Building a California Economy for All: Manuel Pastor and Chris Benner

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- Manuel Pastor – Distinguished Professor and Director, USC Dornsife Equity Research Institute – mpastor@dornsife.usc.edu
- Centering racial equity
- US to become majority people of color 2043-2045. CA already went through that shift from 1980-2000. CA demographic change is slowing down – only 1% increase a year in Latinx going forward. Less immigrants coming into the state – less than a ¼ of immigrants are coming to CA when it used to be ½ of all immigrants to US.
- More than 2/3 of undocumented people have been in the country for longer than a decade.
- Generational wealth gap is trending in demography numbers.
- Theory of change:
  - Our economy, not “the” economy – organized by people, reflecting values and power
  - Mutuality – recognize role in current economy, invest in it for transforming economy
  - Movements – shift power relationships, expand circles of belonging
- Solidarity and caring – care for children and elderly
- Solidarity and housing – affordable housing helps economy
- Solidarity and education – investing in education helps the economy
- Solidarity and health – prevention is cheaper than treatment. There’s value in addressing the social determinants of health
- Solidarity and our environment – going green is good economics. Climate change and pollution are expensive. Higher racial disparities and exposure results in higher exposure for everyone.
- Solidarity and innovation – collective knowledge creates value. Need to challenge unfair corporate appropriation of common resources and a distorted innovation system.
- Solidarity and inclusion – solidarity dividend, not safety net.
- What does this mean for CERF?
  - How to prioritize untraditional econ dev strategies?
  - How do we facilitate structural changes in industry dynamics?
  - How do we invest in movements for an inclusive economy?
- Salinas Inclusive Economic Development Initiative examples:
  - From workforce development – outdated, paternalistic, fragmented, underfunded, built on edu systems that functions to segregate to workforce systems development – rooted in an asset-based not deficit model, creating and developing with, not for, community and labor.
- Difficult conversations – face-to-face, race-to-race, place-to-place. Talk is not actually cheap; it requires effort.
Pastor lifts up 3 things:
  o How do we drive the top – pulse of innovation
  o Grow the middle – invest in clusters
  o Lift the bottom through minimum wages, etc.

Need to understand variation in regions but also the interdependence of regions

California Immigrant data portal is a resource that gets down to place level

Origin of *Solidarity Economics* book – held 4 focus groups with social movements. They wanted a bigger vision of what was possible.

**Lunch brainstorming with state partners Derek Kirk and Mary Collins:**

1. What does it mean for the state to be a trusted partner?
   a. Representatives set up in almost every region available for contact. The state is facing hiring challenges in some regions. [Economicdevelopment.business.ca.gov](http://Economicdevelopment.business.ca.gov) to see who is regional contact
   b. Candor is really important
   c. State is open to hearing what’s not working
   d. Question around implementation phase guidelines – state intends to work with the regions on guidelines
   e. Community engagement toolkit that Jesus put together – coming as a follow up to this meeting.
   f. Collaborative governance and data toolkit also being prepped.
   g. Community of practice – cadence undermined. Did a quick poll, but only a few hands were raised for the options of once a month or every other month.
   h. State partners willing to engage in meetings if needed.

2. Need for common language
   a. State encouraged a common dictionary of terms
   b. Sharon suggested a query bank – to formulate surveys. State liked the idea.

3. Timeline
   a. Letter of project modification - changes are due in 90 days
   b. Original contracts were supposed to be signed in Oct – now finalizing in March
   c. Regional profiles are due Aug 31
   d. Aug 31, 2024 – strategies due but doesn’t have to be a polished. The state will have questions.
   e. State mentioned that 11 months to spend funds is not enough time, but they didn’t offer a new deadline.

**Workshop 1: Building a Table That Centers Equity to Achieve Prosperity in Your Region:**

- Collaborative governance
  o Inclusive decision and structure – inclusive representation, equitable discourse and decision-making. Need to do work before people come to the table to make sure they are on the same level before coming to the table – otherwise their voice will not be properly heard.
  o Participatory process – engagement with diverse communities, participatory decision-making. How will our process gather and reflect upon the unique
needs and priorities of diverse communities? How will our process be accountable to community members, such that it is clear that the action corresponds to community feedback.

- Equitable Outcomes – Both the distribution of resources and the design of projects respond to the State’s equity and resilience goals. How will our process support difficult conversations?

- Principles in action
  - Over 1M people in CA are impacted by unsafe drinking water. SB200 Safe and Affordable Drinking Water Fund was signed in 2019.
  - Make meeting accessible, have the meeting

**Workshop 2: CERF Use Cases in Action**

1. **David Shabazian – Director, Department of Conservation**
   - 85% of CA is rural but planning has traditionally focused on urban areas. Natural and working lands have to go together because we need the natural lands to bring the resources to the working lands. A key component of climate strategy.
   - Strategy Pillars:
     - Watershed management
     - Carbon management
     - Hazards
     - Sustainable Economic Development
   - Centering disinvested communities through technical assistance, outreach, capacity building. Environmental resilience required for climate resilience which is required for economic resilience.

2. **Scott Adams – Deputy Director of Broadband and Digital Literacy, California Department of Technology**
   - Developed action plan during pandemic to address disparities in broadband
     - Access
     - Affordability
     - Adoption
   - Missing infrastructure to push broadband into rural areas – allocated $6 billion to address
   - SB156 - last mile funding
   - FCC affordable connecting program - $30 benefit that people can get now to subsidize internet for households.
   - Digital equity grants will be available to communities
   - Centering disinvested communities through convening roundtables, individual meetings, planning workshops on digital equity, deploying 22 state agencies to participate in those meetings

3. **Glenda Humiston – Vice President of Agriculture and Natural Resources, UC ANR**
   - People, Planet, Prosperity ethos
   - Greater jobs challenge – was involved in $21 million grant for forestry careers. Community colleges got the bulk of that for workforce development.
Critical partnership is needed between gov, private sector, and academia to work together. F3 is an example of this.

Standing up San Joaquin Valley agroecology
Ag tech designed for small farmers is growth area
Got $ to stand up additional 100 cooperative extension slots
Centering disinvested communities through regional food systems and small entrepreneurs, biomass job potential in rural areas, post disaster recovery advisor jobs, climate resilience indigenous food sovereignty, regenerative ag.

Workshop 3: CERF Evaluation Process
Dion Jackson – Program Director – USC Price Center for Economic Development

- Looking at social change, changing the odds, and mutuality.
- Theme of evaluation is asking questions, reflecting, and then responding.
- Evaluation partner is The Mark USA, USC is doing the economic part
- The Mark USA, Inc is CA based applied research and evaluation firm that is minority and women owned.
- USC Center for Economic Development (CED) – expert on the EDA CEDS process
- Theory of change – what is it? A methodology for planning, participation, adaptive mgmt., and evaluation used to promote change.
- Logic model and examples of using the model:
  - Inputs:
    - HRTC Convener and Fiscal Agent
    - HRTC members
    - Inter-agency leadership team
    - The Mark evaluation team
  - Activities:
    - Informing, engaging, and empowering diverse communities
      - Surveys of stakeholders
    - Building effective partnerships
      - Focus groups
    - Developing social infrastructure and cross-regional collaboratives
      - Quantify # of partnerships, the type, and participation over time
    - Conducting planning meetings
      - Participation over time
    - Participating in evaluation meetings
  - Outputs:
    - Inclusive planning tables
      - Are all diverse populations represented?
    - Governance structure
  - Outcomes
    - An inclusive and equitable economic plan
- Evaluation Approach: Developmental Evaluation
What is it? – supports social innovations by working in partnership with program decision makers.

The Mark team will partner with CERF regions on workshops

- USC is a learning partner – will assign staff to each region to respond to questions. On the ground – will visit 2-4 times a year. Capacity building – workshops

**Evaluation Activities: Year 1 June 23-May 24**

- Host two 2 statewide convenings
  - Evaluation kick-off in June/July 2023
  - March 2024
- Conduct theory of change (TOC) workshops; develop regional TOCs with each region in July/August 2023
- Conduct focus groups and interviews with HRTC stakeholders
- Collect monthly or quarterly data on activities, outputs, and outcomes via online platform.
- Provide timely data for decision-making

**Data for cross-regional partnerships**

- Urban-rural dichotomy – 80% of CA landmass is characterized as Rural or Frontier by the Medical Service Study Area
  - 6 regions are rural
  - 2 regions are urban
  - 5 regions are a mix
    - 1 is more urban
    - 2 are more rural
    - 2 are 50:50

**Research Assets** –

- Universities classified as R1 or R2. 7 regions have an R1 university, 2 regions have an R2, and 4 have no research university.

**Public Higher Education Assets** – public edu assets are correlated to population density.

- 12 regions have 1 or more state universities
- 13 regions have 1 or more community colleges
  - 1 region has a total of 1 community college
  - 1 region has a total of 2, another has 3
  - 1 region has 25

- Harvard study said jobs of the future will be in a ratio of 1:2:7. Example: 1 doctor, 2 nurses, 7 technicians.

**Looking Ahead:**

Stewart Knox – Secretary, CA Labor and Workforce Development Agency

- CERF is ground-up strategy
- Don’t want to see every region be the same. Each region will be different and should be.