

INSIGHT

California, Land of Opportunity

Dr. Gloria C. Duffy, President and CEO

The idea of California exceptionalism is embedded in our DNA. The concept was gelled by historian Carey McWilliams, who wrote in his 1949 book *California: The Great Exception* that rapid population growth, natural resources and industrial development had led California to be a new center of economic and political power in the United States. We are now accustomed to thinking that California leads the nation in social and economic trends.

These trends have grown stronger since the middle of the last century. Today California is an economic powerhouse, with the fifth largest economy in the world. Our annual GDP is \$2.7 trillion. Only the United States as a whole, China, Japan and Germany have larger economies than California. Our economy is larger than those of Great Britain, France and Russia.

Our state contributes more than 14 percent of U.S. economic power. With our leadership in entertainment, agriculture, real estate, financial services, manufacturing and technology, we are a huge economic powerhouse. Our population is now nearly 40 million, or 12 percent of the U.S. population. California compares to other countries—China, Japan, Germany and the United States as a whole—not to other states in the United States. Our nearest competitors among the states—Texas and New York—lag more than a trillion dollars each behind California's annual GDP.

The United States today is beset by numerous problems. The demise of industries like coal, steel and lumber have created a loss of jobs, giving rise to groups of disaffected citizens who are unemployed or underemployed. More than 40 million Americans lack medical insurance; the United States is 33rd out of 34 OECD countries in the percentage of the population covered. Turkey, Slovakia and Poland have better rates of health insurance coverage.

Homelessness is epidemic. A half million Americans are homeless, including disproportionate numbers of children, veterans, disabled and the elderly.

We have an increasing rate of mass shootings and an increasing number of people killed this way.

We have a politics of me and mine, rather than us and ours. Due to dysfunctional hyper-partisan politics, we are unable to take needed steps on the national level to deal with such issues as climate change and health insurance.

We have divisions between races and around gender. We have a public discourse that is difficult, divisive, sometimes rude, strident and demeaning. The diversity and effectiveness of our national media has declined. We are experiencing a rise in white supremacist activities and an increase in authoritarianism, nationally and internationally.

California is a microcosm of the nation's issues; all of these trends affect us. But, unlike many other regions of the United States, California has the resources—intellectual, scientific, natural, organizational,

economic and political—to address the problems, and in doing so provide an example for the nation and the world.

And herein lies California's current exceptionalism. The phrase, "California, land of opportunity," has always meant the opportunity to start a new life; to succeed; to find gold, oil, land or an entrepreneurial environment conducive to founding a new business. Today, it means that we have the opportunity to problem-solve for the nation.

In most of the challenges we face as a nation, California is either leading the way to solutions or is poised to do so. While we have political polarization nationally, in California, to a great extent we still have a functioning bi-partisan system that allows us to address our problems.

On climate change, for example, Republican Governor Arnold Schwarzenegger's 2006 AB 32 was the most comprehensive climate change legislation in the world. Democratic Governor Jerry Brown has continued along this path, announcing that California will have a carbon-free energy base by 2045.

California is also leading in the development of public transportation, which is essential for our economy and to reduce carbon emissions. We are building the first high-speed rail system in the nation. With Google's proposed development around the Diridon Station in San Jose, we are also pioneering in transit-oriented developments that will locate homes, shops, restaurants and amenities around our major transportation hubs.

On health and medical care, California already delivers many of the medical breakthroughs and technologies that drive our dramatically expanding ability to provide outstanding health care. Now California is on the cusp of political leadership, as our new governor, Gavin Newsom, appears ready to find a financially sustainable approach to universal health insurance coverage for Californians.

California has one of the highest homelessness rates in the nation. But funds and strategies are now flowing to solutions. San Francisco's Proposition C, Cisco System's commitment of \$50 million, Mark Benioff's leadership and independent organizations like Conard House, Miracle Messages and Chrysalis in Los Angeles are all addressing the problem with innovative approaches.

California will be the land of opportunity, in all senses, if we channel our resources through both political and citizen action to show the rest of the nation and the world how to solve our problems. 



Photo courtesy of Gloria Duffy

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