatched in the wider business national business community. Mainly, San Diego’s leadership understood that such developmental undertakings required careful management of multiple interests. Not only did the federal governments on each side of the border need influencing, but there were state and local concerns that existed independently on each side. Curran, in reflecting on his time as mayor, provides a broad survey of the cultural dynamics of the border: “…there are three kinds of people along the border: Americans, Mexicans, and border Mexicans. The border Mexicans have never been too well accepted in Mexico, in the interior.”24 Such considerations created political mine fields that could only be crossed carefully, preferably with a local, and thereby delicate touch.

At the federal level, the United States Government did not always operate with such tact. As local booster Irvine Reynolds, in a speech to the San Diego Rotary Club in 1969, put it, “U.S. policies and actions towards Latin America have not been forward looking, intelligent, or well-conceived.” Those representing the United States’ interests in Latin America often failed to learn the language or appreciate the culture, all while ignorantly disregarding their work place practices. Reynolds concluded, “Whether Latin America is a region of rising living standards and expanding markets, or the center of turmoil and famine will depend in part on American political policies and U.S. business decisions.” San Diego, as a border metropolis, positioned itself as the on-the-ground site for cultural and economic exchange aimed at bridging these gaps.25

Drawing on its history of economic interdependence with Tijuana, San Diego prepared itself for an innovation in that relationship: creating a system that overtly divided the process of

production through a division of labor achieved by straddling production across an international boundary. Concurrent to the leadership shifts in San Diego that increased the palatability of internationally integrated markets, major political changes in Mexico were in the process of doing the same.

While San Diego was rejecting industrial growth in favor of managerial and technological enterprise, changes in Mexico were encouraging industrial development along the border. 1968 marked a sea change in Mexican politics. The dominant Institutional Revolutionary Party, or PRI, had for decades been backing away from its opposition to foreign investment; but, this retreat required a delicate balancing act with the dearly held principles of the Mexican Revolution which, at their core, rejected capitalist exploitation of Mexican labor and resources. The strong economic growth in Mexico from 1940 to about 1968, dubbed the “Mexican Miracle,” had been achieved through a combination of strong public investment in education and manufacturing as well as coordination with outside capital. But by 1968, the aggregate gains in wealth were belied by the uneven nature of capitalist development. As a robust middle class formed in some areas, especially in the border regions, much of the Mexican interior faced economic hardship. Over time, the PRI’s “overriding emphasis on modernity and economic progress” moved it further and further “away from its revolutionary roots.” To maintain credibility, the PRI engineered a mass media-based cultural nationalism meant to mask their increasing lack of revolutionary credentials.²⁶

By 1968, as Mexico prepared to host the Olympic games, the routine wore thin. For the PRI, the Olympics represented an opportunity to showcase Mexico’s urban and industrial modernity to the world. In the lead up to the games, grassroots protests challenged the priorities of a PRI government no longer beholden to the democratic desires of the people. For these protestors, the Olympic Games and its attendant costs represented their government’s commitment to outside developers and financial interests. On October 2, over 5,000 student protestors assembled in the Plaza de las Tres Culturas in Mexico City. During efforts to disperse the crowd, government agents opened fire. Hundreds of students were killed, marking the end of any meaningful connection between the actions of government and the principles of the Revolution. This violent consolidation of state power signaled to the rest of the world that Mexico was open for business. Development projects, particularly along the border, accelerated. 27

In 1961, the Mexican government had initiated the National Border Program (PRONAF) to more seamlessly integrate the northern “frontier” region with the larger Mexican economy. As the Mexican middle class grew after 1940, officials in Mexico City realized that much of the resulting purchasing power in the border regions was being spent in the United States. This was particularly true in Tijuana, where cross border consumer spending rose a staggering 6% in a single year from 1967 to 1968. 28

This scale of bi-national economic interdependence had been, at least partially, an accident. In 1934, at the heights of the Great Depression, Mexico had declared much of its northern

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28 Fernandez-Kelly, For We Are Sold, 24.
frontier a *Zona Libre*, or Free Trade Zone.\(^{29}\) The federal government had lacked the will, and often the ability, to adequately aid the border regions during the prolonged period of economic hardship in the 1930s. As a response, the Free Trade designation pushed frontier citizens to procure everything from groceries to manufactured goods from U.S. urban centers. San Diego profited from this arrangement. As the spending power of a nascent Mexican middle class rose from the 1940s forward, this became only truer. Cross-border trade numbers were greatly inflated by this phenomenon, rising from $198.4 million in 1950 to $2.3 billion by 1974, with San Diego being the largest market on the border.\(^{30}\) In fact, some U.S. businesses in San Diego accepted pesos, putting stickers in their windows which read “Aceptaramos Pesos Mexicanos.”

The central goal of PRONAF was to build the retail infrastructure to stifle this precipitous outflow of capital in the form of consumer spending. As historian Lawrence Douglas Hansen summarizes, PRONAF amounted to a nationalist project “aimed at building a sufficiently powerful commercial and industrial base in the Mexican borderlands.”\(^{31}\)

Another aspect of PRONAF, the Border Industrialization Program (initiated in 1966), targeted outside capital by removing tariffs on imported materials necessary for the construction of new facilities. The underlying motivation of these inducements centered on the creation of industrial centers aimed at soaking up the excess labor supply at border urban centers. Displaced by economic privatization in the Mexican interior, tens of thousands of migrants made their way to border cities like Tijuana and Juarez throughout the 1960s and 1970s. In the case of Tijuana,

\(^{29}\) Profitt, *Tijuana*, 221.
47.5% of its population consisted of interior migrants by 1976, with an annual growth rate during the previous decade of 4.56% a year.32

This ever-collecting pool of cheap labor enabled the full-scale implementation of what became known as the Maquiladora, or twin-plant, system. In it, the labor-intensive segment of production is located on the Mexican side of the border, where labor is cheap, and the Mexican government underwrites construction and maintenance cost. Meanwhile, management and skills-oriented production is located on the other side of the border, where quality of life is protected and acts as an inducement for recruiting talent. Another enabling factor in this system is taxes are only levied on the value-added to the product when exported back to the United States. Mexico was quick to realize the long-term potential of this program.33

A survey of the region, conducted by the Bank of Mexico in 1967, found that despite its small scale, the maquila industry had “grown so much in such a short time” and “no other industrial branch has such a broad immediate potential.” Border area firms participating in the maquiladora system were seeing capital returns of 27%. The Mexican government possessed no illusions regarding what underwrote such success. As the same report pointed out “given wages and salaries in Baja California are markedly inferior to those prevailing in the United States, the function of the Maquiladora industry is essentially to export relatively cheap labor.”34

Undercutting the cost of doing business elsewhere was to be Mexico’s niche. As Julio B. Trevino of the *Mexican-American Review* wrote in 1969 “the Mexican government is succeeding in

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making the Mexican border area competitive with Formosa, Hong Kong, Puerto Rico and other locations.” He continues “…establishing a manufacturing or assembly operation in the Mexican border area is still very attractive to U.S. manufacturers in view of the high labor costs in the United States.”

One such manufacturer, Union Carbide, established one of the largest twin-plant facilities on the border in 1968 near Tijuana. The location focused on consumer electronics, thus fitting the mold of the kind of operation best suited to utilize the cross-border production model. Relegating unskilled labor to a low wage existence in a 17,000 square foot facility south of the border enabled the company to maintain its management and technology operations in San Diego, where quality-of-life acted as an inducement for skilled laborers. According to vice president of electronics at the company, Ward F. Moore, north of the border operations represented “the real magic in what we do.”

While initially, Mexico acted as the driving force incentivizing this kind of economic model, by 1968, the city of San Diego threw itself into cooperating with its foreign neighbor to create not only stand-alone twin-plant operations, but a full-fledged international nexus of production/consumption. One of the economic reports prepared by Louise Mortimer, the first to recognize the scope of potentialities, laid out the stakes: “The potential for the future development of the border region is exciting and virtually limitless.” Acknowledging the challenges of breaking down the international divide, Mortimer concluded: “The kind of planning for—and accompanying encouragement of—industrial development is crucial to the economic growth of communities on both sides of the border. The large labor supply in Baja

finds employment in such enterprises and, as a result, expands the purchasing power for the Mexican domestic market and for the American market across the border.”

Mexico took notice of this new opening in relations and the increasing potentiality for cross-border cooperation. Ignacio Garcia Batista, General Director of Economic and Industrial Promotion of the State of Baja California, initiated a speaking tour on behalf of border zone development. In a speech at San Diego State he promoted the potentiality of an alliance between the Mexican state and U.S. capital: “Baja Californians, ladies and gentlemen, are thinking of new ways, and we are constantly renovating…We extend our arms to all those men of good intentions who would like to support us not only with capital but with experience and vision within our laws, in an atmosphere of mutual respect.” Denied the elixir of traditional postwar growth by a population hostile to industrial development, San Diego’s business class forged a new international solution.

Like the style of development facilitated by postwar liberalism, the transnational vision emerging from the San Diego Chamber of Commerce in the 1970s did not consist solely of factory production. In the resulting utopian imagining, the Chamber’s border of tomorrow included a broad range of development projects that would further integrate the region. Mortimer’s report, for example, expressed interest in a University of the Americas to be constructed on 500 acres of land adjacent to the border. A “bilingual and bicultural” space, the University of the Americas would serve communities on both sides of the border with facilities

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37 Louise Mortimer, Area Planning Committee Report, April 16, 1968, 4, box 8, folder 3, San Diego Chamber of Commerce Records.
38 Speech by Ignacio Garcia Batista, San Diego State University, April 26, 1969, box 8, folder 3, San Diego Chamber of Commerce Records.
that stretched across the international boundary.\textsuperscript{39} San Diego wanted to be the educational and cultural center of a vast area extending far south of the border.

In addition to the university, there were also talks and negotiations between the United States and Mexico concerning a $1 billion nuclear power plant doubling as a water desalination facility. The massive structure, to be built east of Tijuana where the Colorado River empties into Sea of Cortez, and capable of producing a billion gallons of water a day and 2,000 megawatts of electricity, projected to serve all the water and power needs of southern California and much of northern Mexico. This herculean level of production would enable limitless growth within this newly envisioned international urban space.\textsuperscript{40}

Representative of the sheer scale of this vision and its erasure of the border as a boundary for the purposes of capital, in 1974, the San Diego Chamber of Commerce pushed hard for the creation of a San Diego/Tijuana international airport. In the eyes of the Chamber, the project presented “a unique opportunity for this region” to create the world’s first international airport “to physically cross the borders of two nations.” The same report also advocated that more be done to make such cross-border developments more seamless. Referring to the entirety of this new borderland economy as a complex, the report argued “the growing interrelationship between northern Mexico and the San Diego region demands that the entire complex be treated as a single unit in addressing many of our common regional problems.” Similarly, the Chamber, in its proposals considering a transnational airport noted the allure of Mexico’s authoritarian streak commenting the “modern Mexican government to be an enlightened government fully cognizant

\textsuperscript{39} Louise Mortimer, Area Planning Committee Report, April 16, 1968, 5, San Diego Chamber of Commerce Records.

of the need for cooperative attitudes and conditions to prevail in the border area over the long term." Before these large-scale binational projects could be realized, San Diego and Tijuana needed to work out several logistical quagmires.

Rising to these challenges, a new transnational capitalist class took shape. According to scholar Leslie Sklair, this new class consisted of local professionals on both sides of the border working together, adapting, and sometimes creating, institutions within both the U.S. and Mexican state apparatuses. Consisting of lawyers, politicians, and business executives in border cities, this new transnational class sought to transcend the economic confines of the border that hampered development. To do so, they formed bi-national border commissions including the U.S.-Mexico Commission for Border Development in 1967. Both the San Diego and Tijuana Chamber of Commerce proved instrumental in forming the first Border City Association in 1964. These new border institutions provided a space for cross-border cooperation among local actors within the transnational class. Without this space and dialogue, coordinating the utilization of resources provided by two distinct national governments, as well as those from state and local resources, would have proved impossible for area-business interests.

As Sklair describes, the main promoters of the Maquiladora system consisted of those that provided services for the maquilas rather than productive investment in the plants themselves. One of the reasons the San Diego-Tijuana corridor hosted the first prototypes for cross-border production sites, prior to their official designation as part of the Maquila system, had been the region’s innovative contractor arrangement in which corporations could contract out every aspect

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of the business model, from site selection, to construction, to labor management, and even the production process. Given San Diego’s proclivity for management and service-based industries, its ability to provide this seamless servicing made it particularly attractive for those seeking more specialized cross-border production methods, such as electronics companies.\textsuperscript{43}

In seeking to forge an “impossible dream” of economic integration facilitated by the latest innovations in supply chain management, a central feature of this transnational class, in addition to its upper-middle class character, was its ability to work towards this goal free from traditional nationalist sensibilities. As Sklair summarizes:

[the Maquila system] brought together Mexican and U.S. capitalists, professionals, and officials, who see their own interests and the interests of their respective nations best served by promoting the maquiladora industry. On occasion, U.S. facilitators directly cause the loss of some U.S. jobs, and Mexicans forgo some economic opportunities to make a success of the maquilas. Therefore, this transnational capitalist class is genuinely putting other wider interests above their narrower national interests.

The success of this project rested on the ability of this transnational class to insulate itself from political resistance, particularly from below.\textsuperscript{44}

Even though this transnational capitalist class sought to gain control of state resources on both sides of the border, the asymmetry of the region’s politics proved an obstacle that could not be overcome. Projects greenlighted south of the border proceeded quickly with national resources but local control. In San Diego, homeowner resistance ground efforts at greater border integration to a halt. The best example of this: bi-national attempts by the transnational capitalist class to channel the Tijuana River.

\textsuperscript{43} Ibid, 77.
\textsuperscript{44} Ibid, 86.
In 1970, two Mexican officials strode the hillsides of Tijuana on horseback, surveying the area to determine the extent of its untapped economic potential. Robert de la Madrid, the U.S. born former actor and soon-to-be director of economic development for the state of Baja California, often boasted of his close relationship with John Wayne. That day, he invited his friend José López Portillo to join him for a morning ride. From their vantage point atop the city’s surrounding hillsides, they gazed down on Tijuana and saw it not for what it was, but what it could be: a “New Tijuana” freed from the unsightly existence of its destitute populations and reborn as a highly developed cosmopolitan cultural hub. Portillo, later the president of Mexico, shared a close relationship with de la Madrid, which proved essential in facilitating their collective goal of bringing Tijuana “up to par with the neighboring cities of Southern California.”

The Tijuana River sat as an intractable obstacle to these shared ambitions. A mostly dry riverbed, the Tijuana River’s unpredictable nature caused logistical headaches for residents on both sides of the border. Stretching for miles on the eastern outskirts of the city, the Tijuana River cuts west towards Tijuana’s downtown right along the international boundary before eventually crossing it, and then continuing in San Diego County for five miles through the undeveloped Tijuana River Valley before joining the Pacific Ocean. Prior to development, it commonly flooded and damaged surrounding Tijuana neighborhoods. More than just its natural challenges, the river also presented a social conundrum. Unable to meet the needs of a rapidly increasing population, Tijuana faced severe housing shortages. Large homeless communities

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began forming in the riverbed in the mid-1960s. Known as Cartolandia, this collection of cardboard hovels sheltered thousands of people who made livings by selling food and trinkets to tourists. Most famous of these were papers flowers which became their own symbol of Tijuana. For government officials, Cartolandia represented an embarrassment, a constant reminder of the failings of Mexico’s revolutionary promise. Striking poverty levels and the propensity of the river to flood made Cartolandia an ever-present social crisis.46

More threatening to the interests of San Diego, run-offs from flooding in the Tijuana River often contained untreated sewage collected from the gutters of Tijuana. The river’s flow deposited this refuse into the ocean adjacent to popular beaches and surfing locations. Thus, both cites possessed incentive to green light a rechanneling project. Because the Tijuana River crossed the border, such an undertaking required unprecedented coordination between the two cities and an equal commitment on both sides to see the task through to completion. In 1967, the United States took the first step in crafting a solution to the problem of the Tijuana River by pledging $17 million dollars to flood control on the American side of the border. The Mexican government agreed to also act. In the words of U.S. senator Thomas Kuchel of California, the United States and Mexico would “work closely together to operate and maintain the project for our mutual benefit.” Still, the project lagged on both sides of the border.47

The continued rise in prominence in Mexican politics of both de la Madrid and Portillo got things off the ground. In 1972, as part of the largest redevelopment project in Latin American history, the Mexican government committed $90 million, much of it borrowed from foreign

creditors and the International Monetary Fund, to the channeling of the Tijuana River.⁴⁸ Christened “Rio Tijuana,” this project consisted of the construction of hundreds of miles of underground concrete channels for the river and its potential overflows, reclamation of thousands of acres of land, and redevelopment of nearly 32 city blocks.⁴⁹ The beginning of construction required the physical relocation of almost 50,000 people who had made the river bed and some of its surrounding communities, including Cartolandia, home.

The rechanneling of the river and downtown redevelopment represented only a single part of the plan. In addition to a high-end downtown scene, industrial parks to the east of Tijuana became a fixture of the overall area development. Located right on the border, the existence of these parks later necessitated the need for a second border crossing to the east at Otay Mesa. These sites cemented the foundation for funneling migrants from Cartolandia and Tierra y Libertad into new roles as an industrial proletariat.⁵⁰ What ensued showcased a Mexican government far afield of its stated revolutionary purpose.

Forced relocation of residents, often at gunpoint, became an oft-repeated cycle for river bed communities. In one such incident, on January 20, 1974, Mexican police and heavily armed soldiers moved in on the settlement of Tierra y Libertad. Located in the heart of Tijuana, this squatter community consisted of a collection of cardboard hovels shielding their migrant occupants from the elements and representing the last vestiges of hope for a better life. Driven from the interior of Mexico by agricultural privatization, the people of Tierra y Libertad had come to Tijuana in search of economic opportunity. What they found instead was a city

⁴⁹ Murphy, “City Urged to Honor Baja Pact,” San Diego Union, June 1975.
⁵⁰ Murphy, “River Project Will Bring Drastic Changes to Tijuana,” San Diego Union, June 1975.
unequipped to meet their needs: chronic housing and water shortages plagued the quickly industrializing border metropolis. To survive, migrants forged hard-scrabble existences. Adults, both women and men, looked for employment wherever they could, whether it be in a maquiladora or agricultural work. Teenagers combed the city for recyclable materials, and young kids sold paper flowers to Anglo tourists.  

As the soldiers began to clear the cardboard homes one by one, they loaded thousands of displaced residents onto trucks. Where they were headed was unclear. For years there had been rumors that public housing was being constructed as part of a government initiative to build a “New Tijuana.” Some excited chatter theorized that perhaps they had been chosen for these new dwellings. Others had heard from the soldiers that the governor of Baja California awaited them, eager to meet with them and address their concerns. As the trucks pulled away, residents watched as bulldozers and flamethrowers took to demolishing their homes. After hours of southbound driving, it became apparent to the now former-residents of Tierra y Libertad that neither new homes nor a governor awaited them. The trucks stopped, the soldiers ordered the people out, and the trucks left. They were in the middle of nowhere.

These kinds of population displacements came to define the massive redevelopment projects undertaken in Tijuana in the 1970s. Abandonment in rural Mexico was a common experience, but it was not the only one. Part of the PRONAF redevelopment efforts centered on offsetting the

51 Profitt, Tijuana, 152; Fernandez-Kelly, For We Are Sold, 42; Ricardo Chavira, “Paper Flowers: They’re a Tijuana Symbol,” San Diego Union, January 9, 1982, B-1.  
52 Vi Murphy, “Cartolandia Offers Hope and Despair,” San Diego Union, January 9, 1972, p. C-7; “Police Evict Poor People,” North Star, February 5, 1974, 1. UCSD Student Newspapers, Special Collections and Archives, University of California San Diego, https://library.ucsd.edu/dc/object/bb7373148d; Abe Opincar, “This Isn’t the Same Country, This Isn’t the Same Town,” San Diego Reader, October 10, 2002, 1.
physical destruction of these communities with the creation of public housing. But more than a genuine effort at addressing poverty, PRONAF housing ventures were extended experiments in social control. In an effort to funnel labor into the twin-plant system, construction of housing occurred adjacent to newly christened industrial parks east of the city, far away from the proposed upscale commercial district envisioned by “Rio Tijuana.” At first, residents of the cardboard cities were excited by the prospect of being provided public housing, so much so that residents from other parts of the city relocated to the Tijuana Riverbed in hopes of gaining eligibility. But those initially relocated in 1972 were left wanting.

First and foremost, the homes proved to be half the size initially promised, in addition to being poorly made. Particularly problematic, the government, in a shortsighted bid to promote “personal responsibility,” required these new homeowners make payments and keep up with property taxes. Far removed from their established means of income, the people of these public housing projects could not meet these new demands. One year after the first relocation, half of the public homes sat abandoned, their occupants opting for the streets once again. Few residents that stayed made their payments. As Martín Hernández Murillo, one of the relocated, summarized in 1978, “For some people, the resettlement has become more of a problem…they promised us a whole house…they gave us half. I have not paid them a cent.” He continued “in Cartolandia, we did not have to pay for bus service, because we lived in the center of the city, where we could find work selling tacos or flowers. We did not pay for electricity because we had

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53 Profitt, Tijuana, 229.
55 Ibid.
none. We did not pay for gas because we had no gas stoves to cook on. And we did not pay for potable water. Now we must pay for all those things.”

This attitude greatly frustrated government officials overseeing the housing projects. Tijuana’s director of Internal Relations believed it was “wrong for them to not pay. They were living like rats in that garbage dump before.” Echoing these sentiments, de la Madrid posited that these people were being afforded “a chance to develop a new outlook on life and incorporate themselves into the social structure of the community.” By 1974, this paternalistic frustration boiled over, making the rural abandonment of communities like Tierra y Libertad a common approach. Unlike on the U.S. side, community and neighborhood resistance would not stand in the way of the project. So even while small acts of resistance continued to foil the social engineering aspect of “Rio Tijuana,” physical construction continued unabated leading de la Madrid to conclude that, in the end, “the resettlement plan is working.”

One aspect of border industrialization that was not working concerned the issue of unemployment. Foreign factory investment, if nothing else, should have absorbed the excess labor supply, but it failed to do so. As plants opened, border populations swelled, the unemployment percentages ticked upwards. While the prospect of employment drew potential laborers to la frontera, actual opportunities did not keep pace. This dynamic of underemployment presented itself early in the process. The same 1967 survey conducted by the Bank of Mexico, which promoted the “broad potential” of the maquiladora system, also clearly identified its shortcomings. Namely, maquiladoras did not cure unemployment outright, and,

56 Ibid.
57 “Police Evict Poor People,” North Star, 1, UCSD Student Newspaper Collection.
even more remarkably in the eyes of the researchers, maquiladoras had almost zero impact on male unemployment. From the very beginning, the report showcased the ways in which maquiladoras prioritized the employment of women. Not only could women legally be paid less, but employers preferred them to produce electronics, a staple commodity in the maquilas. In the end, the report concluded, this form of employment amounted to a net social positive, as it provided women with opportunities previously unavailable to them.\(^59\)

Organized resistance to employer exploitation in the maquiladora system often met swift rebuke. Not only did these workers live tenuous existences that made the distance from gainful employment and street living incredibly short, but to the extent there were unions, they were government controlled. In Trevino’s 1969 *Mexican-American Review* piece, he mentioned “some Manufacturers have experienced labor difficulties in some of the border areas” whenever independent unions got involved. He concluded, these worker’s organizations “failed to understand the philosophy of the program which is based on low-cost labor.” Such unions were “dealt with individually with satisfactory results” and “border unions will cooperate with the federal government to make the program a success.”\(^60\)

Taken together, the Mexican government’s disciplining of grassroots protest, as well as organized labor, solidified the potentiality of the cross-border nexus imagined by business and city leadership on both sides of the San Diego/Tijuana corridor. While San Diego prepared itself for various investments by beginning to recruit outside capital by selling itself as the management city of tomorrow’s economy, Mexico took very real and concrete investment in remaking itself to fit the corollary of that equation. Millions of dollars were spent to give

\(^{59}\) Investigacion Del Sistema Bancos De Comercio Mexico, *La Economia Del Estado De Baja California*, 1967, 37; Cowie, *Capital Moves*, 118-120.

\(^{60}\) Trevino, “Border Assembly Operations,” 32.
Tijuana’s downtown a facelift, increase industrial capacity, and discipline the excess labor streaming into the city.

Yet, as the “impossible dream” took shape between the years 1968-1978, it did so under intense pressure from below, pulling it in different, and often contradictory directions. While Mexico accelerated direct and indirect investment in the Maquiladora system and the creation of the cross-border nexus, it faced increased protest not only domestically, but from the growing Chicano movement taking root in the American southwest. Additionally, the same conservative-minded San Diego homeowners that had pushed industrialization south of the border, came to reject the cross-border model predicated on increased international integration. As it became a more salient political pressure point, a new class of conservative politicians staked their careers on vilifying the border and immigration. Soon, the international boundary and its perceived permeability transformed into a quality-of-life issue, thus tapping into the political toxicity that had been brewing in San Diego. Whether it was drugs, pollution, or the presence of immigrants, Mexico became the embodiment of all three. In this environment, cross-border economic development came to be seen as a threat to quality of life. This reality greatly hampered the development designs of Chamber of Commerce boosters north of the border.
Chapter 3
The Ultimate Population

As boosters in both San Diego and Tijuana moved forward in 1970 to orchestrate their visions for cross-border economic integration, they did so in a quickly changing political climate. Richard Nixon, during his 1968 presidential campaign, ran on a law and order platform focused on combatting drugs. Casting Mexico and the border as the villains behind the proliferation of drugs in the United States, Nixon tapped into existing quality-of-life rhetoric by casting himself as the protector of white suburban children. As president, Nixon made the border an area of focus, bolstering the popularity of his brand in what he called his “lucky city,” San Diego. One of the first battles of the drug war unfolded across the San Diego-Tijuana corridor in the form of Operation Intercept, a major effort by federal border authorities to increase cross-border inspections. These measures, in addition to other border restrictions instituted by the Nixon administration, incensed borderlands boosters seeking to implement the impossible dream.

Riding the momentum generated by his former mentor, a young California assemblyman named Pete Wilson, sought to strengthen his tough-on-crime credentials by supporting the Nixon administration on border security and the War on Drugs. Wilson also made “environmentalism” a key part of his legislative brand, supporting open space initiatives in addition to fighting for buffer zones to separate San Diego from outside development. Taken together, Wilson’s policy portfolio established himself as a warrior for white homeowners.

San Diego’s mayoral election of 1971 focused on a single issue: growth vs. anti-growth. Seeking to take back power from the booster class, San Diego’s upper middle-class white homeowners rallied behind Pete Wilson’s campaign centered on “managed growth” which proposed enlightened planning to curb the power of rapacious developers. Boosted by running
against an incumbent, Frank Curran, ensnared in scandal, only confirming in the mind of San Diego’s citizens that corruption defined city hall from top to bottom, Wilson won handily, drawing heavy support from San Diego’s middle and upper middle-class homeowners.

Responding to the demands of these homeowners, Wilson withdrew San Diego from the Tijuana River project. Gutting the most high-profile development project in the city, Wilson solidified the allegiance of the white homeowner class. The action, though, angered not only the Chamber of Commerce, but also Mexican officials. Representing a significant abandonment of cross-border cooperation, the act ushered in a new era of tenser border relations characterized by distrust. Although the Wilson regime maintained active dialogues with Tijuana, the outlook of economic integration became much narrower and utilitarian.

Although armed with a popular mandate, Wilson still faced a tenuous balancing act. Homeowners wanted increased services and protections to bolster their lifestyle but increasingly did not want to pay for them. Even as growth remained the elixir for a stable economy in the eyes of the capitalist class, San Diego voters increasingly supported zero-growth policies. To satisfy these conflicting demands required a deft touch including a “managed growth” plan that privileged certain communities over others resulting in the shriveling of older lower-middle class communities, the zealous protection of elite coastal communities, and the relegation of growth to the suburban fringe. Each of these priorities carried with them a question of resource allocation with scarcity bedeviling a community loathe to approve any new revenue streams for local government.

Taken together, these policies made San Diego a city of financial walls built to protect and isolate some classes at the expense of others. Yet the drawbridge of home ownership remained open, beckoning in newcomers with new communities on the fringe funded by the
taxes of existing communities. This geographical divisions between new and established communities generated different priorities among white homeowners even as they continued to operate as a bloc. Older, lower middle-class communities closer to city center began to deteriorate under the pressure of Pete Wilson’s building moratoriums. Meanwhile, coastal communities prospered under the auspices of moratoriums that protected them from development. Already affluent beach cities like La Jolla and Del Mar saw significant gains in property values. At the same time, moratoriums in San Diego proper pushed new homeowners to an area known as North County, containing communities such as Escondido, Vista, and San Marcos.

By the mid-1970s these communities, despite both being majority white and relatively affluent, possessed diverging interests. Coastal communities, with soaring property values, wanted tax relief, while newly emergent, and less affluent, inland communities desired the construction and expansion of social services, namely schools. Yet, despite divergent interests, these communities came together around safeguarding resources to bolster their quality of life; fears over local money being diverted to urban schools, and therefore nonwhite schools, forged an alliance between elite coastal homeowners and their inland counterparts. The result, the tax revolt of 1978 and Proposition 13, which slashed property taxes and required two-thirds majority for future tax raises, ultimately served to further differentiate the economic futures between these two classes of homeowners. In a new world of democratically legitimized austerity, coastal communities suffered little, finding new sources for maintaining local services. Meanwhile, in inland communities in North County, explosive growth far outstripped their ability to maintain services, creating a new politics of scarcity in search of scapegoats.
As the Tijuana River project matured, inching the region closer to extensive cross-border integration, homeowner resistance to the project took root, fermenting first over the issue of the cross-border drug trade. By the late 1960s, illicit drugs poured into the United States from Mexico. The nature of the problem, as the San Diego Chamber of Commerce often stressed, stemmed from U.S. pharmaceutical companies selling drugs to third-party suppliers in Mexico far in excess of legitimate need. Then drugs were smuggled back into the United States to be sold.¹

The proliferation of these drugs in various communities, but especially white suburban ones, made it a hot-button political topic, one presidential candidate Richard Nixon, while at a campaign stop in Southern California, promised to tackle. In what became a crucial part of the larger War on Drugs, the Nixon administration found the vilification of Mexico a source of immense political hay. To combat the issue, he proposed increased border security and moratoriums on travel, all music to the ears of San Diego homeowners feeling threatened by the proximity of Mexico.²

A July 1969 KNW radio broadcast in San Diego typified the vilification of Mexico as a threat to white families: “The Mexican border is a sieve. Drugs can and do pour across it in a

¹ Chamber of Commerce Committee on Narcotics, Meeting Minutes on Operation Intercept, 1969, box 31, folder 5, San Diego Chamber of Commerce Records, Special Collections and University Archives, San Diego State University.
flood. From there, they are sent all over the United States. They land in the hands of addicts who must commit all kinds of crimes to pay for the pills or the weed. The victim of these crimes is you.” Another radio editorial advocated for the closing of the border to prevent “the flood of drugs” pouring in from Mexico “into the hands of your children.” But Mexico was not the only villain. Taking the needed precautions to safeguard the children of San Diego would, in the argument of the radio spot, inspire “tremendous opposition from the merchants of San Diego.” The drug war placed intense pressure on the Chamber’s project of international integration.³

Tapping into the political energy surrounding the demonization of Mexico, Richard Nixon took additional steps to manufacture points of contention. In August 1969, he pressured the Department of Defense to make Tijuana off limits to military personnel stationed in San Diego. In the estimation of his administration, Tijuana was a health risk both because of drugs and disease in addition to the inherent corruption of Mexico. Local Navy officials in San Diego were flummoxed; the order came as a “complete surprise.” In their experience Mexican officials, particularly the federal police, cooperated “just fine” with the U.S. Navy and both sides boasted about a working relationship that produces no notable incidents. One Navy officer described the problem of servicemen and drugs in Tijuana as “practically non-existent.”⁴ Nixon’s actions provoked a livid response from the San Diego Chamber of Commerce. Such arbitrary restrictions of cross-border movement represented the single greatest threat to its vision of an international consumption nexus. Little did they comprehend at the time, but Nixon, propelled to win the

loyalty of white homeowners at any cost, set in motion a mindset favorable to increased border security that would greatly alter the parameters of the New Economy in coming decades.

Nixon identified in Mexico, more specifically in the Anglo-imagining of Mexico, a salient companion component to his own domestic program of law and order directed at nonwhite inner-cities. Both were linked to Nixon’s declaration of war on drugs which facilitated several transformations in the role of the state. At no time did this prove more true than during Operation Intercept, a 1969 effort by federal immigration officials of the United States to increase border security by, among other things, enhancing/lengthening their inspections at the San Ysidro border gate. Anticipating further business backlash, Richard Nixon sent one of his top aides, G. Gordon Liddy, to meet with the San Diego Chamber of Commerce to assuage fears that such measures might increase border wait times, already a problem that often topped the Chamber’s list of grievances with the federal government. Members of the Mexico Committee made clear to Liddy the degree of economic inter-reliance between San Diego and Tijuana and he responded by assuring the presence of extra border agents to reduce delays.  

Commenced in mid-September 1969, Operation Intercept proved an unmitigated disaster in the eyes of the Chamber of Commerce. Even with an increase in customs officials, it “caused extreme congestion and discouragement of travel” producing “serious losses to business on both sides of the border, and disruption of access to employment and schools.” More than the economic consequences, the Chamber realized the larger political stakes. The border as a new frontier in Nixon’s law and order campaign reanimated San Diego’s historic othering of Tijuana,

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5 Chamber of Commerce Committee on Narcotics, Meeting Minutes on Operation Intercept, 1969, box 31, folder 5, San Diego Chamber of Commerce Records.
dating back to the Free Speech and Revolutionary movements of the early twentieth century, wherein Mexico, as well as Mexicans, were recast as threats to the quality-of-life of Anglo middle-class residents.

In addition to the looming specter of integration with Mexico, the inter-related issue of growth remained at the forefront of pressing political concerns in San Diego. More than just industrialization, San Diego homeowners, by the 1970s, feared population growth in general. This paralytic perspective stemmed from the very real development of urban sprawl: miles and miles of suburban tracts adding an increasing financial burden to funding city services. More and more, this burden translated to higher property taxes on established homeowners, a problem compounded by rising property values fueled by restrictive zoning. What developed was a cycle wherein the high quality of life demanded by San Diego residents came with a cost, namely increased cost of living via taxation in an era when income growth began to slow. Still, this quality-of-life taxation feedback loop was rarely identified by homeowners as the culprit of their unease in backlash to growth. Instead, they filtered these material circumstances through the political prism of race and class: increased taxation stemmed from growing populations of needy welfare recipients, not services for homeowners.7 “Los Angelization” officially entered the city’s lexicon and served as the official warning of the stakes at the center of the politics of growth. Embedded in this description were not only fears of sprawl, but on the heels of the riots of the 1960s, a direct allusion to the racialized spatial politics of San Diego’s neighboring metropolis.

One of the key rhetorical vehicles for this spatial politics centered on the concept of “environment.” A central point of contention dating back to San Diego’s early days, environment

7 Self, American Babylon, 365.
possessed a broadly fungible definition in civic discourse. In the 1930s, the presence of a working class had been an issue of “environment” just as much, perhaps even more so, than billows emanating from industrial smokestacks. But by the 1960s, on the cusp of the environmental movement, a new language emphasized threats to the natural world spurred by economic growth. As newly elected conservative governor, Ronald Reagan, utilized this language in 1967, “California cannot afford to lose its three most valuable resources…If the air cannot be breathed, if the water is unfit for drinking, if the land is despoiled of our own refuse, we will have nothing. If we permit the befouling of our air, our water, our land, we shortly will be unable to live in this great state.”

Among citizens groups in San Diego, Citizens Coordinate for Century 3 represented the most politically connected manifestation of anti-growth politics tied to issues of environment. Originally named Citizens Coordinate for a Handsome Community, CCC3, founded in 1961, headquartered itself in the symbol of clean San Diego, Balboa Park. At its peak, CCC3 boasted 600 members drawn largely from the city’s social upper-crust. The group’s mandates included “enlightened planning,” preservation of open space, tree planting/landscaping, and the “control of visual nuisance.” Early episodes of advocacy included opposition to billboard installation, but by the late 1960s, CCC3 matured into one of the leading community voices fighting for protection of San Diego’s environment.

For those mobilized by nascent environmentalism in San Diego, genuine concern for the planet proved elusive. Instead, the familiar quality of life rhetoric that defined discourse around

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development in San Diego for decades merely absorbed the language of environmentalism. Included in these were rebukes of capital and its fixation on profit over everything. As one CCC3 member, David Himel put it in a letter to the *San Diego Union*:

> Is there no limit to human greed and callousness? The horrible mechanization which has been foisted on the American people under the guise of ‘progress’ is being relentlessly foisted on the rest of the world. Yes, Detroit and the oil industry will eventually have the head-hunters of Borneo buying cars on the time-payment plan and thus get them on the economic treadmill and into the mechanization rat race. And in the process, all over the world, natural resources are being used up, scenic beauty destroyed, and air and water polluted...I fear I will have to move from San Diego and I regret this because I was once fond of the place, and I hate to see a pleasant community ruined.

In addition to the threat that business and its abuse of resources posed, equally threatening remained the concern over population growth. In discussing the potential for more people living in San Diego, one area journalist succinctly summarized the region’s outlook: “Growth for growth’s sake is the ideology of the cancer cell (and Los Angeles!).”

For CCC3, the Tijuana River Valley channeling efforts represented the dual threat of industrial development in addition to expanded population centers. To combat it, they argued Tijuana River Valley represented an area of unmatched ecological importance. In addition to rare bird species, the estuary played an important, “if as yet poorly understood,” role in the life of “commercially important” marine animals. But most importantly, in the estimation of CCC3, the valley needed to “continue to serve a vital role as open space between the San Diego and Tijuana metropolitan areas.”

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In addition to CCC3, another group of organized citizens became a major voice in the anti-growth debate, the San Diego chapter of Zero Population Growth, which proved particularly active in organizing resistance to the Tijuana River project. In their estimation, the project lent itself to the “rampant urbanization,” promoting “excessive population growth and in-migration” all for the “profit of a privileged few.” At the state level, ZPG possessed 40,000 members by the early 1970s, divided into 380 chapters, of which San Diego’s was one of the largest with over 1,100 members. Formed in 1968 at Stanford University, ZPG possessed a dark lineage, coming as it did out of California’s eugenicist past. Stanford professor Paul Ehrlich’s 1968 book, *The Population Bomb*, codified the link between eugenics and segments of the budding environmentalist movement. Published with support from the Sierra Club, Ehrlich’s book identified global population growth as the main assault on resources as well as Americans’ quality of life. As a solution, he proposed taxes on large families in addition to the forced sterilization of men in India who fathered more than three children. Implicit behind each proposal existed a uniquely Californian brand of nativism, present since the turn-of-the-century, that fixated on “demands placed on the state by defectives” drastically depleting resources.

According to historian Alexandra Stern, ZPG focused heavily on the issue of immigration relying heavily “on decades-old stereotypes of Mexicans and Mexican Americans as diseased hyperbreeders.” By the late 1970s, such fixations on immigrants became commonplace in the highest levels of the environmentalist movement, with Sierra Club leader and “English Only”

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advocate John Tanton making the case for stricter immigration controls. The fight over the Tijuana River Valley in 1971 highlighted the racial exclusivity inherent in modern environmentalism.

After the Chamber of Commerce and city’s booster class oversaw the decommissioning of citizen planning committees, groups like ZPG and CC3 became important vehicles for mobilizing voter discontent. As changes in the economic landscape shook up the traditional booster class, the mayoral election of 1971 represented a potential sea-change in San Diego politics. The year before, long-serving mayor Frank Curran, long an abiding servant of the booster class, as well as several high-ranking city officials, were arrested and charged with bribery and conspiracy. The indictments stemmed from a case involving the raising of taxi cab fares on behalf of private interests. Though later dropped, these charges came at a time when distrust in both city government and local business were at an all-time high. The Yellow Cab Scandal cast a dark cloud over the city’s existing political class setting the stage for dramatic changes in the mayoral election of 1971.

That change came in the form of a California Assemblyman named Pete Wilson. The 37-year-old former marine and Yale Law graduate, with a reputation for dutifully attending to his duties in Sacramento during his time as a state legislator, represented a clean slate for city governance. Wilson’s first significant foray into politics was as a staff member on Richard Nixon’s failed 1962 California gubernatorial campaign. From there he served as a Republican Party staffer before Herbert Klein, Nixon’s former campaign manager and editor of the San Diego Union, recruited him to live in San Diego and run for office. Klein appealed to Wilson’s

14 Ibid, 151.
15 Erie, Kogan, and Mackenzie, Paradise Plundered, 45.
ambitions by characterizing the city as a staunchly conservative community; after all, of the 14 largest metropolitan areas in the United States, only San Diego went for Barry Goldwater in the presidential election of 1964.\footnote{Amanda Tewes, transcript of an oral history with California Governor Pete Wilson conducted by Amanda Tewes, August 12, 2015, 17, San Diego History Center.}

Wilson’s image as “Mr. Clean” in an election with multiple candidates tainted by scandal gave him a significant advantage but by itself did not seal certain victory. The Yellow Cab Scandal took the wind out of Frank Curran’s sails, dooming his incumbent candidacy, but Wilson still faced a crowded field. Growth represented the main issue on the ballot and there existed an opening for an anti-growth crusader to tap the on-the-ground network provided by the numerous citizen’s organizations including CCC3 and ZPG. With distrust at a high, pedigree mattered to the electorate and Wilson brandished an impressive resume on the issues confronting San Diegans in relation to growth.

On the topic of border integration, Wilson strongly supported Richard Nixon’s Operation Intercept. During his time in Sacramento, he had taken it even further, co-sponsoring a bill to ban unaccompanied minors from traveling into Mexico, a solution to a barely existent problem but one that built his brand as tough on the border.\footnote{“Border Crossing Bill Pleases City Aide,” \textit{San Diego Union}, August 14, 1969, A-4.} In addition, Wilson cashed in on a carefully cultivated image as an “anti-pollution buff in the California legislature.”\footnote{Curtis J. Sitomer, “San Diego: Almost Flawless Jewel,” \textit{Christian Science Monitor}, July 20, 1971, 45.} In reality, anti-pollution often meant open-space and, in one of his more defining moments, Wilson led a vocal resistance to the Nixon administration’s 1969 attempt to sell 3200 acres of the Camp Pendleton Marine base to private developers. Instead, Wilson advocated the land be made into a state park to act as a buffer zone between San Diego and its northern neighbor of Los Angeles. The concept
of “buffer zones” played an important role in the San Diego psyche particularly in spaces separating San Diego from both Los Angeles and Tijuana. Residents feared the melding of the three communities and the formation of a proletarian megalopolis hellscape unacceptable to San Diegan sensibilities.19

Riding an unabashed platform of growth restriction, Wilson dispatched his 13 opponents, garnering thirty-six percent of the vote, particularly from San Diego’s broad middle class stretching from the rarified air of upper-middle end of the spectrum in the coastal enclave of La Jolla, to the more white lower-middle foot soldiers in east county communities like Santee. Taken together, white homeowners sent Wilson to city hall with a job to do, to protect their quality of life at all costs from multiple emergent threats.20

To return power to the citizenry Wilson revived a form of the citizen planning committee, though unlike its more democratic predecessor, the “Quality of Life Board” relied on local academics/professionals to bring volunteer expertise to the planning process. As local journalist Harold Keen described it, Wilson’s new form of governance represented a “growing legion of intellectuals, ecologists, researchers, engineers, scientists and academicians who are bound to form a new establishment of do-gooders best equipped to cope with the problems of the 1970s –

20 On the one hand, Wilson still needed money from San Diego’s elite families, many of them interested in spurring development, but the structural decline of the booster machine allowed for a selectivity unprecedented in San Diego politics. He very publicly declined a contribution from “Mr. San Diego” C. Arnholt Smith who represented the embodiment of the dark side of the city’s power structure. Conversely, Wilson solicited support from George Marston’s grandson, cementing an alliance with the family name most associated with clean growth. See Davis, Mayhew, and Miller, Under the Perfect Sun, 37; In the 1971 election, Wilson drew heavy support from white homeowner suburbs north of the city stretching from the elite coastal communities to his assemblyman district near Santee, see San Diego County, 1971 Consolidated Election Official Canvass, November 2, 1971, http://www2.sdcounty.ca.gov/rov/eng/past.html.
pollution, noise, decay of older districts, ground, air, and sea transportation, poverty, education, and general planning to make life bearable in the urban crush.”  

21 He clothed this anti-growth/pro-homeowner agenda in the rhetoric of technocratic government.

Wilson also used his mayoral power to control growth and protect quality of life. As one of his first acts as mayor, Wilson withdrew San Diego from its participation in the Tijuana river project. Within the following two years, he issued construction moratoriums as well as coastal height restrictions. Each met the expectations of the different polarities within his white middle-class homeownership base. For those in elite coastal enclaves, height restriction preserved ocean views boosting both quality of life as well as property values. Building moratoriums in other parts of the city spared less affluent middle-class communities from the prospect of low-income housing as well as the possibility of overstretched social services. Many of San Diego’s early suburban communities, such as Mira Mesa, had been constructed with little thought to social services and the sudden boost in demand put tremendous strain on local taxpayers. Long a sore spot, protections against a future Mira Mesa reassured white inland homeowners that the mayor had their backs too.  

22 Pete Wilson’s deft management of his white middle class base provided him the image of dedicated reformer, someone taking it to the monied interests in City Hall. While his quashing of the Tijuana River project represented a definitive end to the area boosters’ ‘impossible dream’ of border integration, and his construction moratoriums greatly upset the Chamber of Commerce, Wilson’s vision for “America’s Finest City” did not mean zero growth. Instead, the question revolved around how best to manage competing interests.

22 Ibid.
As historian Mike Davis describes the Wilson regime, “developers and bankers held the reins of power as firmly as ever,” but, given the political power displayed by homeowners, those interests had to share these reins with Wilson who “looked to conservative environmentalism as a useful tool to rationalize residential development and sustain growth on a long term trajectory.” Incorporating quality-of-life expectations into a larger capitalist vision for San Diego represented a middle ground amenable to emergent factions of local business interests. The Tijuana River project may have represented a channel too far for the sensibilities of white homeowners fearful of Mexico, but that by itself did not preclude San Diego from becoming the international headquarters of the emerging knowledge economy.

San Diego’s Chamber of Commerce drew energy from its recent 1972 reorganization which took place following the dramatic shift in leadership from traditional boosters to corporate newcomers. The major change in reorganization stemmed from a divorce between city governance and direct Chamber involvement via cutting off public funding for the business lobby. Initiated by Wilson era reforms, at face value, this measure distanced the Chamber from city politics, making it only another interest among many. The truth proved more complicated as separation provided them with more avenues of unabashed lobbying than they would have possessed otherwise. By the Chamber’s own admission: “since our divorce from city and county funding, our impact on decisions by these agencies, has already measurably increased.” This new arrangement represented “a new and powerful relationship between the business community and

23 Davis, Mayhew, and Miller, *Under the Perfect Sun*, 106.
government agencies” set to “reverse the trend over the last 25 years of decreasing business influence in government.” 24

To accomplish a rebranding as an international hub for capital, pressing needs existed, such as the requisite facilities for hosting international business: convention space, hotels, luxury housing, and an overall vibrant downtown. A 1972 report, commissioned by the San Diego Chamber of Commerce, suggested that San Diego’s “greatest emphasis should continue to be put on encouraging new service facilities.” 25 Armed with this mandate, and sensitive to the minefield of homeowner populism, the Chamber made clear its displeasure with some of the Wilson agenda while also communicating its desire to embrace conservative environmentalism.

A 1974 memo from the Planning Advisory Council, stated that the “Chamber of Commerce favors the planned, orderly growth of the San Diego region in a manner consistent with the preservation of environmental quality.” Yet, it also clarified its disagreement with the gaining “no-growth” sentiments of the population stating “the Chamber will oppose simplistic attempts to restrict population growth, including housing moratoriums, public facility moratoriums, and government delays in processing development plans or permits.” 26 Even though capital eschewed impositions placed on its efforts by populist homeowners, the Chamber of Commerce did

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communicate an open mind on the part of business to restricting traditional avenues of economic expansion.

Like the public-private partnership of the postwar booster era, what historian Elizabeth Shermer terms “developmental neoliberalism,” the San Diego Chamber of Commerce looked to continue the use of the state to bolster its goals. Recognizing growth as both a political threat as well as increasingly unsustainable within the confines of liberalism’s paradox, the Chamber developed a strategy for future development in 1974. It advocated “attacking the problem head on” by using the state to take actions and develop policies “geared towards eliminating the undesirable impacts that are associated with population growth.” Ideally, this state guided “growth management will result in a decreased rate of population growth, yet will not adversely impact the economic growth and stability of the region.” For the first time, the Chamber of Commerce made a clear distinction: population growth and economic growth need not be linked.27

Aggregate demand, the guiding premise of the postwar liberal economic order, dependent as it was on expanding populations with expanding incomes as the engine of economic activity, was discarded in favor of a New Economy, one where financial investment took center stage. The de-linkage of population growth from economic growth served the short-term interests of the middle class by protecting their quality of life, but it also removed the necessity for high wages to maintain an ever-growing economic pie, a fundamental reorientation of the economy

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felt by future generations. Yet in the here-and-now of 1974 this shift met the demands of middle class homeowners, in addition to the needs of the city’s business interests.28

Maintaining this uneasy alliance between homeowners and business fell on the shoulders of Pete Wilson. In consultation with his academic advisors, Wilson developed the keystone for “managed growth” in the form of a General Plan dividing San Diego into a five-tier zoning structure. Downtown constituted tier one and the plan greenlighted the area for major development with the challenge being the construction of a livable downtown from scratch. In addition to favorable zoning, the plan called for public money to help spur private development. Tier two included San Diego’s older communities adjacent to the center of the city, many of which faced declining facilities. Here, the plan called for increased density to counteract the mid-century sprawl. Comprising mostly lower-middle class, these small single-family homeowners, lacking the influence and clout of the coastal enclaves, proved the sacrificial pawns to the plan. Multi-unit structures met with approval from the city but often lacked the requisite support to properly boost the facilities needed to serve the needs of increased population. The plan called on developers to bridge funding gaps, but in tier two, the city turned a blind eye.29

Characterized by increased environmental impacts standards, zones three through five protected the upscale communities, particularly the coastal ones, from growth/density. The plan placed a heavy emphasis on protecting open space and natural buffer zones, the main goal being maintaining “community separation” via “canyons, coastal bluffs, and lagoons in the area.” In

28 See Stein, Pivotal Decade.
29 For published summary of Wilson plan see Kevin Lynch and Donald Appleyard, “Temporary Paradise?: A look at the Special Landscape of the San Diego Region,” City of San Diego, 1974; Wilson’s General Plan borrowed heavily from one instituted in Ramapo, New York, see Corso, “The Anti-City,” in Sunbelt Cities, 338-339; On failure of tier two in San Diego, see Erie, Kogan, and Mackenzie, Paradise Plundered, 49.
this way, the plan filtered itself through the prism of race and class, with protections ranging from none to robust based on wealth accumulated in a given zip code. For San Diego’s poorer citizens of color, the Wilson redesigns only pushed the negative effects of capitalist growth into their communities.³⁰

For majority Latino working class communities, such as Barrio Logan and San Ysidro, development had long taken the form of proposed freeways built atop them or plans for upscale housing/shopping centers designed to displace. Similar to the Mexican workers mere miles across the border in Tijuana that resisted their integration into the gears of a cross-border production/consumption nexus, Mexican-Americans north of the border, as well as the immigrants traversing the space in-between, rejected forms of development reliant on their exploitation. As city observer Harold Keen described it, the rise of the Chicano movement in San Diego, in full bloom by the mid 1970s, represented the “slumbering brown giant beginning to stir ready to cast off the Tio Taco sombrero-topped subservience and abject acceptance of an inferior destiny.”³¹

Barrio Logan lived with a constant reminder of that inferior destiny. In the 1960s, the entire community underwent a double bisection due to the installation of both the I-5 freeway as well as San Diego’s now iconic Coronado Bridge. In 1970, the city attempted to make the area under the bridge into a police motor pool. Refusing to have a portion of their community transformed in this way, residents took over the space and refused to be moved. Eventually, the city reached an agreement with activists to make it a community park, later renamed Chicano Park. In this way Latino communities showed they too wanted a buffer zone of sorts, one that

provided a modicum of space from ever-increasing law enforcement surveillance in addition to public spaces for leisure of their own.\textsuperscript{32}

The conflation of law enforcement and immigration enforcement also existed in the San Diego police department. Reigning San Diego police chief Roy Hoobler, a crotchety no-nonsense policeman in the style of Bull Connor, took pride in the violent suppression of the 1968 urban risings.\textsuperscript{33} Under his command, the San Diego police department became the only one in the nation to take an active, and often enthusiastic, hand in enforcing immigration law. Other cities, reluctant because of cost as well as issues over jurisdiction, gladly left immigration enforcement to federal authorities. On issues of jurisdiction, Hoobler cited himself as his own authority on the subject, proclaiming in a publicly available memorandum to his officers that “police officers have the legal authority to detain for investigation persons suspected of being in the country illegally.” This was permissible in all cases given “the officers have reasonable suspicion that the particular individual is eluding examination or inspection by immigration officers.” This resulted in the high deportation rate in the country with 14,000 a month in San Diego County.\textsuperscript{34}

In addition to Barrio Logan, the majority-Latino community of San Ysidro, home of the main international crossing in California, became a flash point between the Chicano movement and city plans for border redevelopment. At the same time white homeowners organized to preserve the Tijuana River Valley from development, Chicano activists raised the issue of

\textsuperscript{33} Larry Remer, “Chicanos Demand Hoobler Firing,” \textit{Door}, 1973, 9, box 2, folder 51, Enriqueta Chavez Papers, Special Collections and University Archives, San Diego State University.
\textsuperscript{34} Ibid, 14.
negative impacts of ongoing development on adjacent San Ysidro. As a gathering place for recent or current immigrants, San Ysidro became an integral border community for those in El Norte seeking to maintain family networks across the international boundary. It also held the distinction as one San Diego’s most impoverished communities.\textsuperscript{35}

Like Barrio Logan to the north, San Ysidro had been cut in half by construction of the I-5 freeway in the early 1960s. A new freeway, the proposed I-805, meant to facilitate the increased output of the cross-border nexus, threatened to all but destroy the communities of people living there. In the words of one Chicano publication, San Ysidro was set to become “a colossal complex of highways unfit to live or work in.”\textsuperscript{36} The federal money provided for highway construction stipulated that adequate housing for the displaced be provided as well as compensation for lost property. But left to local management, these requirements never received priority. To the extent new housing replaced that being displaced by the new freeway and its surrounding development, it took shape in other parts of the city far too expensive for the residents of San Ysidro.\textsuperscript{37}

All in all, border development that took place where populations already existed, often composed of the teeming brown masses suburban homeowners feared, took the form of a “conspiracy to create a segregated Mexican-American and Mexican welfare ghetto of one thousand compressed socially inhibiting apartments, without provisions for schools or adequate and economical public transportation, or recreational facilities, without any concern for the

\textsuperscript{37} Ibid, 1.
human condition.” Pete Wilson’s zoning structures codified this reality further, making it clear that the San Diego-Tijuana borderland served as a corridor of multiple crisscrossing boundaries. Ranging from paper zoning ordinances, to concrete freeways, and even the international border itself, different communities would be sequestered from one another to reserve San Diego’s quality of life only for a select group of its citizens.

Pete Wilson admitted as much in his 1974 state of the city address in which he laid out his intention to make San Diego a metropolis for the chosen few. In what proved to be the most full-throated articulation of “managed growth,” Wilson identified benchmarks of desirability for new industry. Among the most important, new industry needed to only “employ those who are already residents of the city.” He went on to detail his plans for the creation of “clean” industry in San Diego, with downtown redevelopment focused on hotels and convention centers, highlighting that with such an economy, “of course it brings people here and they spend money, but then most of them go home.” San Diego’s new economy would be one of financial extraction, not production.

In addition to promising the promotion of development projects intended to employ those already living in San Diego, Wilson also drove home the central premise of the “quality of life” ethos in regard to a preoccupation with the types of people drawn to the city. Growth may be unavoidable, but city government played an important role in determining the nature of growth. First and foremost, in Wilson’s formulation, expansion must not “despoil our physical environment” but must “greatly enhance our economic, and ultimately, our social environment.”

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38 Ibid, 2.
39 Pete Wilson, “Eleventh Annual State of the City Address,” January 8, 1974, 20, box 3, folder 14, Harold Keen Papers, Special Collections and University Archives, San Diego State University.
Thus, the central question facing San Diego was how best to achieve, in Wilson’s words, the “ultimate population.” The answer lies in making San Diego an international city, a “gateway and meeting place for commercial and cultural exchange between Pacific Mexico, Central and Latin America to the south, and the entire community of Asian and Pacific basin nations to the west.”

Wilson’s view of an internationally integrated city eschewed the more boundary-permeable cross-cultural utopian ethos of the “impossible dream.” Instead, his formulation threaded the needle between the increasing demand among suburban homeowners for an increasingly barricaded border while also looking forward to the creation of borderless economies, at least for global capital. In such a world, service/knowledge industries bring “new dollars into the community, but not new people.” This rendering provided all the advantages of an integrated economy, without the potential disruptions to quality-of-life presented by physical cross-border integration. In a world in which, by the mid-1970s, Americans began to viscerally feel their interconnectedness with the larger globe, whether it be through the oil shocks or international financialization, Wilson realized the need to offer a sense of security. He also attempted to contextualize this brand of conservative protectionism within the larger American experience. With growth as the most recognizable feature of capitalism, considerations of curtailing it, “in an earlier and less complicated time..., the frontier spirit would doubtless have greeted such an inquiry as fatuous or downright un-American.” But given a world of complexity and “beset by shortages of energy or other precious resources” such calculations proved essential to survival.

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40 Ibid, 25.
41 Ibid.
As much as the withdrawal from the Tijuana River project had represented Wilson’s first step toward the ultimate population, conflict over the issue still lingered during the closing months of 1974. Following the withdrawal, the Mexican state pressured the U.S. government to do something to maintain the international treaty obligation of 1962 promising joint-development of the region.\(^42\) Not only had the Mexican states run up millions of dollars in debt to complete the project, mainly to the International Monetary Fund, but the failure of the project posed immediate backflow hazards from the uncontrolled riverbed on the U.S. side. At the very least, San Diego needed to commit to some form of flood control. Wilson, under pressure from the federal government, relented to the construction of a single mile of concrete flood dissipaters. The devolution of cross-border cooperation from visions of shared universities, airports, and communities to nothing more than a few concrete blocks incensed members of the Tijuana Chamber of Commerce still dedicated to the impossible dream of only years before. As Salvador Camarena, a prominent Tijuana advertisement executive, put it, “in recent years we have advocated several very important joint venture projects which are vital to the development of Tijuana and Baja California. San Diego area officials chose to ignore these projects or frustrated them entirely.” Withdrawal from the Tijuana River project drew the ire of spurned Mexican officials. With such a heavy financial commitment, much of it drawn on external creditors including the International Monetary Fund, the largest development project in the history of

Latin America was doomed to fall short of its goals because “a small group of complaining Americans in San Diego.”

Anger over the undermining of the Tijuana River project did not just exist south of the border. The small community of Imperial Beach, located south of San Diego and on the coast directly adjacent to where the Tijuana riverbed entered the Pacific Ocean, organized to pressure Pete Wilson to commit more resources to development of the floodplain. While the rest of the county emphasized fears from the potential of development, Imperial Beach faced the very real consequences of sewage overflow, an issue made more pressing by the completion of the Mexican side of the project which directed water like a cannon-shot into the Tijuana River Valley. As local landowner Gerald Handler put it “there is no good, sound ecology down there. It shouldn't be preserved as is.” Instead, in addition to flood control, the area needed “high-rise apartments, parks, trees” all in mixed-use urban space. Others echoed the frustration, blaming Pete Wilson for “kowtowing to environmental groups and being uninformed about the real situation.” Local businesses joined in these efforts to shame San Diego and its leadership to maintain its commitments.

The Cramer Corporation, a likely recipient of government development contracts associated with work in the Tijuana River Valley, spoke for the business community when it took out a full-page ad lambasting San Diego’s withdrawal from the project: “the nearly 5,000 acres, if left undeveloped, would not be a ‘greenbelt’ but instead a sewage disposal area, an unaesthetic wasteland –strewn with waste paper and beer cans, old tires, you name it.”

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44 “Chamber, Landowners Unit to push TJ Flood Channel,” San Diego Union, March 12, 1973, B-5.
Additionally, such an area would also act as a “great wall of China, separating us from our Mexican friends – keeping us further apart than ever, instead of closer. Fencing San Diego in and the Mexicans Out.” ⁴⁵ But this proved to be exactly what “America’s Finest City” desired.

Citizens Coordinate for Century 3 mobilized once again to combat renewed calls for the revival of the project and in a press release directed at the Imperial Beach community and its backers dismissed concerns over run-off as simply part of the larger Chamber of Commerce conspiracy to initiate development for the purposes of private profit: “Still the forces who hope for private gain, from construction of such a channel at public expense, and the attendant urbanization of the river valley, keep raising false issues to keep their causes alive.”⁴⁶

While the lack of progress on meaningful solutions to the Tijuana River Valley irritated many different groups on both sides of the border, Mexican officials noticed that in addition to a

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⁴⁵ Cramer Corporation, “Response to Diane Barlow on The Tijuana River Flood Control Situation,” San Diego Union, 1973, page unknown; Pete Wilson invented the slogan “America’s Finest City” in response to the fallout surrounding the debacle of the 1972 Republican National Convention. That year, the GOP initially chose San Diego to host the convention. Richard Nixon considered San Diego his own personal “lucky city” and wanted to do a favor for the young upcoming Wilson. Landing the convention represented a boon to San Diego looking to showcase its potential as a city capable of hosting major events, a necessity for a headquarters city of global capital. At the last minute, and for reasons that remain unclear, the Republican National Committee pulled out, making last minute arrangements to hold the convention in Miami Beach. The official explanation proffered by Republican insiders claimed San Diego lacked adequate facilities for such a large event. Every facet of event planning, from the proposed venue, transportation infrastructure, and even hotel accommodations, were deemed inadequate. Whether an issue of facilities or security, the entire episode proved an embarrassment for San Diego, a city with a reputation for failing to land big-ticket commitments. To his credit, Wilson utilized the moment for political gain, decreeing a summer festival to celebrate San Diego as “America’s Finest City.” According to the mayor “the Republican National Committee was damn lucky to get us, and if they are incapable of performing under all of the assistance and effort that was extended to them, that’s their problem.” See Vincent S. Ancona, “When the Elephants marched Out of San Diego,” Journal of San Diego History 38 (Fall 1992): https://www.sandiegohistory.org/journal/1992/october/elephants/; Amanda Tewes, Transcript of an Oral History with California Governor Pete Wilson conducted by Amanda Tewes, 31.

lack of cooperation, border relations gained rigidity in other facets as well. Broaching the subject in a meeting with California congressman Edward Roybal the previous year, Tijuana mayor Marco Antonio Bolanos Cacho and Baja California governor Milton Castellanos raised several points regarding the deteriorating relationship along the border. Most pressing was a 25-mile limit imposed on Mexican nationals visiting San Diego. This new restriction flew in the face of what had previously undergirded the free trade zone relationship that sought to widen area markets. To proceed past the new limit required visitors to engage in further bureaucratic processes that undermined the casual appeal of previous border relations. 47

There were other more aesthetic concerns, such as the installation of barbed wire in-and-around the San Ysidro crossing gate. Mexican officials deemed the addition “unsightly and unfriendly” particularly considering illegal crossings typically occurred further east. 48 Following the bolstering of border security following Operation Intercept and the war on drugs, complaints against U.S. border agents increased, also indicating a hardening of relations. As a San Diegan testified, the long-existing prejudice against Mexico began to shape the increased enforcement: Marilyn Decerbo Green, in calling for reform of border practices, claimed, “I’m ashamed to take visitors to San Diego into our sister country, Mexico, because of the abuse American citizens must tolerate at the hands of the civil servants to the American public. One officer, upon dragging a sleeping toddler from an auto, replied to a verbal demonstration by the parents, ‘Maybe you'll learn to stay out of Mexico now.’” 49

In a telling revelation of priorities, the only cross-border cooperative project that gained traction during Wilson’s reign as mayor, consisted of the creation of the Otay Mesa/Mesa de

48 Ibid.
Otay border crossing. Preceding even the “impossible dream” designs of border development, the need for a second border crossing had been in the works for many years. But by the mid-1970s, the specific location shifted east to Otay Mesa to accommodate the increased commercial traffic of the burgeoning Maquiladora industry. Stripped of all its more neighborly qualities (originally, Otay Mesa had been offered as the potential location for the University of the Americas, the bi-national international airport, and other developments), the new crossing served nothing more than the utilitarian purpose of facilitated transportation related to trade. The symbolism made it clear: to maintain an “ultimate population,” San Diego barricaded itself against the human needs of Tijuana at the same time it strove to make itself borderless to the needs of capital.

On a platform of continuing strict growth controls, Pete Wilson rode his popularity with white homeowners to reelection as mayor in 1975, with a dominant win over developer-backed fellow Republican Lee Hubbard. Gaining 67.1 percent of the vote, Wilson built upon his 1971 leads in single-family home dominated districts, particularly in the coastal enclaves that valued his environmental protections of their status quo. Still, the managed growth agenda faced serious growing pains as the contours of the New Economy came into focus in America’s Finest City.50

Middle-class quality-of-life politics, foundationally grounded in the racially specific entitlement of postwar liberalism’s economic order, subsumed a host of issues fusing topics ranging from crime, immigration, racial equality, urban development, environmentalism, and population growth into a seamless narrative of homeowner victimization. Still, at its heart lay a

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contradiction, “growth” as a system of development, perceived as the vector for all manner of threats, continued to represent the best promise for white homeownership. Stripped to its most basic element, suburban homeownership remained a social experiment subsidized by the state. Underwriting home values, and thus white suburban wealth, robust government tax structures funded the economic activity that provided employment in addition to basic infrastructure such as schools, sewers, power grids, and police/fire/sanitation services. As such, the city still needed a growing tax base, creating a cycle that placed that burden back on homeowners to fund the ladder of opportunity for future generations.  

In San Diego, this presented a particularly thorny problem; even with Pete Wilson’s managed growth program, the city’s population continued to grow. After the onset of the economic recession of 1973, cities across the country saw stagnation or decline in their population growth. San Diego maintained a robust 7.3 percent, more than double any other city in the country. It turned out, the nation’s highest quality-of-life represented a major draw. As local attorney (and future mayor) Roger Hedgecock summarized, the region saw ever-increasing taxes stemming from “the mad race to extend necessary city services and facilities to the new areas and new industries which do not pay for themselves.”

On top of increased need for local taxes, tax rates continued to climb. San Diego felt particularly pinched by the statewide increase in property taxes, at least in part due to Wilson’s managed growth agenda. Predictably, the maintenance of ocean views and buffering lagoons boosted property values in coastal communities, often precipitously. But the city’s construction moratoriums accelerated bloated home values across the entire county. There had been 14,700

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housing starts in San Diego in 1971, but by the end of Wilson’s first term, that number fell to 3,700. Less housing supply translated to increased home values and, thus, higher tax bills.\textsuperscript{53}

Following the statewide property reassessment in 1976, San Diegans witnessed their individual tax bills increase by, in many cases, hundreds of dollars from the year before. The areas hardest hit turned out to be the places to which Wilson outsourced growth. In smaller cities outside of San Diego’s “managed growth” restrictions rates rose much higher. Places like Escondido, Santa Rosa, and, Oceanside, hot spots for growth over the next decade, witnessed average increases as high as forty percent. But even as these communities found themselves pulled into the orbit of the overall San Diego housing market, one built around the forces of exclusivity and exclusion, much in the way of overall revenue came from San Diego’s older communities, particularly coastal communities like Del Mar, with an average home value over double of more modest inland abodes.\textsuperscript{54} This truth of San Diego’s urban geography set the stage for future splits in San Diego’s middle class homeowners coalition.

To offset these quickly inflating tax bills, and in anticipation of the explosive political potential behind the issue, Pete Wilson led the charge to cut property taxes locally. In 1976, he pushed a proposal through the San Diego city council that provided immediate relief of 12 percent, doubling the year after that.\textsuperscript{55} In addition, pressure applied to the county, as well as local school districts, also generated significant cuts. Once again, Wilson proved to be the warrior for white homeowners they elected him to be. Statewide, the pressure only continued to build, culminating in the 1978 tax revolt.

\textsuperscript{55} Ibid.
In describing the political forces that culminated in the white homeowner tax revolt in California in 1978, historian Robert Self locates its genesis in the fact that “the expectations of racial segregation and low taxes...could not be contained by the boosters and public officials who helped construct them.” Growth, which represented the base of suburban affluence, possessed a price that “had to be met, but not, if suburban homeowners had their way, by them.” Additionally, in Self’s estimation “the 1978 tax revolt cannot be reduced to a transparent rejection of liberalism by ideologically driven and reflexively antistatist voters. Its causes and sources were more complex, and ultimately framed within the spatial and political history of California’s property markets, postwar suburbanization, and urban underdevelopment.”

This battle of spatial politics, pitting affluent white suburbs against people of color in urban spaces, stemmed from two direct sources, each tied to quality-of-life politics. The first echoed the tensions present in San Diego’s General plan fight of 1965. As the nation grappled with urban decline encouraged by federally subsidized white flight/suburbanization, Great Society welfare programs became the only significant financial commitment to urban areas. In other words, capital flight and disinvestment left urban areas, consisting mainly of people of color, to fend for themselves; only the War on Poverty injected any funds into these deteriorating communities and these programs, as paltry as they were in the grand scheme, became targets of white backlash. By recasting themselves as the victims of rapacious welfare cheats, white homeowners convinced themselves that their tax dollars supported these programs through the state’s matching of federal investments in the program.

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57 Ibid, 256.
Even as their property values relied on segregation and the maintenance of race/class hierarchies, an ideological fixation on meritocracy convinced white suburbanites that their accomplishments derived from their personal work ethic as opposed to a particular system of capitalism that underwrote the creation of their communities. However, this viscerally powerful interpretation was untethered to reality. As Self outlines, “the equation between property taxation and wasteful state bureaucracy was entirely ideological, because property taxes had (and have) little to do with state government financing.” This fantastical framing “shifted debate from how best to correct an uneven tax structure to the broader social legitimacy of liberalism and state social policy.”

David O. Sears and Jack Citrin, in their study of the California tax revolt, identified this adherence to an untethered reality among homeowners. On the one hand, they demanded broader social services intended to bolster the state-project of white homeownership, but rejected services broadly construed as “welfare,” a term loaded with class and race-based prejudices, but for all intents and purposes roughly translating to services for non-homeowners. As Sears and Citrin put it:

To make a long story short, substantial majorities of the California electorate wanted cutbacks in government spending and taxes, and expressed strong preferences for a smaller or less powerful government bureaucracy, while at the same time (and by equally strong majorities) requesting additional services in most areas of government responsibility. On the face of it, the public seemed to want something for nothing.

For example, Sears and Citrin note white homeowners fiercely supported the items local taxes actually paid for such as police, fire department, education, public transportation, recreation

58 Ibid, 317; See also Lassiter, Silent Majority; Kruse, White Flight.
facilities, and mental health. Instead, homeowner ire landed on “welfare,” which, if one excludes the homeowner subsidies already listed, had little to do with property taxes.\textsuperscript{59}

Eventually, this homeowner anger in California culminated in the creation of a ballot initiative in 1978: Proposition 13. Known as the Jarvis-Gann initiative, Proposition 13 capped property taxes at 1\% of assessed value for current homeowners in addition to establishing a 2/3 approval threshold for all future tax increases. While the something for nothing mentality no doubt existed, part and parcel of mid-century liberal mythology of meritocratic white achievement, there did exist substantive issues animating homeowners to dismantle California’s property tax system. For example, retirees and other fixed-income homeowners faced displacement from lifetime homes due to ballooning tax bills. But while this became an effective rhetorical talking point for advocates of the Jarvis-Gann initiative, these threatened homeowners did not come to represent the initiatives key supporters. According to Sears and Citrin, although some “tax-vulnerable groups did respond to Proposition 13 in a self-protective way, but the major support came from a much larger, more secure, affluent group, already profiting considerably from inflation, successfully shifting the tax load to others.”\textsuperscript{60}

In San Diego, that translated to a clear divide between its coastal areas and its more inland ones. The county’s highest property values existed in places like La Jolla and Del Mar, places with the most to gain in the form of large cash bonuses for owners stemming from suddenly slashed taxes. In emerging inland communities such as Vista, property tax revolts appeared muted; for example, the Vista school board, in anticipation of the need for future services for rapidly increasing populations, successfully raised local property taxes at the same

\textsuperscript{60} Ibid, 123.
time Pete Wilson pushed cuts through in San Diego. In San Diego’s more secure coastal communities, the threat of a decline in local services rang hollow, but inland it didn’t. Prop 13 posed a two-fold threat to newer communities. On the one hand it could spur further construction as low taxes brought homeownership in reach of a broader public, translating to more sprawl, and thus more strain on services. At the same time, Proposition 13’s potential gutting of local services could also impose particular strains on growing areas. Due to Pete Wilson’s moratoriums on construction, the proverbial gun of Prop 13 pointed itself at places set to explode in population over the coming decade, which were not La Jolla or Del Mar.

In March of 1978, three months before the vote, a county wide poll conducted by the San Diego Union showed support for Jarvis-Gann at a paltry 29.2%. This signaled that the initiative’s advocates, many of them ensconced in coastal communities, had work to do. These advocates and organizers needed voters. According to La Jolla resident Virginia Grizzle, a former vice principal at La Jolla high school and member of the Association of Concerned Taxpayers, there existed a moral imperative to cutting back on taxes because of “women in La Jolla, living in fine houses, but almost destitute. If they sold their houses, they would have to move somewhere – paying a lot and moving away from their friends, from everyone they knew.” She said it dawned on her while taking a free yoga course through the community adult education center, “I asked myself, is there some little old lady not eating so that I can take this course?”

Yet, statewide, such elite communities, while generating the intellectual and organizational foundation for Prop 13, lacked the kind of on-the-ground voter support and

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mobilization needed to bring the law to life. As one upper-middle-class homeowner put it “None of us…are the kinds that will carry signs.” In detailing this phenomenon in Los Angeles County, sociologist Clarence Lo said the following about a process that echoed in San Diego county:

Unable to win by themselves, upper-middle-class homeowners drove down from the scenic hills…back to where they would have to live if their property tax bills raised any further. There they mingled with the K-Mart shoppers in the high school auditoriums…perhaps sensing the subtle differences in bearing and in taste – realizing what it was they had worked so hard to escape. Joining the less affluent in mass meetings, [they] eventually took the lead in organizing and shaping the entire tax limitation movement.

He continues by stating that even though these two groups shared common grievances, the “different backgrounds and cultures…produces suspicions and tensions.”

The most effective area of common ground between coastal and inland communities centered on emotional appeals to school funding, an issue tied directly to property taxes. Local schools received funding almost entirely from property taxes and white suburban communities, with their subsidized home values and the revenues that followed a high quality of life, maintained the best schools. As Matthew Lassiter, in his study on suburban politics in the sunbelt south explains:

the meritocratic ethos celebrated throughout America’s upper-middle-class suburbs has always contained two central contradictions: the refusal to acknowledge that any historical forces greater than individual accomplishment shaped the spatial patterns of the metropolitan landscape and the ‘neighborhood schools’ presumption that children of privilege should receive every advantage of the consumer affluence accumulated by their parents instead of competing on an egalitarian playing field.

This dynamic framed the fallout of the court case Serrano v. Priest wherein, in 1971, the Western Poverty Law Center successfully argued that the disparity in California school funding represented a breach of equal protection under the law guaranteed by the 14th amendment. The

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65 Lassiter, The Silent Majority, 217.
court-mandated solution consisted of school funding equalization, meaning that the state of California now disbursed funding from a central pot as opposed to local school boards. In this way, the state redistributed the accumulated affluence of white suburban parents to urban schools and students of color. This assault on suburban quality-of-life could not be abided by either in white coastal communities nor emergent inland ones.

By May, through the organization efforts of a dedicated corps of advocates who emphasized potential threats to local school funding, Prop 13 saw its popularity increase dramatically over a two-month span. In a _San Diego Union_ poll conducted that month, Prop 13 reached a 40% approval rate. A dueling initiative, Proposition 8, which provided tax relief for vulnerable homeowners, without the other more drastic cuts and caps, still outperformed Prop 13 with a 48% approval. But the gap continued to tighten.66

Also facing off in June, a half dozen Republican hopefuls for governor vying for their Party’s nomination traversed the state. Proposition 13 became a barometer of sorts for measuring the commitment of candidates to homeowner politics. Pete Wilson, in an ill-advised move, threw his hat into the ring. He hoped to draw on his popularity in San Diego, and his reputation as a dogged defender of quality of life, to propel him into the Governor’s Mansion. His lack of charisma proved a liability for statewide campaigning and a month out from election day his operation faced abysmally low polling numbers. Wilson confronted a number of tough choices on the campaign. Throughout his time as mayor, many observers commented on their sense that San Diego seemed but “a step up the ladder to bigger and better things” for the young politician.67 This seemed to show in his gubernatorial campaign as he took a different approach,

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seeking to moderate his tone on growth to avoid being labeled a “tree hugging environmentalist.”

Regarding Proposition 13, the calculus for Pete Wilson proved especially complicated. Because San Diego had already acted on inflated property taxes, he knew the passage of the initiative would lock in the low revenues for the city, creating several long-term funding gaps. For this reason, the San Diego Chamber of Commerce had been quick to oppose the measure, as had every other Chamber of the state. If Wilson hoped for acceptance within the conservative political apparatus, he had to avoid the further alienation of business interests. Sensing the threat Proposition 13 posed to his legacy as mayor, as well as to his future standing with the business community, Wilson came out against Prop 13. It proved his undoing in the GOP gubernatorial primary of 1978, an election held on the same day the Prop 13 ballot initiative vote.

Had Wilson stood any chance at all, he needed to run up votes in San Diego. Yet his refusal to endorse Prop 13 pulled the rug out from any potential momentum. In further evidence of the widening division in middle-class politics, one of Wilson’s 1978 precinct walkers noted a distinct pattern in who supported the mayor in his gubernatorial bid and who did not. As a rule of thumb, in San Diego communities “if the house was average, or even fairly expensive, the owner was for Pete. Especially if the lawn looked as if he did his own gardening. But at the big really expensive homes, with the well-tended lawns, the owners were usually for Ed Davis. Why? I’d say it’s because they’re for Prop 13, which Davis favors, and Pete doesn’t.”

Prop 13 drove the issues and the candidates. It came to represent a straight up-or-down vote on a range of quality-

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69 Ibid.
of-life expectations. Wilson’s rare failure to realize this cost him an election in which he could have otherwise, ostensibly, ridden the force of homeowner anger to victory as he had done so easily in the past. It’s a lesson he internalized and would not repeat.

On June 6, 1978, California voters passed Proposition 13 with a 62.6% majority. In San Diego County, the efforts of coastal organizers to mobilize inland voters paid off. In places like San Marcos, Vista, and Escondido, the yes vote numbered 70% or higher. Wilson performed so poorly it is hard to parse any direct connections between his numbers and the epicenters of Prop 13’s popularity. Notably, he did underperform in San Diego County in comparison to the rest of the state by a full percentage point.71

The passage of Proposition 13 represented the culmination of intersecting struggles of urban spatial politics and the quality-of-life ethos. It also represented the ascension of austerity politics to a place of democratic legitimacy. In the nation’s most populated state, ‘belt-tightening’ fails to describe the fiscal imperatives ushered in by the dramatic reduction in taxes foisted upon California communities. The new law gutted local revenues, most adversely affecting public schools across the state. As historian Kevin Starr notes, prior to Prop 13, “California’s public-school students did as well on standardized tests as any of their counterparts as any in the nation.” But once the full effect of Prop 13-driven austerity took its toll a decade later, “scores began to decline.” Rather than share their abundance, white homeowners defended

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their quality-of-life which relied on racial segregation, going so far as to undermine public institutions to do so.\textsuperscript{72}

In all, the state witnessed an immediate reduction in revenues of over $7 billion. In the words of then California senator Alan Cranston, Prop 13 represented a “2-by-4 you're supposed to use to hit a mule in order to get its attention.” In the chaos that followed in Sacramento, the state’s public-sector unions immediately sued to block the measure; but Governor Jerry Brown, who was seeking reelection promised to move forward with the “difficult” and “painful” process of proposing massive cuts in the “spirit of Prop 13.”\textsuperscript{73}

That spirit, a specter long-haunting the urban-suburban divide in postwar America, eliminated the last semblance of commitment to shared prosperity moored to growth. The consequences of the paradox within growth liberalism reached full maturation in Proposition 13. In sidestepping the cost of subsidizing their existence, white suburbanites recast themselves as the victims. At times, their aspersions accurately located the culprit of their unease: business-oriented boosterism. More often though, the ire of suburbia fell on people of color as the rhetoric of “welfare” rose to become a fixation of political discourse.

In San Diego, Proposition 13 represented yet another setback in the Chamber of Commerce quest to remake the city into a Pacific headquarters for international capital. Already, the impossible dream of a fully integrated border city had been quashed by homeowner backlash to cross-border developments, specifically the channelization of the Tijuana River. Now, with downtown redevelopment set to accelerate, including green-lighted projects for a Marina, an


open-air shopping mall, and adjacent luxury housing, all of it found itself on the chopping block. The Spirit of 13 brought to San Diego a $54 million shortfall in local revenues. Yet again, the city’s major development projects found themselves threatened by an initiative of populist pushback, this time at the state level, but no less damaging to undertakings funded increasingly by bonds underwritten by local revenues. Each time developers and financial interests adapted to a new status quo with suburban homeowners, the landscape shifted, creating a volatility that revealed the inherent tension between capitalist development and the quality of life to which middle class Americans felt entitled. 74

The extremity in cuts exploded local funding mechanisms; not only did the changes end the potential of matching federal dollars for projects, they also drastically increased the financing costs of already existing bonds. 75 After passage of Prop 13, Moody’s credit agency refused to rate California development bonds and Standard and Poor’s lowered their rating to BB. This proved disastrous for San Diego, raising the effective rate of interest for the bond funding the Marina project to 8.17%. In the words of the Chamber, “the impact of such high debt servicing

75 Realizing the pitfalls of fickle public approval in the financing of projects, the county of San Diego, in 1973, identified “alternative methods of capital financing.” Put simply, the former method of federal and state revenue sharing, developmental neoliberalism, proved inadequate. As the 1965 General Plan debacle had proven, public money for private profit faced scrutiny from suburban homeowners not easily contained. But by the 1970s, in an era of ever-increasing financial instrumentation, new concepts, like that of the State Bond Bank, allowed local units at both the county and municipal level to leverage the faith and credit of the state for more bonded financing. In the reasoning of the county auditor, “because of their size...small units suffer from a lack of investor interest, obtain poor or no credit ratings and incur high interest costs…” The ability to overcome this reality granted by the bond bank provided new revenues streams that reinvigorated the booster impulses of the San Diego Chamber of Commerce. Bonds, either because of their complexity or increased discretion on the part of planners, required less political capital to wield for the purposes of investors. See County of San Diego Board of Supervisors, Inter-Departmental Correspondence, April 25, 1973, box 18, folder 15, San Diego Chamber of Commerce Records, Special Collections and University Archives, San Diego State University.
requirements reduces the city’s financial ability to utilize this vehicle for redevelopment financing, reduces the amount of bond funds a project area can secure and limits the rate of progress on the project.”

In addition to its detonation of postwar development practices, another aspect of Proposition 13 that irritated business leaders was its “amateurish attempt at constitutional drafting.” In the words of one Chamber report, Prop 13 “suffers from ambiguous, inconsistent, confusing, and ill-informed language” creating an opening for years of “financial upheaval.” In the conclusion of the report, “local governments are likely to be frozen by inaction and uncertainty waiting for clarification.” In effect, all of this combined to “severely weaken” if not “entirely break” the “necessary link between public and private improvement and finance.” In this way, Proposition 13 did not represent a victory for the national business activist movement. Often, the push for lower business taxes is conflated with the white homeowner push against property taxes, but as the machinations of the San Diego Chamber of Commerce represents, they were not one in the same.

In addition to the Marina project, Pete Wilson’s convention center project also faced delays post Prop 13. Afterwards, the mayor described plans for downtown redevelopment as “severely damaged” but refused to call them “dead.” The frustration among city leaders was palpable. To even fund day-to-day operations required cities across the county to take drastic measures to boost revenue. In the community of La Mesa, for example, the city council immediately “increased fees for business licenses, dog licenses, recreational programs, planning

76 “Analysis of Tax Propositions Affecting Real Estate Taxes,” box 1, folder 5, Records of San Diegans Inc., Special Collections and University Archives, San Diego State University.
77 Ibid, 15.
department services, sewer connections, and other services.” Superficially, such actions appear to undermine the point of Proposition 13 given its ostensible goal to decrease tax burdens, but, the central goal had been the de-linkage of the quality-of-life’s main engine, the home, from the potentiality of shared prosperity with others. The cost to do this, ripping asunder as it did the entire premise of postwar liberalism, proved high.

Proposition 13 had the net effect of shifting tax burdens more heavily onto homeowners, precisely because it forced cities to go after local revenues in different ways. As Robert Self outlines, “between 1967 and 1979 the share of all state taxes borne by individuals increased from 54% to 72%; the share borne by businesses decreased from 46% to 28%.” Even the San Diego Chamber of Commerce recognized this in its appraisal of Prop 13 and its impact: 60% of all tax relief went to businesses and landlords, not owner-occupied homeowners. 79

Often under-analyzed, the impact of gutted local revenues bore itself out differently within the middle and upper-middle class communities, and in ways that proved predictable. Over the next decade, as Pete Wilson’s moratoriums pushed new homeowners into North County, the emergent cities in the region faced tremendous budgetary shortfalls from Proposition 13, producing an environment of scarce resources in places like Vista, San Marcos, and Escondido particularly in regard to public education.

In coastal communities, such as La Jolla, the solution to budgetary shortfalls presented itself quickly. Upon passage of Proposition 13, La Jolla High School faced a potential tough choice; its recent efforts to fund a new much-needed auditorium faced defeat, given Prop 13’s now radical reorientation of priorities away from improvements and towards concerns over

79 Self, American Babylon, 325.
funding day-to-day operations. But, the following day, a private investment firm, named Idanta Partners stepped in with a pledge of $70,000 in the form of 2,235 shares owned by the company. Managing partner David Dunn, whose child attended the school, had planned on a personal contribution, but instead convinced his partners to kick in a company donation. Following Prop 13, Dunn reasoned “public schools can use a shot in the arm or a pat on the back.” He added that “the real exciting angle of this is that I think we are the first group offering to work with a school district to provide community services and programs.”

While an anecdotal example, it denotes an important shift in mindset wherein public commitments are filtered through the private sector, a set-up extremely beneficial to a community awash in resources such as La Jolla. It also illustrates the growing divergent paths within white middle class communities. In places like Vista and Escondido, there existed no investment group to swoop in and save those communities from budgetary shortfalls, leaving them to find their own solutions, and, scapegoats.

In the end, Prop 13 proved the equilibrium negotiated between homeowners and business rested on fragile ground. At any moment, for reasons complex and long-simmering, drastic actions could be taken by homeowners that threatened the very essence of capitalist development. What San Diego learned in 1965, and again with the Tijuana River Valley project in 1971, the state of California witnessed in the tax revolts that swept through the state in 1978. On paper, the impact of Proposition 13 proved a boon for business given the reduction in tax burdens for corporations and large property owners. This often leads to the conclusion that the tax revolts were part of the nationwide business activist movement and the rightward shift in

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favor of capital. But this narrative ignores the very real resentment felt in the halls of places like the San Diego Chamber of Commerce as such institutions witnessed the fundamental breakdown of their way of doing business. Every Chamber of Commerce in the state opposed the Proposition, but their combined power proved incapable of putting a dent in the outcome.

Just as with previous homeowner rebellions, quality-of-life, particularly as it centered around the services provided white middle class homeowners, became the rallying cry: communities needed saving not only from the teeming masses of nonwhite urban poor people, so too did local schools need bolstering as islands of accumulated suburban privilege. Defending the social/economic unit of postwar liberalism, the home-owning family, cut across any easily definable traditional political divides. This proved to be not the end of suburban backlash, but only the beginning. In 1993, the passage of the North American Free Trade Agreement once again brought forth the specter of economic integration with Mexico. The net result included a steep increase in undocumented immigration from Mexico. Once again, the call for protecting suburban quality-of-life issued forth once again, with then-governor Pete Wilson fanning the flames. Once again rallying to the state’s democratic proposition mechanism, the state of California passed the nation’s most virulent anti-immigration law to date. Proposition 187, also known as the Save Our State initiative, sought to cut off undocumented immigrants from even the most basic of social services, including public education and access to healthcare, all in the name of preserving the states resources for its “ultimate population.”
Chapter 4

Islands on the Land

On a spring night in 1990, as the last rays of sunlight disappeared behind the Pacific Ocean, 400 vehicles arrayed in a line along the U.S.-Mexico border released a stream of light aimed at the international boundary near Otay Mesa. With over 1,000 participants, the March 26 demonstration represented the largest yet in the five-month lifespan of the “Light Up the Border” campaign aimed at protesting illegal immigration. Journalists described the protest as a scene out of idealized Middle America complete with families gathered around coolers with the family dog and plenty of American flags. Participants decried the inaction of the federal government and what they saw as a flood of dangerous brown people across the border. A central organizer, former San Diego mayor and Pete Wilson protégé Roger Hedgecok, declared the protestors’ goal to “light up Washington.”¹ The dam holding back a decade of frustration among white homeowners adrift in a new age of austerity and resident in a region at the forefront of global integration, began to show its cracks.

From 1979 to 1990, San Diego faced uniquely extreme budgetary woes from Proposition 13. Shrinking budgets posed a seemingly impossible challenge to the nation’s highest standard “quality of life.” To tackle it, Pete Wilson embraced a new brand of technocratic management which anointed the city’s educated elites as well as private contractors whose mandate consisted of overseeing the parceling out of newly-scarce resources. Instead of a narrow class of boosters usually connected to real estate, banking, and industrial concerns, which had been the dominant vehicle of city governance for over a century, the homeowner revolts between 1965 and 1979

shifted power to a broader, but still elite, group of civic managers with a goal not of increasing profit but defending already accumulated privileges.

As a result, the city continued to see wealth build in its upper-middle class coastal enclaves at an accelerated rate. Meanwhile, prospective new homeowners found themselves increasingly pushed north and east. The 1980s proved to be a decade of explosive growth along the I-15 corridor. In this rural inland region, new homeowners traded long commutes for affordability, but as communities independent of a hostile toward-growth-San Diego, these communities faced shoestring budgets and heightened battles over resources.

As these areas, dotted as they were with canyons and waterways, exploded with more affordable housing tracts, tens of thousands of migrant laborers from Mexico, displaced by the U.S. sponsored capital-stripping of Mexico arrived to serve as poorly-paid carpenters, drywallers, and landscapers. They too made the region home, constructing scores of Cartolandia-style shanty towns throughout North County. As these populations came face-to-face, the battle lines over the character of the New Economy were drawn. Already faced with a position of precarity relative to the coastal regions, these white-homeowner communities, carrying with them the same entitlement to a particular quality-of-life, resented the resources allocated to managing immigrant populations that made their quality of life possible.

Adding fuel to the fire, the overall economy by the end of the decade turned sour, particularly for San Diego’s inland communities where the New Economy’s technological consolidation wreaked havoc on the careers of middle managers. Firms became leaner as more and more production processes were either streamlined or moved to Tijuana. As a solution, the coastal elites of San Diego advocated increased economic integration with Mexico in the form of the North American Free Trade Agreement, promising an economic boom for the region. San
Diego’s white homeowning middle class didn’t buy it; instead, the attraction to NAFTA lay in the promise from the Clinton administration that it would curb immigration by improving Mexico’s economy. When it failed to do so, the same participants in the “Light the Border” campaign became the foot-soldiers in a new grassroots initiative: the infamous Proposition 187 which denied undocumented immigrants access to public services. The “Save Our State” (S.O.S.) initiative defined a new era of politics wherein a subset of white-homeowners, clinging to their status amidst austerity and a changing economy, declared war on the immigrants providing a daily reminder of the stakes in the world of heightening inequality.

Following Proposition 13, which became law immediately upon its passage in 1978, revenues supporting local services in California declined precipitously. Much of the state did not feel the pinch immediately. The $6 billion state surplus provided a two-year cushion, giving local governments breathing room to acclimate to the new austerity. That recalibration failed to extend to voters; white-homeowners, after cutting their own taxes, maintained high expectations for uninterrupted services and even their expansion to bolster the social/economic unit of the suburban family ravaged by years of inflation and declining wages. To cope, cities continued to get more and more creative in developing new revenues streams, including fees for previously no-cost services like libraries and health clinics as well as heightened utility costs. ²

San Diego received no such grace period. Pete Wilson’s property tax cuts prior to the passage of Proposition 13, made America’s Finest City’s share of the state surplus, dispensed based on revenue in the fiscal year prior to the initiative, a mere pittance. In 1977-1978, San Diego collected $291 per resident in general revenue. Other major cities, like Los Angeles and

² Sears and Citrin, *Tax Revolt*, 47.
Oakland, collected over $400. Compounding the problem, San Diego’s long-standing cultural emphasis on quality-of-life produced a political environment of heightened expectations. For example, San Diego remains the only major city in the country to provide trash pick-up for single-family homeowners without cost, having done so now since 1919. Combined with a fresh history of uprisings against city initiatives, politicians in America’s Finest City, according to economists Erie et al., “strenuously avoided any remedy that would require them to ask voters to approve new taxes.”

Overcoming the new fiscal obstacles in the age of austerity, while still providing the high quality-of-life demanded by a volatile base of white homeowners, proved a monumental task. To tackle the issue, Pete Wilson embraced his inner technocrat, describing himself as a “dedicated generalist” seeking to facilitate the “translation between technocracy and bureaucracy.” He moved to tap the resource of San Diego’s brain power by, in 1979, breathing new life into the “Quality of Life” board made up of local scholars. The San Diego Union described the venture as “a unique cadre of scientific experts which meet regularly to analyze the city's long-range problems. All seven members of the board are PhDs appointed to three-year terms by the mayor.” Wilson press aide Otto Boss extolled this innovative approach to city governance: “what they do isn't flashy...It doesn't make for banner headlines most of the time. But they’re a valuable resource base, a focal point, where expertise from the community is brought together.”

America’s Finest City possessed an unmatchable reservoir of educated talent from which to tap in forging a modern innovation to municipal governance. In what amounted to an emerging professional class, different in content and character than the business class, San Diego

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boasted six Nobel prize winners, 45 National Academy of Science members, and 8,000 trained specialists in the region’s 16 colleges and universities. Additionally, by 1979, 33% of San Diego residents had attended college and 28% possessed university degrees, both figures nearly doubling national averages.\(^5\)

Being the only city in the country with such an advisory board, many “local and federal officials” claimed San Diego “may be the prototype of municipal technocracies of the future.” Pete Wilson didn’t shy away from making explicit the connection between outsourcing governance and the new imperatives of austerity. In his telling, the offloading of democratic functions onto unelected technocrats derived directly from the needs to cut costs following Proposition 13: “I almost hate to say this publicly, but it’s true...you can often get, for the right public purpose, expertise that you literally cannot buy...in part because of the human desire to perform public service and in part because of the prestige that's involved.” In an era of diminishing public investment, the transfer of the details of governance to technocrats represented an innovation specific in its scale to San Diego. With an “ultimate population” of educated elites, the city possessed the ability to generate policies aimed at improving the quality-of-life of that very same group.\(^6\)

In addition to the public Quality of Life board, which met the first Thursday of every month and relied on civic commitment from its members, Wilson experimented with privatizing state functions. The Center for Technical Services (CTS), a private firm, headed by former aide to governor Reagan, as well as Del Mar attorney, Ron Frankum, sought to perform the same function as the Quality of Life board, but on a full-time basis. Maintaining 150 experts on call,


consisting of contractors working at local colleges, CTS offset costs through subsidized research via the Federal Lab Consortium (a federal program that subsidized private research initiatives). Armed with federal monies, and public employees doubling as contractors, CTS sought to tackle several issues for the city. These included, among others, the collection of data on the usability of light-weight armor by local police, the coordination of using U-2 spy plane photos for agricultural planning, and the immensely important 3D photography of Balboa Park in case any portion of it should ever need to be replaced.7

Famed urbanist and San Diego State professor Robert Ontell described this technocratic municipal reorganization “a movement in its infancy” but one that previewed the government of the future: “As society becomes more and more complex and problems begin to pile up, more long-range planning organizations will begin to emerge. I think the Quality of Life Board is a prototype of what is to come. It hasn't begun yet to reach its full potential.”8 This shift in outlook, coupled with a delinking of traditional production-oriented growth from profit in the broader area economy, did not go unnoticed within an emerging consultant class. As William R. Caulson, a psychologist and industrial consultant, put it, “San Diego is a great laboratory for national or international corporations because the employee relation problems they have today are predictive of the problems they are going to have elsewhere later” and “whoever-whatever-San Diegans are- they’re setting the pace for a new national philosophy toward life.”9

Yet, what did this philosophy consist of? The exact definition of quality of life, despite its near constant usage for decades, continued to prove elusive. Toni Ciani, a resident of La Jolla

7 Ibid, D-10.
8 Ibid.
and community-plan advocate, framed the dilemma with his assertion that “quality of life is not one single definable item. It is defined by everything in San Diego.” In an attempt to establish at least a list of priorities in what exactly “everything in San Diego” entailed, the San Diego Union, in 1979, published an in-depth examination of America’s Finest City and its “quality-of-life.” The paper conducted a survey of San Diego communities, compiling hundreds of responses from residents seeking their views on where San Diego had been and where it was going.

In a remarkable degree of continuity with response to the B.I.G. program in 1965, the feedback from San Diegans focused on protecting the unique qualities of San Diego, particularly regarding its comparison to other urban spaces. One respondent, Bill Gabriel of Solana Beach, opined that “perhaps only those of us who spent much of our lives in other cities can truly appreciate the blessings of San Diego. To those who may disagree, may I suggest they visit Pittsburgh, Boston, Cleveland, St. Louis, Cincinnati, Kansas City and others.” Another, Robert Roche, a retired Caltrans engineer, confirmed “San Diego is still truly America’s Finest City, but only because of its god given climate, geographical location, and natural beauty” but he also lamented that it is “the victim of exploitation by land developers, tourism, travel industries, sports hucksters, various Chambers of Commerce, the convention and Visitors Bureau and other related interests.”

Jennifer Welborn of La Jolla, the wealthiest enclave in San Diego, echoed this sentiment. As president of her own consulting firm, she had moved her son “from Washington D.C. in order to leave an area where the quality of life was appalling and attempt to raise him with a better idea

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12 Ibid, D-4, D-10.
of what the United States is all about.” In her estimation, the main appeal of San Diego revolved around the weather, natural beauty, friendly people and “basically wholesome schools.” But development threatened these resources; “we are scraping what is left of fragile canyons, permitting developers to gnash away at Balboa park, flirting with more and more growth.”13

The San Diego Union’s investigation documented the centrality of environment to the quality of life movement. Organized citizens in local planning committees as well as the city-wide Concerned Citizens for Century Three, and national organizations active locally like Zero Population Growth, all used the ideology of environmentalism to combat development/growth that white middle-class homeowners saw as a threat. After its examination, the paper concluded that despite the common perception” of “more pollution,” the truth is that local waterways were cleaner than ever before. The executive director of the regional water control board, Leonard Bartman, drove the point home with his account of what the local bays used to be like: “In the 1950s, San Diego Bay was a major eyesore, an environmental disaster. The bay resembled a cauldron of brownish pea soup. Millions of gallons of raw sewage poured into the bay each day. Mercury, oil, volatile chemicals and slaughterhouse wastes poisoned the water.” And according to Mike Foley, chief monitor for the Air Pollution Control district, San Diego’s “air is about as dirty as it was 25 years ago” despite substantial expansions in vehicular traffic.14

The real issue then, had little to do with the environment, at least to the extent the concept connected definitively with the natural world and its protection. Instead, the Union concluded that, conceptually, “environment” grafted neatly over living expectations and their intersection with population growth. Despite improvements in many of the natural features of San Diego,

13 Ibid.
“the quality of environment is strained in other ways” with a doubling of the population from 1965-1979, and another doubling projected by 1995. This anxiety over population growth matches the long-held fear of density that had been a part of San Diego’s civic discourse dating back to the Progressive era.15

Blocking population growth remained the guiding animus of San Diego’s politics. In the early months of 1979, organized citizens blocked plans to develop 205 duplexes in the community of Rancho Valle, forcing developers to convert their plans into a tract of 43 single-family homes. Vera Quinn, the vice chairwoman of the Southeast San Diego Development Committee, a self-described group of “concerned citizens,” took pride in the actions taken by her community. She described the effort to subvert multi-family unit developments as “a long-running battle, but we had to avoid the social and economic problems that are caused by improper land development.” In this context, concern over environment as well as “social and economic” problems intertwined.16

As survey respondent Richard Brimhall, hailing from the suburban community of Lakeside, put it, “Today, thanks to the developers, overzealous real estate people and an overactive Chamber of Commerce, among others, the area is turning into one gigantic urban jungle. Why...we no longer take a second seat to India as far as maximum population density is concerned.” The concordant connection to population density, as demonstrated by Brimhall’s fear of Indian slums attests, consisted of fears of racial strife. Laurence Howard, another respondent from suburban Spring Valley, warned “tremendous pressures are building up in the

15 Ibid.
San Diego County area among various races and ethnic groups such as the Mexicans, the Asians, and the blacks. In five years we could be sitting on a powder keg.”

To more fully implement his plan of “managed growth,” and to address the concerns of these middle-class homeowners, Wilson marshalled the resources of his technocratic regime to forge a new General Plan in 1979. As a “dedicated generalist,” Wilson outsourced for expertise, hiring former Tulsa city advisor Robert Freilich. As one of the only other cities in the country to face growth rates far higher than the national average amidst 1970s era malaise, Tulsa had hired Freilich as an urban planner to help manage development. After deeming his methods, which consisted solely of manipulating zoning codes to strangle growth, “incomplete, insufficient and frequently inaccurate,” Tulsa cut ties in December of 1978.

The methods that got Freilich into trouble in Oklahoma were what San Diego wanted. Pete Wilson quickly hired Freilich, granting him oversight in the final drafts of the 1979 General Plan with a mission to tighten restrictions within Wilson’s tiered zoning structure which funneled funding into downtown redevelopment while limiting growth in mid-city and the suburban fringe. Despite the best efforts of city planners, developers found numerous loopholes in older communities to build multi-unit structures in single-family home areas. Additionally, due to strained finances after Prop 13, “older communities received little money to finance new parks, schools, police services, and sewer lines needed to accommodate their growing residential populations.”

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19 Erie, Kogan, and Mackenzie, Paradise Plundered, 148.
The decline of aging middle-class communities, coupled with the expansion of power over city governance by increasingly isolated coastal enclaves, did not go unnoticed by those still aspiring to a middle-class existence. As respondent Mary Scott posited in the *San Diego Union* survey, the real threat to San Diego’s “quality of life” consisted of “the city fast becoming a two-class society, the very wealthy and the poor, with the middle-class shrinking in identification at a rapid rate.” A rare voice from outside of the posher coastal communities, Mike Brock of East San Diego, also identified this new reality, “San Diego is drastically oversold” he exclaimed, adding that he could never hope to afford a home, and that, at the rate things were going, he never would. A registered nurse, S.M. Mattox, added, “I have found that low salaries for healthcare personnel does a lot to cancel out the climate and beauty of San Diego.”

Despite these concerns, San Diego’s orientation as a corporate headquarters for global capital dedicated to an “ultimate population” consisting of knowledge economy workers only accelerated, with an increasing focus on industries, like technology and bio-engineering, that required higher and higher levels of education.

These transformations funneled a new generation of prospective homeowners into the emerging North County region of San Diego. Independent cities outside of San Diego proper like San Marcos, Vista, Poway, and Escondido became epicenters for seismic growth with an explosion of housing tracts. From 1980-1986, over half of the entire county’s population growth took place in North County. By opting to live in these locations, new homeowners accepted longer commutes in exchange for much larger, and more affordable, single-family dwellings. Aspiring to solid middle-class lifestyles, these residents hailed from different backgrounds than

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San Diego’s elite coastal communities, dependent as they were on public sector employment or light manufacturing work in the aerospace industry for access to affluence. They carried with them the same quality-of-life expectations as the generations of San Diegans that came before them but found themselves cut off from opportunity in San Diego proper.21

Pushed into the county’s rural fringe, the housing tracts of these recently expanding cities often found themselves in close proximity to agricultural fields. The exurban mixed with the pastoral, creating scenes of commuters in-route to the I-15 freeway sharing side streets with tractors lumbering to their crops. This shared space also put the white homeowners of North County face-to-face with another common characteristic of the California countryside: migrant workers from Mexico.

The same forces transforming San Diego County (economic displacement, the squeezing of the middle class, etc.) were also occurring in Mexico on an accelerated scale. By the 1980s, Mexico’s attempts to spur growth and stimulate capital backfired. Projects around the country, matching in character and intent to the “Rio Tijuana” development, generated tremendous levels of debt, most of it owed to foreign creditors (estimates range as high as $80-90 billion dollars). By 1982, the spike in interest rates, coupled with the decline in oil prices, sent Mexico’s finances into a spiral. The Mexican peso hit an inflation rate of over 100%. One prominent Mexican newspaper published an obituary to the Mexican currency, “After failing health and long illness, el Senor Peso passed away quietly as he was devalued 81 pesos to the dollar. El Senor Peso is

survived by more than 66 million Mexicans.” In the border region, the impact proved particularly transformative.22

Businesses along La Frontera witnessed scenes of “Northamericanos streaming across the border to strip grocers’ shelves of unbelievable bargains while U.S. bordertown merchants” went “broke because their Mexican customers” could “no longer afford to shop in the U.S. establishments.”23 If the economic interdependence of border economies had ever been doubted, it was quickly put to rest by what became known as “the crisis.” Immediately, the extent of the crisis forced the Reagan administration to intervene in the border region. In August of 1983, the federal government of the United States launched the Southwest Border Initiative as an emergency measure to stabilize the borderlands economy. The plan called for direct cash infusions to keep struggling businesses on the U.S. side of the border afloat in addition to the development of job training centers. These strategies sought to attack two problems; first, to stem the tide of business closures, and second, to address rampant unemployment. Yet it quickly became apparent bolstering businesses north of the border, by itself, did not fix the economy of a fully interdependent region. A direct result of this lopsided economic treatment presented itself in the form of undocumented immigration, and San Diego proved to be ground zero.24

With the economic destruction wrought by the inflation of the Mexican peso, Mexicans immigrated north to look for opportunities in the United States. As R. H. Growal of the San Diego Union put it, “illegal border crossings have increased 3100%” from what they had been 20

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years previously.” In interviews with border patrol officials, Growal identified the cause of this sudden spike to be rooted in the “woes of the Mexican peso.” In fact, non-Mexican border-crossers were so infrequent they carried their own designation, O.T.M. (Other Than Mexican). In summarizing his experience with these Mexican economic migrants, one border patrol agent concluded “most are male and well-meant, well-intentioned men who come to improve their way of life. Violence isn't in them.”

This characterization of Mexican immigrants proved far from the defining one in the national discourse on immigration in the United States. As John F. Duffy, the sheriff of San Diego, described it in a memo to County Supervisor Susan Golding, “the feeling among my deputies is that the incidence and seriousness of the crimes committed by illegal aliens is increasingly significant.” Duffy framed the issue in familiar terms tied to the quality-of-life paradigm, “The crime-related and service cost-related impact of illegal aliens on San Diego County’s criminal justice system is growing and getting more and more serious each year.” Much like Proposition 13, the cost of nonwhites came to figure prominently in discussions on immigration. This effectively reframed immigration as a fight over limited resources and the worthiness of those receiving them, thereby plugging the issue of international economic integration into the civic discourse of America’s Finest City. Put another way, Duffy’s examination of cost revealed San Diego’s long-existing anxiety of footing the bill for a less-than “ultimate population.”

The Reagan administration faced a tough choice. Its effort to stabilize the U.S. portion of the border economy only strengthened the magnetic pull stimulating immigration. The Southwest border initiative, taken together, had by 1986, created 7,000 jobs, and generated $88 million in private sector profit (at a cost of $210 million public dollars). Yet, the demand that the federal government do something regarding immigration remained strong. Again, and again, proposed solutions returned to the principle of a more integrated economy. As the “impossible dream” of San Diego’s boosters testified, economic integration had long been a hobby horse of American business interests, and Reagan’s administration typified a renewed commitment to business activism. On the campaign trail, candidate Reagan had advocated for a new “North American Accord” meant to benefit both countries by “combining the economic and technological resources of the United States with the natural resources and the skills of the Mexican people in a more open market with a much more common border.” Although the Southwest Border Initiative demonstrated the importance of such cross border economic development, it flew in the face of the demands on the ground.

As these early debates over accelerated globalization formed, Mexico’s economic condition continued to worsen, amplifying the already increasing immigration into San Diego County. Far from charity, the United States’ need to bolster its neighbor’s prospects stemmed from a need to protect the investment of American capital. A once-classified report produced by the State Department in 1986 laid out the stakes. The failure of the peso had created an opening

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for an influx of outside investment such as the International Monetary Fund and U.S. financial institutions, empowering them to take control of Mexico’s purse strings. Using the clout of finances, these multilateral financial interests redirected Mexican public spending away from social services into “infrastructure projects, particularly in communications and transport, energy, rural, and regional development” all in hopes of spurring “new investment in the private sector.” In addition, the report communicated that “the government of Mexico has been taking a number of steps in the right direction as the upward adjustments in the prices of public sector goods and services, renewed commitment to sell non-priority parastate companies, a growing debt-equity swap program...continued promotion of in-bond industries, the decision to join GATT (General Agreement on Tariffs and Trade) and a large trade liberalization loan signed with the world bank.”

Because of these reforms, “all segments of society have felt the pinch” but in particular “middle income earners...have seen their standards of living fall most precipitously.” While official rates of unemployment hovered around six to eight percent, the State Department believed that number to be closer to 40% among the economically active. All in all, multinational governing bodies earmarked 55% of the public-sector budget to pay external creditors rather than provide services to increase quality of life. Simultaneous to the strip-mining of Mexican wealth by international capital came the realization that this process needed protection from uprisings from below.

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29 U.S. Department of State, Telegram from U.S. Embassy in Mexico to U.S. State Department, August 1986, Mexico Economic General folder, box 91703, Ludlow Flower files, Ronald Reagan Library.
30 Ibid.
Also, in 1986, the U.S. embassy in Mexico City produced a confidential “Assessment of the Current State of Mexican Internal Stability.” In it, experts sought to “address how people can continue to receive less from the economy while continuing to remain calm.” It concluded that several factors were involved but that chief among them were the existence of black markets free of government restraint and, more importantly, immigration. The relatively “open border” continued to “function largely unhindered” and as such “not only does an ever-increasing level of illegal immigration into the United States relieve the pressure on the unemployed in Mexico, but funds from relatively highly paid undocumented workers in the U.S., sent to Mexico, aids the extended family in providing a safety net in Mexico.” In other words, largely unchecked immigration proved to be the safety valve enabling American capital’s restructuring of Mexico’s economy and society.

To facilitate this increased flow of immigrants, the Reagan administration pushed hard for the Immigration and Reform Control Act. Passed into law in 1986, IRCA represented a major overhaul of U.S. immigration law. Its main feature, often referred to by the blanket term “amnesty,” extended legal permanent residence to most unauthorized migrants in the country at the time. This granting of green card status made the border much more fluid, resulting in migrants able to come and go between the United States and Mexico with limited restrictions. As sociologist Sergio Chávez has argued, this created whole new labor networks in the San Diego-Tijuana corridor with many migrant laborers seeking to live a “vida frontezeria,” (binational

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Known as “step-wise” migration, these new networks finally made the dream of Tijuana as a barracks for the working class a reality. Migrants, typically from central Mexico, came to Tijuana, lived there, and then commuted temporarily to San Diego doing all manner of labor ranging from agriculture, to construction, and service work.\textsuperscript{33}

While a boon for area business interests, IRCA once again put the interests of business on a collision course with those of white homeowners dedicated to preserving their quality of life. California, because of its heavily suburban character, yet again proved to be ground zero for this type of fight, with San Diego as the tip of the spear for populist pushback. Even as the state’s economy relied on heavily on cheap labor to maintain its economy, the presence of Mexicans, and the emergence of Cartolandias across the state, signaled to homeowners a decline in the middle-class centric aesthetic at the core of their identity. Translated into quality-of-life issues like crime, resources, and environment, the revolt against undocumented immigration took familiar forms.

For the unincorporated municipalities in North County, questions of resource distribution were far from academic. In the new age of austerity, funding requisite social services to support their own explosive growth proved problematic; everything from sewer to schools faced extreme


\textsuperscript{33} IRCA also promised, but never delivered, the construction of a border fence, which by 1986 had not been completed. Ports of entry possessed security measures that were fence-like but most of the border was still, for all intents and purposes, unrestricted by physical barriers. This changed in 1994 with the Clinton administration’s Operation Gatekeeper. Focused specifically on San Diego, but part of a larger crack-down on immigration, Operation Gatekeeper oversaw the construction of a two-mile stretch of highly secure border fencing complete with 62 stadium lights. A “Light Up the Border” organizer, Muriel Watson, was an official guest for when the facility was brought on line. See Chavez, \textit{Border Lives}, 85; Caroline Dipping, “Muriel Watson, 81, was active in border community issues.,” \textit{San Diego Union-Tribune}, May 22, 2012, http://www.sandiegouniontribune.com/sdut-muriel-watson-81-was-active-in-border-community-2012may22-story.html.
funding deficiencies. One report concluded, “rapid growth has outpaced development of
necessary public facilities – not just streets but sewer lines, parks and libraries.” Because of this,
the political fallout from the boom proved swift and included “calls for building moratoriums,
reassessments of growth management plans and citizen initiatives to limit development.”

In this context, the existence of large migrant camps, in some estimates collectively
housing over 25,000 immigrants in North County, proved political flashpoints. The main issue
centered on proximity, with homeowners firmly believing these Mexican encampments were
centers of disease, crime, and the social/economic problems of the third-world, all anathema to
the quality of life to which they, as taxpayers, were entitled. Rallies across the county turned
heated as local politicians’ offices became inundated with angry citizens demanding action to
address the immigrant populations growing by the day.

In 1986, in the North County community of Carlsbad, citizens staged rallies at a local
elementary school demanding a Border Patrol station be built in the area to deal directly with
migrant workers. A local resident running for city council, Clyde Romney, declared North
County a “combat zone” filled with “huge gangs of illegal aliens that line our streets, shake
down our schoolchildren, spread disease like Malaria and roam our neighborhoods, looking for
work or homes to rob.” Homeowners inundated the office of local congressman Ron Packard
demanding action on migrant camps. He responded by declaring the city in a state of crisis and
assembling a task force to address the concerns of his constituents concerns which he listed as

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34 Smolens, “Freeways bear brunt of growth in North County,” B-1.
35 Mary Curran-Downey, “Romney Calls N. County an alien combat zone,” San Diego Union,
October 14, 1986, B-1.
“aliens urinating and defecating on their lawns, loitering, trespassing, shoplifting, throwing trash, getting drunk in public and starting fights.”\(^{36}\)

Relatedly, the narrative by 1986 seized on the notion of “a new breed” of Mexican immigrant that “robs, rapes, and beats other illegals...and U.S. citizens.” In the community of San Marcos, located directly north of San Diego, this fear reached a boiling point among residents. As a recently developed, mostly white, single family-home community, San Marcos grew amidst previously existing migrant encampments in the areas rural canyons. Due to a lack of affordable housing in the communities most in need of the services of low-wage laborers, foothills became collection points for laborers who constructed within them makeshift dwellings. In scores of locations dotting the southern California landscape, Cartolandia had been reborn north of the border.\(^{37}\)

Ed McCabe, a self-described homeowner living in San Marcos, typified the fear inspired by an influx of migrant laborers from south of the border. “There's a great deal of them out here, yes. And yes, they’ve been on my property. I’m worried and my wife is scared,” McCabe recalled. He added that even though no crime had been committed against either him or his wife, the situation still bothered him. Fellow local homeowner, as well as city councilman and reserve deputy sheriff Lee Thibadeau echoed McCabe’s sentiments “This morning I was out there and I saw all those illegals and that’s when I became concerned. The valley is crawling with them.”\(^{38}\)

Police sergeant Kim Quacco of San Marcos, in focusing on the “new breed” narrative, claimed that this new typology of immigrant possessed no concern for the law and no fear of

\(^{36}\) Ibid.


\(^{38}\) Ibid.
police officers. He conceded “there is no increase in reported crimes committed by illegals, but the complaints are steady.” In one such example, there were reports of multiple “illegals” fighting each other with baseball bats, though when Quacco arrived, there existed no evidence of such an altercation, or of baseball bats.  

Local deli/market owner Bob Patten offered a different perspective. He made his business and its parking lot an unofficial collection point for undocumented workers to solicit their services to those looking for hired help. He swore to have zero problems with migrant workers, concluding, “I let them charge food because they always come back and pay for it. These are honest and humble people.” In many ways, San Marcos typified in microcosm the divisions forming in home-owning communities throughout San Diego County as well as southern California in general.

One of the first undertakings of the Carlsbad task force assembled by Rep. Packard consisted of an extensive investigation into immigrant crime and its net effect on the community. Completed in 1988, it concluded that “the negative effect of undocumented aliens on the city to be minimal.” This did little to take the wind out of the sails of a growing anti-immigrant movement. As councilwoman Anne Omsted, of the neighboring community of Encinitas, described reactions to the findings “I think a lot of people were angry, because they wanted a report that showed undocumented aliens could be blamed. I think they’re an easy target. They’re visible. They’re not part of the community.” Members of a local homeowner’s association responded that, regardless of the findings on crime, there existed “aesthetic concerns” in regard to the “inhumane conditions, cramped quarters, traffic and parking problems,” as well as “the

39 Ibid.
40 Ibid.
unsightly design of the camp.” Another resident noted, “go down to Tijuana and spend a few hours and then come back here…they don’t take care of things. They abandon things. They litter.”

For the migrants, the hostility of local whites amounted to just another factor contributing to their hardship. As one Oaxacan immigrant put it, “you can note in their gestures that they really don’t like you.” Regarding their lifestyle, a common complaint of local homeowners, the worker responded, “we don’t have any place to take care of our hygiene. It’s not because we are dirty. We live in subhuman conditions…Its because of the little money we get from our salaries.” The man’s brother added, “the social problem of the undocumented workers…cannot be easily dealt with lies. While the poverty in Mexico exists, and while the richness is here, badly distributed, you’re going to keep seeing us.”

Adding to this point, local columnist Herb Fredman identified the economic underpinnings of this new fraught coexistence. In his estimation, an emerging New Economy “creates a growing number of two types of jobs: those that most people don’t want and those that most people can’t get.” This economy requires a “permanent underclass of illegal aliens” but “as more previously unnoticed Mexicans are seen, fear of the unknown rises.” Additionally, the physical presence of a working class brought with it what San Diegans had long feared, “a gradual duplication…of the street-hawking economy of the Tijuana poor. Vendors of flowers, produce, music cassettes, and other items are appearing.” For white homeowners, the third-

42 Ibid.
43 Herb Fredman, “Illegal Aliens are Flooding the Area,” San Diego Evening Tribune, August 31, 1988, B-11.
world of their worst fears had arrived at their door, not just in the form of Cartolandias in the distance, but fully integrated into their daily existence via the local economy.

Again, and again, this physical presence of nonwhites permeated the discourse of white residents. “They’re on every corner, on every street,” proclaimed North County resident Jo Suster. Another resident added, “I count them on my way to work. I stop when I get to 100.” Mike Faucett, a liquor store owner in Encinitas, claimed their presence hurt his business, “there is a tremendous amount of Mexican standing outside, getting drunk, urinating and whistling at white women…I lost a lot of customers because of the Mexican problem.” Over time, frustration grew among homeowners because local governments proved powerless to combat the problem and the federal government remained largely unresponsive. As Suster put it, “I feel like we have less rights than they do.”44

The inactivity on the part of the state stemmed from two inter-related problems. On the one hand, these workers were essential to the local economy, not only for agricultural interests but increasingly for the construction and service sector as well. Because of this, many of the workers possessed guest-worker visas. Even as the term “illegal alien” dominated discussions of migrant camps, roughly half possessed legal documentation. Many of the others had had documentation recently, making any determination on current status a bureaucratic nightmare not worth pursuing for local officials. Ironically, a key architect in the 1986 liberalization of Mexican worker visas was none other than Pete Wilson. Elected U.S. senator after his tenure as

mayor ended in 1983, Wilson fought hard for big agriculture to ensure a steady flow of cheap labor.45

With federal deportation not possible, white homeowners turned their collective power to demanding different solutions. By circulating petitions to demand the county health department deem the camps public safety hazards, residents hoped law enforcement could receive the green-light to forcefully clear the shanty-towns. As the mayor of Vista, Gloria McCleelan, put it, “I wish they’d close the border, but that is not going to happen. So it’s up to each of the communities to try to mainstream them. We’ve got to get them out of those hooches and into a decent lifestyle.” Saddled with limited resources, the price tag of “mainstreaming” became its own point of contention pitting homeowners against city officials as well as local businesses. In many cases, local businesses dependent on immigrant labor, particularly in the agricultural sector, displayed ambivalence toward questions of housing and sanitation. In some cases, businesses committed to the construction of barracks, but finding a location amenable to all parties became its own battle. Before even reaching that phase, questions abounded over who should bear the cost of initial camp clean-outs.46

Racism not only sustained many white homeowners’ fears, it often permeated the discussion of solutions. In some cases, business leaders claimed shantytowns represented the most suitable living conditions for Mexicans. “Its not all that bad,” suggested Ben Hillebrecht, president of the county Farm Bureau, “the Indians used to live that way here.” Additionally, many of the workers “live like that down there in Mexico and don’t make any money. If those people are willing to live that way at home, why should they have to live that much better here?”

45 Ibid.
46 Ibid.
Faye Robertson, a self-identified homeowner in Encinitas put it similarly “They’re bush people...they don’t know how to flush a toilet, they don’t know how to take showers. They’re animals.”

In 1989, the city of Encinitas, under intense pressure from angry area homeowners, finally acted, funding a camp clearance performed by local law enforcement escorted by Border Patrol. In all, the effort displaced 150 workers and led to the destruction of a significant collection of cardboard hovels. But as area immigrant activist Ozzie Venzor posited, “was anything solved? Of course not...the workers have just gone on to the next canyon.” Still, the power to finally do something proved intoxicating. Inspired by Encinitas, other North County communities moved to take similar action, passing ordinances to make camps illegal, enabling the issue to be addressed by local law enforcement.

In the North County City of Poway, the Green Valley Civic Association, funded a poll of 800 homeowners in an effort to pressure the city into action. 93% of respondents said migrant camps should not be permitted near their homes, and 73% said they should not be permitted anywhere within city limits. Health and safety hazards topped the list of concerns. 28% claimed to have had witnessed crime or had heard of it firsthand. Notably, 16% admitted to employing migrant workers regularly.

In addition to efforts to push new ordinances directed at immigrants, local property owners established observation posts complete with video cameras overlooking popular pick-up

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spots for those seeking to hire migrant workers to catch both parties in the act. As Allen Schneid, a sales engineer, put it “there are things you can do…you can create an atmosphere where they’re not comfortable.” In Poway, a roaming band of white youths took to shooting immigrants with pellet guns. Another group, in trucks and armed with knives and baseball bats, drove up, over, and through encampments, hospitalizing at least one migrant worker. As Roberto Martinez of the Chicano Federation put it, “because Poway is in the middle of trying to clear out the migrant camps, this is sending a message that they’re justified in running them off by whatever means.” In short, these roaming bands of young people followed through “on their parents’ wishes.”

Even with new ordinances, the problem of migrant workers remained. Homeowners, despite their best efforts, proved powerless to subvert capitalism’s need for cheap labor or workers’ desire to earn a living. Coercion and even violence failed to stem the growth of immigrant populations. Additionally, continued efforts to take action carried a price tag increasingly borne by local communities; a single camp removal cost the city of Encinitas $40,000 dollars. Over time, these frustrations boiled over, sparking the “Light Up the Border” protest which magnified local backlash into an international spectacle. In addition to lighting up the borders, the protesters also took to patrolling North County, shining their lights on migrant camps in an attempt to disperse workers. As participant Pamela Candelore of Escondido put it “our country cannot afford to take on the whole world at one time.”

In attempting to get the attention of the U.S. government, “Light Up the Border” protestors provoked a strong rebuke from Tijuana officials. In a prepared statement, the Mexican consul condemned the protests suggesting they “encourage violent elements and alienate the good will that prevails among most people in the San Diego community towards Mexico and Mexicans.” The mayor of Tijuana, Carlos Montejo Favela, sent a formal request to Hedgecock that he desist with the demonstrations lest they “poison the atmosphere of what should be good relations between neighboring countries sharing a common border.” 53 On the ground, resentment proved palpable. Americans “have never been good neighbors, they show how little they think of us by not even blinking when they kill one of us” said Raul Soria. Oaxacan-born Ofelia Macias, a legal resident in the United States working as a clerk at a Calexico supermarket explained that she felt bad for her people and “it hurts to see how the Americans treat them here, in the country that professes equality and justice for all. It’s purely lies.”54

At the national level, U.S. and Mexican political elites continued to solidify relations between the two nations. As the Evening Tribune put it in 1991, “both nations are talking of free trade” and “even the possibility of U.S. investment in the Mexican oil industry – a subject once considered a political taboo in Mexico” in a moment of “near-giddy friendliness.” Yet for citizens on both sides of the border, none of this seemed to matter. In interviews conducted by the Evening Tribune among U.S. homeowners and Tijuanan citizens, “few of them cared to talk

about the upswing in official binational relations or the largely beneficial cultural, academic and commercial exchanges bonding both countries.”

Cathryn Thorup, vice chairwoman of San Diego County’s Transborder Advisory Board summed up the predicament: “It’s ironic that at a moment in which the United States and Mexico are moving forward at breakneck speeds toward an ambitious program of economic integration, the border region seems to be proceeding with similar speed through a downward spiral of deterioration.” Just as postwar liberalism had been built on a paradox that pit the need for growth against the desire for a pristine quality of life, so too did the emerging New Economy rely on a paradox. As Thorup noted “as new, upscale housing developments compete for space with canyon dwellers with no place to go, the benefits of immigration -- particularly in the service sector -- are welcome, but the costs are not.” Put another way “there is a willingness to employ maids and gardeners during the day, but they are expected to disappear without a trace at night.”

During the peak period of postwar liberalism, California homeowners wanted to enjoy the benefits of capitalism, but without its negative effects. In the 1950s, the fear centered on the potential of manufacturing with its tendency toward growth, pollution and the presence of an industrial working class. Similarly, the threats of the New Economy also centered on the presence of a working class, in this case, an alien nonwhite one that worked in the service sector.

As the presence of such a workforce heightened the contradictions of the California dream, backlash exploded down the long familiar democratic spillway of the California system: the statewide proposition.

55 Ibid.
As white backlash brewed along the U.S. Mexico border, Pete Wilson continued to climb the political ladder. In his dogmatic defense of growers’ profits, Wilson held little back in criticizing the Reagan administration. 57 Combined with his earlier endorsement of Gerald Ford in the 1976 primary, there existed little love lost between he and the key figures in the president’s inner circle during much of his senate career. Sensing a limited ceiling in Washington D.C., Wilson looked back to California for opportunities. 58

In a political climate defined by superficial differences between the political parties, Pete Wilson’s branding as a moderate made him a likely contender for governor of California in 1990. His Democratic opponent, the mayor of San Francisco, Diane Feinstein, shared much of Wilson’s agenda regarding tough-on-crime policies and continuing a turn to a friendlier business climate. David Rieff, a celebrated newspaper and magazine columnist, arrived in California shortly before the race and observed the beginnings of a uniquely Californian surrealism in politics. “As often as not during the campaign” he described, “a movie star or some other personality whose expertise had nothing whatever to do with politics was the entire focus of the TV spot.” In Rieff’s assessment, California’s geography necessitated this avoidance of meaningful engagement between politicians and their constituents. In interviewing political consultants involved in the race, Rieff identified a shared fixation between them on “California’s spread-out electorate.” What they meant “was the state’s white electorate was spread out, rarely venturing outside the constricted trajectories of subdivision, mall, freeway, and office, and thus

57 William L. Ball to Pete Wilson, July 28, 1987, Office of the Cabinet Secretary files, box IM 492712, Ronald Reagan Library.
possessed of flesh that the politician could only press electronically.” Wilson proved more adept at this growing soundbite approach to politics, beating Feinstein by a narrow four points.

Another key aspect inherent in this media-dominated politics reaching maturation in the 1990 governor race is it “confirmed the fantasy of white Californians that they were, for all intents and purposes, living in the state by themselves.” Each candidate's campaign outreach “skewed toward a prosperous, native-born, white Californian middle class” and “such people could hardly be expected to face the fact that they now shared their state with a non-white population that was made up largely of new immigrants who would outnumber them in a few years’ time.” When that fantasy gave way, as it already had in San Diego’s North County, and white Californians awoke to the reality that capitalism had transformed the golden state into, as Rieff described it, a “third-world” country, complete with the physical presence of a working class, the political consequences would prove severe.

Adding kindling to the slowly growing flame of anti-immigrant hysteria, California suffered one of its worst recessions between 1991-1993. The causes are multi-faceted, but, the recession completed the final reorientation of the California economy away from production toward consumption. At the state level, the economic crisis mirrored San Diego’s in 1961; the decline of federal aerospace dollars initiated rapid de-industrialization. In all, the state shed 820,000 jobs, 40% of which were in aircraft or missile defense production. But while blue collar workers felt the pinch, the major disruption to the California economy consisted of the mass exodus of over 600,000 mostly white-collar professionals. Partly, industries left due to high tax

burdens that came with California’s emphasis on quality of life, but also, companies cited the decline in educational standards from the heyday of postwar liberalism. The post Prop 13 cuts to education across the state in addition to the paring of the prestigious California university systems made other places in the United States more appealing.  

Shedding its industrial skin, though painful for many different classes of workers, paved the way for the blossoming of a New Economy. By the end of the recession, the composition of the list of California's 25 most profitable companies had shifted away from manufacturing towards “oil and gas, banking, public utilities, entertainment, department stores, insurance, clothing, financial services, medical equipment, and computers.” Despite the mass exodus of middle managers precipitated by the shifts in the region’s economy, California’s population still increased due to immigration. Many economists credited this timely influx from both Asia and Latin America for saving the California economy, providing as it did a cheap labor force of diverse skill levels ready to step in and man the barricades of the service-oriented New Economy.

San Diego, not spared the ravages of the recession, faced similar downturns despite its more diversified economy. One-quarter of San Diego’s tourism industry relied on other Californians; with the state in turmoil, revenues declined precipitously. North County, among the hardest hit, found itself on the front lines of the transforming economy, experiencing decline a full year before the rest of the state. Middle-mangers experienced wide-scale displacement from

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63 Ibid, 241, 244.
a combination of corporate downsizing as well as a dip in military spending following the Cold War. In all, San Diego county faced 7,000 unemployed professionals by the middle of 1990.64

A statewide decline in sales tax revenue, one of the main sources of revenue post-Prop 13, put a further squeeze on local communities, constraining budgets even more. This proved especially true in North County where already shoestring budgets faced cuts, putting a strain on the day-to-day operation of social services like schools and medical centers. In this environment of dwindling public commitments, these communities, with a long-developed siege mentality against immigrants, seized on their presence to explain budget shortfalls.65

Pam Slater, mayor of Encinitas, as well as an elementary school teacher, made the case explicit in a 1990 op-ed in the San Diego Evening Tribune. In identifying the “most challenging” problem faced by San Diego County, Slater pointed not to a changing economy wreaking havoc on the professional class of her city, but to immigration, both “legal and illegal.” She continued:

Our public schools have ever-increasing numbers of students who do not speak English. Faced with tight budgets, schools must scramble to provide special classes for these students. Large amounts of money must be diverted to serve immigrant children, resulting in decreased services and programs and increased class size. The needs of our own children cannot be adequately met…Our healthcare systems are inundated with indigents, primarily immigrants, seeking assistance. State law provided that any person coming to an emergency room or trauma center must be treated, regardless of ability to pay. Hospitals pass costs of such services to those who can pay, resulting in rapidly escalating health-care bills to insurance companies and to those who pay cash.

At the intersection of austerity and social restructuring, the latest iterations of mid-century liberalism’s growth model, withering and precarious as they were, clung to life, shepherding white homeowners through the storm of the New Economy. For these communities, a bold

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64 L. Erik Bratt, “Unemployed professional has further to climb back,” San Diego Union, September 16, 1990.
reassertion of accumulated privileges remained the last best hope for saving their quality-of-life from those deemed undeserving. As Slater concluded, “taxpayers are absorbing increasing costs and are receiving diminished services—services to which they are entitled.”66 One year later, the same argument worked its way into the debate over governor Pete Wilson’s 1991 state budget.

Faced with major shortfalls in Sacramento, over $14.3 billion, Wilson pushed through a record breaking $7 billion increase. As the recession got worse, the Wilson regime looked to redefine the causes behind decline. To do so, California’s Department of Finance undertook what a San Diego journalist described as “one of the most remarkable intellectual efforts by the state bureaucracy in recent years.” Crafting a seven-page document entitled “California’s Growing Taxpayer Squeeze,” the document put budgetary shortfalls at the foot of demographic change. Borrowing heavily from Pamela Slater’s reasoning, the paper argued that social services faced heavy burdens from “tax receivers” such as children, the elderly, prisoners, and, most importantly, immigrants. Also, like Slater, the paper made no distinction between legal and illegal immigration.67

In a measured blend of managed growth technocratic speak while also borrowing heavily from the growing racial paranoia of California’s most-pressed middle class, Wilson, in a Time interview in November 1991, added “there is a limit to what we can absorb” and argued that California needed to “minimize the magnetic effect of the generosity of the state.”68 Failing to do so only served to increase the gap between makers and takers. Still, the message needed honing;

68 Henry Muller and John F. Stacks, “There is a Limit to What We Can Absorb,” Time, November 18, 1991.
much of Wilson’s interview focused on out-of-state residents drawn to California’s welfare rolls. In effect, he magnified to the state level what had been a successful tactic for him as mayor of San Diego, swearing to protect the hardworking citizens of a community from ravenous and unproductive outsiders. But as Wilson learned quickly, the imagery of out-of-state welfare hordes did not carry the same psychic weight as did the thought of a brown army of foreigners descending on the state. Still, by laying the groundwork for blaming ever-shrinking resources on alien hordes, even if the most impactful brand of alien had not yet been landed upon, established a beachhead for Wilson’s wedge issue in his bid for reelection in 1994.

Just as previous economic crises opened the door for local business interests to sell new visions, California’s deep recession from 1990 to 1994 proved no exception. For San Diego, the new vision looked strikingly familiar. International politics, particularly the momentum for increased economic integration between the United States and Mexico, presented an opening for local business boosters, a still powerful but humbled influence. The imperative to do something to curb the recession put wind in the sails of the project. The long-negotiated North American Free Trade Agreement, powered by a degree of bi-partisan consensus and the new presidential administration of Bill Clinton, needed only congressional approval to become the new precedent-shattering law of the land in international trade.69

San Diego faced the prospect of tremendous advantages from the agreement according to business economists. If passed, NAFTA would finally enable San Diego and Tijuana to become one, blending the technology and management skills of America’s finest technocrats with the

inexpensive labor of Mexico free from cross-border regulation, tariffs, and taxation. Additionally, San Diego possessed the intellectual infrastructure needed to headquarter the requisite bureaucracy of the soon to be created North American trade establishment. Then-mayor Susan Golding and California senator Diane Feinstein combined forces to lobby for side agreements to make San Diego the central hub of trade agreement’s multiple international planning commissions. As one business executive put it, “we see a number of benefits for San Diego. Several jobs would be created. San Diego would be recognized as a center for technical and policy issues.” NAFTA would prove a “stimulus for environmental and technical businesses” and San Diego’s border location, as well as its relationship with Tijuana, made it an “obvious choice” for the headquarters of a new world order.  

William E. Nelson, chairman of Scripps Bank, took the argument even further, echoing the “impossible dream” of San Diego boosters in the late 1960s suggesting “we are, in fact, one region by geography and climate; it is only a political line which divides us.” He continued by making the case that without NAFTA, San Diegans faced a prolonged recession and a decline in the standard of living. With Tijuana facing a similar prognosis, Nelson doubled down on his case, “we are one region…together San Diego and Baja can overcome the downturn predicted for both of us if we do nothing…. Together this is a powerful region -- divided we each face decline in economic activity, jobs, and quality of life.” This accomplishment of cross-border business solidarity required transcending the concept of borders which needlessly created “artificial separation.” With national boundaries “becoming less relevant to business decisions as

the quest for efficient allocation of resources” accelerates, the burden fell on the San
Diego/Tijuana corridor to generate a “new binational structure.”

San Diegans remained far from sold. Belying the real concern on the minds of citizens in
America’s Finest City, letters to the editor demanded NAFTA be tied to immigration controls.
As one retired resident living in Imperial Beach put it, “if Mexican officials cannot recognize
even the most elementary form of respect for U.S. laws, culture, property and constitutional
rights, what would lead anyone to expect that ‘free trade’ or any other agreements will
miraculously transform Mexico into a trusted trading partner?” Instead, before agreeing to
anything, “Mexico needed to clean up its act” as well as cooperate with the United States to “put
an end to the border chaos.”

The more big business interests attempted to sell NAFTA as an economic panacea for the
region, the more and more the message fell short. A county-wide poll in September of 1993
showed a plurality of San Diegans (37%) believed NAFTA would hurt the local economy, (7%
believed it would have no impact, 21% were undecided, and 35% thought it would be
beneficial). In prioritizing border-area support, and hopeful to move the needle among the
undecided, the president of both the United States and Mexico targeted San Diego with messages
of their support. To increase effectiveness, they downplayed direct economic appeals, instead
making NAFTA more explicitly about curbing immigration.

For example, Mexican president Carlos Salinas de Gortari suggested in an interview
directed at U.S. audiences that “with NAFTA, employment opportunities (in Mexico) will move

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toward where the people live, reducing drastically migration.” U.S. attorney general Janet Reno, in a speech given in San Diego, proclaimed “a richer, stable, more confident Mexico is the only real solution for immigration reform. We will not reduce the flow of illegal immigration until these immigrants can find decent jobs at decent wages in Mexico.” 73

Many experts disagreed with the claim that NAFTA contained the potential to curb undocumented immigration. Sociologist Manuel Garcia y Griego, a social scientist at the University of California, Irvine, warned “I don’t think NAFTA is going to have as much of an impact as most people think, at least in the short term” suggesting that no amount of job growth in Tijuana could absorb its continuing population growth. Phillip L. Martin, a professor of agricultural economics at the University of California, Davis, lent his voice to the critique of immigration-based promises connected to NAFTA: “What I think is the most plausible kind of scenario is that you wind up with something like 10 percent more migrants” in the first decade after NAFTA. He concluded that the acceleration of ongoing privatization efforts in Mexico's interior advocated by NAFTA would only accelerate the displacement of Mexican workers, forcing them north. In Mexico, no one needed credentials to see the obvious. Migrant laborer Carlos Cortez summed it up “People will still go. That will never end.” Another migrant worker, Antonio Hernandez, summarized his assessment of the impending agreement: “I hear things are going to get worse in Mexico. I have to work. I have no choice. If I don't work, I don’t eat.”74

On the eve of the vote, even with its rebranding as an immigration measure, the North American Free Trade Agreement crepted to a small plurality approval in San Diego of 41% for,

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73 Juan Forero, “The Immigration Issue: Backers say that given time, NAFTA will stem the flow of illegal migration into the United States by spurring jobs in Mexico. But some migrants see things differently,” San Diego Union-Tribune, November 14, 1993, G-5.
74 Ibid.
36% opposed, and 23% undecided. Not a single San Diego representative to congress risked voting for it, providing a solid border opposition bloc. Republican congressman Duncan Hunter of San Diego joined Ross Perot as one of the most vocal opponents of NAFTA, citing border security as his main concern. 75 “Many members think it will exacerbate illegal immigration in the short term” proclaimed Hunter, “and unlike some parts of the country,” he continued, “we have seen the physical movement of plants and equipment to Mexico. That removes it from the academic area to the realm of real occurrences.” 76

In the end, NAFTA gained the votes for passage in November 1993. Opposition in both major parties foreshadowed significant political splits in each as the major political transformation afoot found themselves papered over by the triumphalism of globalization. A major win for international capital, as well as American consumers, but not workers, the new trade regime initiated a slow-but-steady backlash to the international integration necessitated by the New Economy in addition to the restructuring beneath it which continued to put downward pressures on middle and lower middle-class mobility.

By 1994, the worst of the California recession, at least on paper, had passed. But the consequences of the economy’s reorientation had yet to be fully realized. As the UCLA Business Forecasting Project outlined, jobs in middle management, particularly in aerospace, continued to hemorrhage while “most of the new jobs…are currently being generated in the service industries.” Over ninety percent of new employment opportunities in 1994 paid lower wage

compared to the jobs they replaced. In San Diego, the number of unemployed professionals had ballooned to over 16,000 over the span of the recession. Many had left the state, contributing to the wider middle-class exodus, following businesses to locations with lower quality of lives, and therefore lower costs. For those that stayed, prospects proved dim.\textsuperscript{77}

Nash Swann, a thirty-five-year-old industrial engineer from North County, typified the experience of those displaced. A former employee of General Dynamics, Swann managed efficiency practices to maximize profitability in the production of rockets. Following his lay-off in 1991, he struggled to find work, finally taking a job as a manager at Jack in the Box. After it burned down, he took a job in another high growth sector according to the state’s employment agency research, delivering pizzas. Losing his house and car, Swann felt the “loss of income, security, and self-esteem.”\textsuperscript{78}

In hailing the recovery, business media in San Diego heralded the rise of emerging technology industries in the fields of biotechnology, biomedical services, computer electronics, multimedia communications, and software. But as one company president admitted, “when biotech companies come to town there’s a reaction of: ‘oh, here’s a great new company’,” but these “jobs don’t represent a lot of the jobs in the country.”\textsuperscript{79}

Given this context of downward economic mobility amongst a predominantly white middle class, Pete Wilson faced long odds for reelection in 1994. In another election wherein the policy preferences between candidates remained largely indelible, Wilson faced an uphill battle having presided over such a prolonged period of economic malaise. His democratic

\textsuperscript{77} Larry J. Kimbell and Tom K. Lieser, “State economy is improving (but don’t tell defense workers), \textit{San Diego Union-Tribune}, October 9, 1994, G-1.
\textsuperscript{79} Ibid.
opponent, state treasurer Kathleen Brown, sister of former governor Jerry Brown, boasted a twenty-five-point lead in the polls heading into the summer campaign season. While his love for the finer points of management served Wilson well in office, his electoral successes had been built from different stuff. Dusting off the playbook that had served him well in his early years as assemblyman and mayor of San Diego, he refocused his 1994 campaign on the gut issues of white homeowners. Rebranding himself as the warrior of white quality-of-life, Wilson tapped into a particularly virulent flare-up of tough-on-crime ideology animating the electorate post-recession.

The sudden rise of the New Economy, the requisite influx of immigrants over-and-above an already steady stream, and the Rodney King riots reminded white Californians they shared their state with people unlike them, and their response was to lock them up. Utilizing ballot initiatives, many white Californians were poised to make the 1990s a decade of backlash with propositions intended to come down even harder on crime, end affirmative action, eliminate bilingual education, and, lastly, target immigrants.80

The Save Our State initiative, officially tagged with the designation Proposition 187, was written by, among others, a “Light Up the Border” protest organizer named Barbara Coe. If passed into the law, it would bar undocumented immigrants from public services including education and non-emergency medical services. According to California historian Kevin Starr, the recession forced the election themes of 1994 to yield “to more gut-level issues as more and more Californians began to blame immigrants for the tough times and the pervasive perception that the quality of life had declined in the Golden State.”81 Above all, the battle over Proposition

80 Starr, Coast of Dreams, 181.
81 Ibid, 182.
187 represented the final remnants of the postwar liberal order, moored to a materially-based white privilege, facing off against the growing current of globalization and the New Economy.

For Pete Wilson, the timing could not have been more fortuitous. Not only did he seize upon the white suburban fixation with crime, he also rushed to be the first to endorse Proposition 187. With it, he now had a wedge issue with which to differentiate himself from Kathleen Brown. As Kevin Starr details, Wilson knew that “if he were to have a chance against the charismatic Brown,” he “needed an issue...He found it in illegal immigration, specifically its cost to California in terms of health and welfare programs, K-12 education, and imprisonment.”

In each case, either post-Prop 13 austerity and increases in tough-on-crime legislation had strained the system to the breaking point, but illegal immigration offered a new narrative that presented white California voters as blame-free victims of law breaking Latinos soaking up public resources.

In his endorsement of Proposition 187 in September of 1994, Pete Wilson proclaimed California “cannot educate every child from here to Tierra del Fuego.” Cutting off illegal immigrants from public services he continued would, “send a message that is long overdue.” Additionally, Wilson intuitively tapped into white anxieties over quality of life blending it with eugenicist rhetoric of immigrants overrunning the state. For example, in his endorsement he claimed that over 300,000 children of illegal aliens receive public education, costing the state $1.5 billion a year. Despite his role during his time in in the senate in loosening immigration restrictions on behalf of agricultural companies, Wilson, as governor, had calibrated his image as a tough-on-immigrant crusader by opposing NAFTA (unless it included tight border restrictions).

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82 Ibid, 199.
He also staged several events for public consumption such as a forced delivery of immigrant prisoners to a federal detention facility where he stood and demanded they take them or pay a $1.5 billion-dollar bill for not doing so. As September gave way to October, the uninspiring vanilla technocrat turned crusader for white quality of life began to chip away at Kathleen Brown’s lead.

Like Proposition 13, Proposition 187 inflamed the electorate. There existed several similarities. Chief among them, the idea of “sending a message.” Though operating in different contexts, the targets of the message remained consistent across both initiatives: business and communities of color. Just as white suburbanites supporting Prop 13 imagined inner-city communities of color bathing in unearned resources at the expense of tax-paying homeowners, the same argument lay at the heart of Prop 187, this time with mostly Mexican immigrants as the culprits. Business, in its quest for profit, had unleashed forces threatening the white middle class as it had done with growth in the 1970s, so it now did with international integration in the 1990s.

Wilson, having tapped into the anxiety over growth in the 1970s and having witnessed backlash to the Tijuana River project, knew exactly how to channel fear to his own ends in 1994. First, he made sure his base knew which side he was on. Declaring of the “Save our State” initiative, the nickname for Prop 187, Wilson characterized it as an effort “take back California for the working tax-paying families of the state.” In a salvo against the federal government, Wilson drafted an open letter to President Clinton promising the measure would end the “flood of illegal immigration” and added “make no mistake, our quality of life is threatened by this tidal wave.” Another effective tool wielded by his campaign consisted of TV advertisements. In one,

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the camera pans across brown people running across roadways, jumping over walls, scattering this way and that. Then narration: “Three hundred thousand illegal immigrant children in public schools...and they keep coming. It’s unfair when people like you are working hard.” The simplicity of this us vs. them coded his direct appeal to white homeowners, positioning Kathleen Brown’s more nuanced response to Prop 187, a focus on border security and economic growth, as nothing more than liberal equivocation.

Because politics in California represented the first in the nation to fully descend into the theatre of surrealism identified by Rieff, the parameters of debate surrounding Prop 187 elucidate the quickly codifying limits of discourse forming in the post-Cold War “end of history” moment. The death of the Soviet Union may have taken with it any ideological threat to American hegemony, but demographic decline proved another matter. The makers vs. takers framework stuck more forcefully against immigrants than with other demographics.

One of the authors of Proposition 187, Barbara Coe, typified the demographic fear powering the initiative’s popularity with her proclamation that “these people do not come to assimilate or contribute to our society. We’re talking about the undermining of our laws, our language, our culture, our history.” In addition to the fear of Anglo cultural defilement, the intertwined fear of exploding immigrant populations straining finite resources pervaded the reasoning behind Prop 187 proponents. In summarizing ad and editorial content surrounding the proposition, scholars Kent Ono and Jon Sloop identified a particular gendering present: “Migrants are constructed as bodies carrying disease, as potential polluters of the citizen body, and as carriers of infection - agents of infestation. In each of these examples, the threat of

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migration is feminized; the threat to the national body is in the form of the Mexicana migrant or the Chicana.”

Essential to this construction, as with much of Prop 187 rhetoric, is the use of first world/third world, civilized/backward, modern/primitive binaries. In these constructions, it is women, in the form of the “hyperbreeder” of white imagination who brings civilizational decline in her womb.

Joseph Perkins, a columnist for the San Diego Union-Tribune typified this view when he penned a piece giving “the devil his due” regarding Pete Wilson’s stance in favor of Prop 187. “Indeed, they can cross the border,” he exclaimed, “and have babies at American hospitals at taxpayer expense.” He continued “the babies of illegal immigrants have done nothing to merit citizenship, except be born at U.S. taxpayer expense.”

Connected to the imagined hyper-breeder of eugenicist lore, Prop 187 emphasized the propensity of immigrant populations to “soak up” resources. Unintentionally, in his haste to attack the welfare state, conservative columnist George Will made explicit the clash between postwar liberalism and the austerity-centered, immigrant dependent New Economy playing out in the struggle over Prop 187: “When the 14th amendment to the constitution was ratified, and for many decades thereafter, the nation had essentially open borders. What the nation did not have was a welfare state, the operation of which becomes particularly problematic when courts blithely legislate policies that expand entitlements to public resources that are finite.”

Earl Plum, a retired business manager from Santee put it more bluntly “I'm not a well-educated man,

86 Forced sterilization of Latino women has been an ongoing practice in California up to the present day. See Stern, Eugenic Nation, 7.
but to me it's just common sense we don't have enough money to support our city as it is.”

In a world of declining resources, white homeowners sitting atop their subsidized status, a holdover of an increasingly bygone era, made clear their preference for defending their privileges against the threat of nonwhite globalization.

The American Chamber of Commerce, as well as most of the Chambers in the state, condemned Proposition 187 claiming that it would serve only to “breed distrust and damage years of collaboration” between Mexico and the United States. In addition, the Mexican government actively interceded in the debate over Prop 187 making clear its concern that “the climate of hostility and violent confrontation may be unleashed” as well as “the permanent damage that might be inflicted on the image of Mexicans and Mexico.” In Mexico City, protestors burned Pete Wilson in effigy. In cities across the United States, immigrants and allies waved Mexican flags. All of this confirmed the worst fears in the minds of Prop 187 proponents.

Alan Nelson, a co-author of the proposition and former INS agent, hit right at the core of the ways globalization changed Californian society: “Mexico has long encouraged illegal immigration of its citizens to the United States as an economic safety valve.” NAFTA did not escape criticism as a vehicle for increased immigration. Janice Bierly, a school teacher and proponent of Prop 187, deemed border security no longer enough to prevent demographic defilement due to economic integration: “If you think a reinforced Border Patrol is all we need, I must remind you that under NAFTA trucks now roll over our borders uninspected, unopened and

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with no change in driver.”91 In a world with increasingly fluid borders, Prop 187 represented the only defense against the theft of resources wrought by immigrants. This line of reasoning laid out the stakes; if physical integration could not be prevented, the allocation of resources along class and race-based hierarchies must be protected.

North County provided tremendous sources of energy for Proposition 187. Organized homeowners demanded local city councils endorse the Save Our State initiative creating heated confrontations often pitting civic managers against their constituents. At the state level, abstract discussion over resource allocation along lines of race and class proliferated to dominate discourse. But at the community level, politicians found it difficult to endorse the law. Rhetoric had outpaced reality; nothing in Proposition 187 addressed the issue of migrant labor or encampments.

In Poway, where residents had organized to demand the removal of migrant camps, the city refused to take a position. Councilman Bob Emery, who had supported efforts at camp removals, stated his feelings on Prop 187 candidly “its evil, its mean, its anti-children, its anti-poor. It is a proposition written to hurt people.” In Escondido, 700 residents showed up to an October meeting of the city council to demand an endorsement. Holding signs that read “Don’t Sink Our State,” residents like Ralph Ballmer wanted action. “We have got to get these illegal immigrants off the street,” he exclaimed. One anonymous observer, identifying himself only as a local educator, communicated his bafflement at the display of such worked up anti-immigrant activists, saying of the crowd “it reminds me of the Frankenstein movies where a lot of well-

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91 Ono and Sloop, *Shifting Borders*, 55.
intentioned people are running around with torches at midnight trying to kill the monster, but the monster is their own fear and ignorance.” The city council refused to vote.92

While the contours of the debate on Prop 187 roughly fit along party lines, analyzing it purely as an issue of Republican v. Democrat is misleading. It is far better to frame it as an issue of white homeowners vs. others. While conservatives seized on a Los Angeles Times poll that showed majority support among Latinos, California’s electorate in 1994 consisted of 78% white voters, who voted overwhelmingly in favor of Proposition 187.93 More telling though are the extremely limited parameters of debate on the topic.

As David Rieff observed in the gubernatorial campaign of 1990, politics in California played solely to “spread-out” white voters. As such, many of the counter-arguments accepted the interrelated premises that immigrants represented a threat to both quality-of-life as well as American civilization. For example, one line of reasoning suggested that “if an undocumented alien is carrying an infectious or contagious disease, to leave it untreated foolishly risks spreading it to other citizens.” In an article in the New York Times, John M. Leedom, chief of the Division of Infectious Diseases at the University of Southern California School of Medicine posited “Who’s your maid? Who’s bussing the dishes at the table where you eat? Who’s around your children at daycare?” In relation to closing immigrants off from schools, the San Jose Mercury News proffered that the passage of 187 “raised the specter of a post-SOS California with roving gangs of juveniles, no longer allowed in schools, spraying graffiti and bullets.”94

93 Starr, Coast of Dreams, 203.
Kathleen Brown, in her argument against Pete Wilson and proposition 187, offered that as a senator, Wilson had “created the problem” of immigration in the first place while a senator.95

None of these approaches proved effective. Proposition 187 passed with 55% approval statewide. Pete Wilson clinched a come-from-behind victory to remain governor of California. San Diego county delivered a 67.3% approval to Proposition 187 but the more granular details reveal a divide in the vote. Majority-white areas voted in favor of Prop 187 across the board, but degree of support varied significantly. Upper-middle class elites in coastal areas closely matched the overall state numbers. La Jolla for example achieved 55.7% in favor while Del Mar Heights pulled in 56.3%. These areas led the way on tax cuts and Proposition 13, creating the evergreen budgetary crises of the 1980s and 1990s. Yet these areas, with advanced educational attainment and a large degree of civic autonomy, remained largely insulated from the dramatic economic shifts wreaked by the New Economy.96

In North County, white homeowners, forced to share physical space with immigrants in an age of increasing austerity leveled at their communities, and facing a relatively powerful wave of New Economy displacement, voted overwhelmingly in favor of Proposition 187. Escondido led the way with a 75.5% yes vote, over 20 points higher than the state approval number. San Marcos delivered a 73.1% approval. Poway matched the county-wide approval number with a 68.2% vote in favor. Encinitas, home of some of the most virulent anti-immigrant rhetoric, and the birthplace of Prop 187 policy proposals in the form of mayor Pam Slater’s editorial, delivered mixed results. While in North County, Encinitas is also a coastal community, making for a mixed

economic zone, thus the city delivered a relatively tame 58.4% approval, the lowest in North County.\textsuperscript{97}

This geography of Prop 187 foreshadowed the splits forming in American political parties nationwide. While the majority of San Diego County voted Republican, providing Pete Wilson with his strongest base of support, there existed two different kinds of Republicans. While all white homeowners, the divides existed along lines of education, income, financial security, and access to state resources. Both carried high expectations for quality-of-life and a deep commitment to the social/economic unit of mid-century liberalism: the family. In protecting their visions, each pulled up the draw bridge; coastal communities increasingly isolated themselves as a professional class dedicated to technocratic governance and the hoarding of resources from those below them. In inland communities, the relatively less affluent communities sought to fortify their communities from those below them such as migrant laborers.

San Diego County proved a microcosm of the nation’s future political fault lines. The New Economy, globalized and dependent on select skill sets tied to an ever-increasing need for more advanced education, set multiple distinct middle-class communities on different trajectories. While they may share whiteness and relative affluence, the structural reality of the New Economy creates centers of replicating privilege that are less and less accessible to the lower strata of the white middle class, generating a reactionary politics. Proposition 187 proved only to be the first tremor, localized as it was, in what would prove to be a growing rejection of the New Economy from the right.

\textsuperscript{97} Ibid.
Conclusion

To me, America was a good country and a great country long before she was a rich country; Cal Coolidge notwithstanding, the business of America is not business.


On August 11, 1996, Republican presidential hopeful Pat Buchanan hosted an invitation-only gala in Escondido. The event, meant to protest his exclusion from the Republican National Convention held in San Diego, drew over 1,500 supporters. Dubbed “Pat’s Pitchfork Pass” those who attended believed themselves to be part of a “populist” conservative insurgency that prioritized anti-abortion and anti-immigrant policy planks. They decried what they saw as GOP moderation, embodied most clearly in the soon-to-be nominee Bob Dole.\(^1\) In many ways, the 1996 GOP convention in San Diego previewed the ways in which homeowner conservatism metastasized within party politics, seizing nativism as a vehicle to lash out at increasing economic integration.

Buchanan’s strong showing in GOP primaries surprised establishment Republicans. In February, he achieved a major upset by winning in New Hampshire. After his victory, Buchanan declared, “we’re on the verge of taking back the Party, as a prelude to taking back the country.” Key components to Buchanan’s platform included opposition to NAFTA and a proposed “America First” trade policy, strong anti-immigration measures including the construction of a moat on the U.S.-Mexico border, and a stringent opposition to abortion. The combination of these three issues stitched together a competitive coalition for Buchanan,

providing him a wedge issue in nearly every region of the country. As the establishment
candidate, Dole went on to win handily following New Hampshire, but had to expend time and
resources no one ever expected him to have needed to.\(^2\)

To combat Buchanan, Dole bombarded the airwaves with ads labeling the upstart GOP
candidate as a sexist and extremist too dangerous to entrust with the either the Republican Party
or the presidency. To blunt Buchanan’s “high octane attacks on Washington insiders,
international trade deals, and bloodless corporate butchers,” the Dole campaign pivoted to
arguments of higher principle. Following his second-place finish in the New Hampshire primary,
Dole proclaimed, “In the next month, we will decide if we are the party of fear or of hope. If we
are a party that keeps people out, or brings people in. And if we’re angry about the present or
optimistic about the future. That’s going to be the debate in the next 30 days, the next 26
primaries.”\(^3\) This message held, and Dole went on to clinch the nomination on Super Tuesday.

Even with the nomination in hand, California proved a battleground state of sorts. At first
glance, Dole’s 40-point margin of victory on March 26, 1996, suggested the opposite. But, given
the context it proved harder fought than is appreciated. Despite having already secured the
nomination, Dole campaigned tirelessly in the state for two reasons. Most pressingly, Dole
sought to deny Buchanan the delegate totals that would have necessitated his participation in the
convention. In the bigger picture, the Dole campaign also hoped to build momentum in the state
for the general election, potentially putting California’s bounty of electoral votes on the table.\(^4\)

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\(^3\) Ibid, A-3.

\(^4\) Gerry Braun, “Buchanan Narrows Dole Lead in California,” \textit{San Diego Union-Tribune},
Following the New Hampshire win, Buchanan’s support in the state increased from 4% to over 18% according to polls, a bump he never surrendered, even as the nomination was decided. Buchanan found surprisingly fertile ground in California’s inland homeowner communities, stressing as he did his anti-immigration positions. As former San Diego Democratic congressman Lionel Van Deerlin put it, “he is a red meat, in your chops, xenophobic sort of guy bent on delivering America from her godless betrayers.” If nothing else Van Deerlin lamented, Buchanan had a vision: “he really would cancel NAFTA and erect a border fence--and approve shooting any helpless alien who tries climbing over.”

This extremism did not go unnoticed south of the border. Mexican congressman Adolfo Aguilar noted that Buchanan was a “bogeyman” for Mexicans and that his radical departure from the Reagan brand of conservatism was disconcerting. He also remarked “Mexico has to understand the spasms of electoral politics in the U.S. every four years,” because the nation is experiencing cramps that increasingly “seem to involve Mexico.” Luis Rubio, a political analyst in Mexico City, echoed Aguilar’s concerns, claiming Buchanan’s candidacy placed pressure on international relations between the United States and Mexico through his depiction of Mexico as a “cause of evil.” But while the racial implications of demonizing Mexico represented a central part of Buchanan’s appeal, that anxiety proved inextricably intertwined with larger economic shifts. As another Mexican political analysts put it, Buchanan could also be “a good Mexican candidate.” As global economic integration divided the middle class on both sides of the border into winners and losers, he noted “large sectors of people in Mexico feel the same as large

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sectors of people in the United States...people think the past is better than the present and want to go back.”\textsuperscript{6}

As Buchanan’s tough on the border rhetoric garnered him a modicum of success, Dole’s early failure to connect with California conservatives also proved noteworthy. One poll director put it bluntly, “there is no strong connection between Dole and California...there is no natural constituency other than that he is a national leader.” As the campaign spun its wheels in its attempts to put the finishing moves on Buchanan, they turned to someone who knew how to more naturally speak white suburban: Pete Wilson.\textsuperscript{7}

At the beginning of the primary process, Pete Wilson had hoped to be at the top of ticket locking up the nomination at the convention in San Diego. Given his popularity in conservative circles following Proposition 187, he seemed the likely choice of the GOP in the early running, so much so that insiders in the Clinton administration were convinced Wilson would be their competition in the general election. But a debacle of a campaign ravaged by highly publicized infighting combined with his inability to connect with midwestern voters in early states due to his pro-choice position on abortion spelled his demise.\textsuperscript{8}

Most damningly, Wilson found his anti-immigrant rhetoric to be entirely unportable. For people in Iowa, it simply didn’t play. In a New Yorker autopsy of the failed Wilson campaign, political operator Sidney Blumenthal identified a key turn-off in Wilson’s rhetoric that doomed his candidacy from the start. Unlike former California governor Ronald Reagan, who utilized California’s utopian reputation to sell a hopeful fantasy of the future to the nation, Wilson

\textsuperscript{7} Gerry Braun, “Buchanan Narrows Dole Lead in California,” A-9.
presented his home state as a dystopian hellscape he protected from alien hordes. For an Iowan farmer in 1995, such imagery carried little appeal. Concerns over abortion, something Buchanan could offer these voters, connected much more squarely than did Wilson’s anti-immigrant bromides. Yet Blumenthal recognized the GOP seemed headed toward a future filled with “post-Reagan dystopians” making Wilson a candidate ahead of his time.\textsuperscript{9}

The failure of the Wilson campaign, an almost historic implosion for a perceived frontrunner, proved such a toxic embarrassment Dole did not consider Wilson a viable running mate. But desperate to gain a foothold in California and dispatch the irksome Buchanan, help from Wilson on the campaign trail represented Dole’s only chance to gain traction in the golden state.\textsuperscript{10}

Crisscrossing the state together, Wilson showed the silent Dole his style of Republican politics. As one journalist described it, Wilson “was calling the plays.” Every stop on the trail dealt with an issue of white suburban status anxiety: affirmative action, crime, and illegal immigration. One campaign official admitted to the \textit{San Diego Union-Tribune} that Wilson, “was heavily involved in orchestrating the Dole trip...down to conceiving the location of each stop and the message to be articulated.” Among these stops, San Quentin Prison’s notorious death row and gas chamber, in front of which Pete Wilson spoke longer in introducing Dole than Dole did in his subsequent speech. Afterwards, in a trip to the U.S.-Mexico border, Wilson offered a seething and lengthy tirade on the influx of illegal immigrants before Dole offered a few

perfunctory remarks and took very few questions. A campaign insider acknowledged privately, “he's not very comfortable with the issue.”

Dole did achieve success in California’s Central Valley. In rural or semi-rural communities dependent on agricultural economies, Dole spoke the language. In those voters he saw the constituents he was used to courting back home in Kansas. Comfortable, relaxed, and witty, Dole shined in non-suburban spaces able to focus on issues like taxes and regulations where the romanticized “little guy” was some iteration of a farmer, as opposed to a suburban homeowner. In the end, Dole, with the help of Wilson, stopped the bleeding in California, capping Buchanan’s numbers at an annoying, but manageable, 18 percent.

Escondido proved a natural choice for a protest rally on the part of the Buchanan camp. Close to San Diego, these types of inland suburbs and exurbs is where his campaign gained its traction with numbers north of 30% in the final tallies. In these locales, even in a perfunctory election in an already decided primary, the Buchanan message that he would protect area-homeowners from the resource depletion of illegal immigration netted his campaign relatively impressive gains.

Ultimately, Buchanan endorsed Bob Dole, something many of his supporters saw as a betrayal. Still, many dedicated themselves to a 2000 Buchanan run, hoping to see his “populist” brand of conservatism complete its promise of retaking the party and the country, returning it to a past of white homeowner ascendency.

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Dole lost California to incumbent Democratic president Bill Clinton, solidifying its perpetual “blue state” status in general elections into the future. The cause? A combination of the demographic changes anti-immigrant conservatives feared, a rise in public-sector labor militancy, and the blue-ing of highly educated coastal communities thriving in the rising tech economy. This coalition was not without its own internal contradictions, many of them still unresolved, but its power has most recently led to the almost complete dissipation of the Republican Party in the state. In part, it’s rise was enabled by Proposition 187 which inflamed the passions of working class Latinos across the state and forever put their ever-expanding vote beyond the reach of conservatives. The virulent nativism, born of precedents established in quality of life politics, and represented by the “Save Our State” initiative, the governorship of Pete Wilson, and the presidential candidacy of Pat Buchanan, proved to be the last gasp of white homeowner dominated politics, giving way to a more multiracial democracy, at least in California.

Moving forward, this tension between conservative homeowners dedicated to the mid-century liberal promise of a high quality of life and the changing global economy accelerated in other parts of the country. As historian Julie M. Weise identifies in her book Corazon De Dixie, the rapid acceleration of immigration from Latin America in southern cities by the 2000s made the sudden presence of people of color a hot-button political issue in suburban and exurban communities similar in socio-economic character to San Diego County’s Escondido or San Marcos. As she describes it in a survey of the outskirts of Charlotte, North Carolina, “subdivisions replaced crops and edges of mill towns began to function as bedroom communities for growing number of mostly white residents.” Facing explosive growth, these homeowners
took on congested commutes for “larger houses for less money.”\textsuperscript{14} As they did so, they encountered growing Latino communities, often much more established than the shanty-towns of San Diego’s North County, but no less unsightly to this emergent class of white homeowners. Through this example, we see the way in which the intersecting politics of growth, quality of life, and economic integration began to replicate themselves in communities, large and small, across the country. As they did, harsher anti-immigrant polices manifested themselves in both major parties, but the GOP increasingly embraced the homeowner nativism pioneered by Wilson and his San Diego followers.

The delayed dissonance of demographic change afforded the post-Cold War political order a time of relative stability. While California witnessed significant upheavals in the 1990s, the rest of the nation carried on, with its attention focused on other more pressing political issues. The negotiated equilibrium witnessed in conservative homeowner politics near the border came to undergird the nation at-large, carrying with it the same internal tensions. As economies slowly transformed in the Midwest and South, bringing with it increased demographic change, and the middle class across the country continued to shrink, the fragile alliance between white homeowners and business began to crack. As the main vehicle for this alliance, the Republican Party witnessed the increasing success of Buchanan style insurgencies. While often co-opted, the forces motivating the 2010 Tea Party insurgencies were long-familiar ones. As scholar Charles Post argues, the base of these movements consisted of “older small businesspeople and

professionals who made up the majority” and “viewed immigrants as a threat to their quality of life and competitors for scarce social services.”  

As the paradox of mid-century liberalism continues to define our politics, capitalism, ever fluid, continues to reinvent itself to maintain a negotiated equilibrium of profit and political sustainability. To do so, it has continued its commitment to a New Economy which fulfills the quality-of-life expectations of fewer and fewer people. As the bar continues to lower, conservative backlash grows, targeting the forces that squeeze ailing homeowners from both above and below.

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