



Rural Economic Development in a Diverse and Rapidly Changing Land

Briefing paper on California's Central Coast Region

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Submitted to:

The National Rural Funders Collaborative:
Closing the Gap Conference

Draft August 1, 2008



Abstract:

Poverty frequently coincides with communities of color in the U.S.¹ and the National Rural Funders Collaborative believes that it is essential to recognize race, class, and power dynamics when crafting economic development strategies.² This paper focuses on rural migrant Latino/a and Latino/a-American populations, as well as migrant Indigenous populations in the Pájaro Valley and Salinas Valley, in California's Central Coast region. The paper demonstrates that there is a history of differential treatment toward immigrant and communities of color, who have traditionally worked in low-wage jobs with limited opportunities for economic as well as political advancement. The rural population in the region is increasingly diverse and communities of color are gaining some degree of political, social, and economic power in the region, yet still face significant challenges to move out of poverty. Importantly, this paper demonstrates that there is substantial economic growth and opportunity in the region which, combined with increasing political support and presence of supportive agencies signals a real potential for poverty alleviation among communities of color. In order for economic development ventures to succeed, they need to be shaped by the communities themselves and positioned in multi-scalar networks of support, and may need to be paired with sector-based and other skills training, labor rights work, community organizing support, and language acquisition. It will also be important for them to connect with emerging regional initiatives that are premised on inclusion and equity.

¹ Delgado, *Zeroing In: Choices and Challenges for the National Rural Funders Collaborative*.

² Richardson Jr. and London,, "Strategies and Lessons for Reducing Persistent Rural Poverty: A Social Justice Approach to Funding Rural Community Transformation."

I. Introduction

“My work is all I have because the only thing I have is the trailer that I live in and if I am out of work, I don’t know what am I going to do to survive in this area that has a high cost of living.”- Fidel Arriago, Salinas, CA, vegetable worker.³

“Economic structure is forged at the local, as well as other, levels, in relation to the challenges, strengths, and vulnerabilities of local actors. This recognition signals the locality as an important laboratory for innovation in the world system, as a dynamic source of macroeconomic change” – Miriam Wells⁴

This briefing paper, developed by the UC Davis Center for the Study of Regional Change and the California Center for Regional Leadership for the National Rural Funders Collaborative (NRFC), provides a background to transformative economic development in the rural California Central Coast region. The paper will be paired with briefing papers on the NRFC’s demonstration projects in the Mid-South and Northern Plains regions at the “Closing the Gap” conference in September, 2008.

The boundaries of the Central Coast region are fluid depending on the issue, but stretch roughly from Santa Cruz County through Monterey, San Benito, San Luis Obispo and Santa Barbara counties. The NRFC funds two initiatives in the Pájaro Valley and Salinas Valleys of the Central Coast which address the agricultural workforce economy and small business owners through a regional collaborative economic strategy. Begun in April 2007, these partnerships are focused mainly in the cities of Watsonville in south Santa Cruz County and the surrounding unincorporated areas of south Santa Cruz and north Monterey county along the coast, and east Salinas and Greenfield, both in Monterey County along a major inland transportation corridor comprising five cities and the surrounding unincorporated area (see the map on the following page).

The Association of Monterey Bay Area Governments (AMBAG) is the region’s federally designated Metropolitan Planning Agency responsible for transportation planning and investments of federal and other resources, and for identifying the share of the region’s housing needs for each community. AMBAG’s region covers Monterey, San Benito and Santa Cruz counties, reflecting the regional labor market and the circuit of labor and economic linkages to the Bay Area and Central Valley. Due to the location of

³ “UFW: The Official Web Page of the United Farm Workers of America.”

⁴ Wells, “Politics, Locality, and Economic Restructuring,” 46.

the NRFC sites, this report focuses on the demographics of Santa Cruz and Monterey counties. The discussion of the economy will include some broader regional references.

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TIFF (Uncompressed) decompressor
are needed to see this picture.

Source: Association of Monterey Bay Area Governments

The Salinas and Pájaro Valley Small Business Initiatives work with the Pájaro Valley Community Development Corporation and the Agriculture and Land-Based Training Association (ALBA); the City of Greenfield is building the non-profit Rai\$ing Change Initiative. Additional work is taking place with the Salinas United Business Association (SUBA) and the non-profit Business Community Partnerships (BizCom). Since their inception, these culturally-specific initiatives have provided training and technical assistance to traditionally marginalized populations which helps increase their access to financial capital and other business support services. The goal of these initiatives is to create viable business and employment opportunities that contribute to sustainable economic development and empowerment for communities of color, and that become recognized as valued assets for overall regional economic vitality. This goal is to be understood within NRFC's larger theory of change, which recognizes that transformative

economic development foregrounds elements of race, class, and power rather than focusing solely on economic and market statistics.⁵

To increase the likelihood that the NRFC's initiatives will succeed in their goals, a critical analysis of the historical and structural conditions of the region is needed. The following sections seek to provide such an analysis.

II. Critical Contexts for California's Central Coast

California's Central Coast has a global reputation as a coastal tourist destination with world-class environmental attractions such as Big Sur, recreation assets such as Pebble Beach and Cannery Row, and as the 'salad bowl of the world.' The Valleys in the Central Coast are major producers of fruit, especially strawberries, vegetables, and nuts. There is also a high concentration of knowledge assets with two major universities, several community colleges, and major marine, defense and other types of training and research organizations.

Like many regions in the U.S., the Central Coast is also an area where persistent concentrations of poverty exist among communities of color, particularly in the poorer, inland areas. Wealth is concentrated on the coast in places like Santa Cruz, Carmel-By-the-Sea, Pebble Beach and the city of Monterey. While coastal real estate is always at a premium in California, the regional estate market is further distorted by the demand for high end second homes and resort development. These patterns widen divides based on class, race, and power. They contribute to strong tensions regarding land use issues, including the struggle to preserve important agricultural lands and environmental resources while providing adequate workforce housing, services and jobs.

The State of California has experienced high levels of population growth over the past several decades, a trend mirrored in the Central Coast. The population in Monterey County has increased by 71 percent since 1970, while the population in doubled over the same time period. Table 1 provides a historical timeline of demographic change in these counties.

⁵ Delgado, *Zeroing In: Choices and Challenges for the National Rural Funders Collaborative*.

TABLE 1: Gross Population Change from 1950-2008, Monterey and Santa Cruz Counties

County	Population (1950)	Population (1970)	Population (2000)	Population (estimate: 2008)
Monterey	130,498	250,071	401,762	428,549
Santa Cruz	60,534	123,790	255,602	266,519

Source: U.S. Census data (1950-2000) and California Department of Finance data (2008)

Both of these counties are racially diverse, particularly Monterey, as shown in Table 2.

TABLE 2: Racial demographics by Percent, 2004, Monterey and Santa Cruz Counties

Race	Monterey County	Santa Cruz County
White	36	61
Black	3	0.9
American Indian	0.5	0.5
Asian	6	4
Pacific Islander	0.5	0.1
Multiracial	2	1.9
Hispanic or Latino of any race	52	32

Source: California Department of Finance

In Monterey County, Census 2000 data showed that 9.7% of families and 13.5% of individuals were below the Federal poverty level. The median household income was \$48,305. In Santa Cruz county Census 2000 data showed that 7% of families and 12% of individuals lived below the poverty level. The median income was \$53,998.

Some factors that must be considered in interpreting these numbers is the unknown number of undocumented workers living in these counties⁶, which would not only affect number and race, but also raise the poverty levels. Importantly, poverty rates are highest for American Indians, Blacks, Latino/as, and people identified on the census as Some Other Race (ranging from 21.9 to 24% in the state), lowest for Whites and Asian/Pacific Islanders (7.8 and 12.9% respectively), and intermediate for people

⁶ While the actual number of undocumented immigrants is unknown, it is estimated that 90% of Latino immigrant working in agriculture are undocumented (source – **check with Ron Strohlic at CIRS**). Given the significant agricultural labor force in the Salinas and Pajaro Valleys, it is certain that the census figures for Latinos as grossly under-counted.

identified with Two or More Races (16.9%).⁷ Additionally, the cost of living in California is higher than in many other states, so more people may spend a greater portion of their income on subsistence expenses (e.g., food and housing) than in other regions. More specifically, the high-priced real estate markets of coastal towns such as Carmel, Monterey with Pebble Beach and Santa Cruz significantly raises the cost of living in rural inland areas and forces many workers into long commutes.

Recent demographic estimates provide an essential update and demonstrate how quickly this region is changing.

TABLE 3: Growth in NRFC Demonstration Area, 2006-2008

Place	Population (2006)	Population (2008)	% Increase
Monterey County	421,417	428,549	1.7%
Salinas	148,870	150,898	1.4%
Greenfield	15,390	17,316	12.5%
Santa Cruz County	262,150	266,519	1.7%
Watsonville	50,003	51,132	2.3%
California	37,114,598	38,049,462	2.5%

Source: California Department of Finance

From 2000-2004 both counties show trends of decreasing White and Black populations and noticeably increasing Hispanic or Latino/a populations.⁸ Mexican migration to and through the Central Coast is diverse and includes multiple Indigenous groups, and Mestizo Mexicans from very different areas and experiences.⁹

In the following section, a history of communities of color in the region demonstrates the fluid nature of migratory populations and how economic sectors develop concurrently with social and political change. This is followed by an analysis of the cultural, social, and political environment in the region in relation to alternative economic development that will lead to economic integration. Next, we examine the economic drivers and sectors in the region and identify opportunities for asset-based development. Finally, a section on recommendations suggests that a combination of

⁷ Lopez, *Race and Poverty Rates in California: Census 2000 Profiles*.

⁸ State of California, *E-4 Population Estimates for Cities, Counties and the State, 2001-2008, with 2000 Benchmark*.

⁹ Fox and Rivera-Salgado, *Indigenous Mexican Migrants in the United States*.

leadership development, pathways for sector-based and other skills acquisition, and government policy that understands, supports and advocates for low-income populations in communities of color are necessary economic development strategies to respond to the challenges and opportunities associated with the factors of race, class and power in the region.

III: History, Race, and Class in the Central Coast

“[History] is socially constructed in diverse circumstances and processes . . . It is a study of events and narratives and how those are linked in the process of collective action,” - John Walton¹⁰

Although some landowners and workers in the Central Coast complain about the influx of Mexican migrants, the history of this region is actually made up of successive waves of migration and power beginning with Native American groups. In order to understand why many people of color are in disadvantaged positions today, it is necessary to re-frame the history of the region to foreground the communities of color that are typically rendered invisible in standard histories.

Prior to the arrival and subsequent encroachment/occupation of European populations, the Central Coast was home to several Native American groups. In the Pájaro Valley, the Ohlone bands inhabited the area between what is today San Francisco and Big Sur, including Watsonville and Salinas.¹¹¹² They numbered around 10,000 people before conquest.¹³ In what is currently Monterey County, the Esselen tribes numbered between 750 and 1,300 prior to occupation.¹⁴ In 1602, Spanish explorer Sebastián Vizcaíno arrived at Monterey Harbor in Alta California, held a Catholic mass, and named it Condé de Monterey. He left, and the land remained under Native American decentralized control until 1770, when another expedition from Baja California arrived. This time, the area became the headquarters of the Franciscan mission system at

¹⁰ Walton, *Storied Land*, 10.

¹¹ “History of Watsonville.”

¹² “City of Salinas, California: General Plan Info.”

¹³ Walton, *Storied Land*, 17.

¹⁴ “Monterey County Historical Society, Local History Pages--From Peace To Present: A Look at the Ohlone Indians.”

Monterey, which soon grew to four missions. Native American trade and skilled labor was essential to the construction of Spanish missions in Monterey and the survival of the Spanish Franciscans in the region. As a result of illness, massacres, and the destruction of the economic and political bases of Native American societies, Central Coast tribes experienced major decimation of their population subsequent to conquest. By the 1830s, an estimated 80 to 90% of the Native population in Monterey Bay was wiped out.¹⁵ This echoes the state as a whole: in 1770 the Native population in all of Alta California was estimated at 133,550; by 1846 this estimate was 10,000.¹⁶

Following 1822, California was administered as a province of Mexico with Monterey as its capital. Treatment of the surviving Native Americans grew more physically controlling in its thrust as opposed to earlier Spanish Catholic conversion efforts.

In 1848, following the Mexican war, the United States of America gained control of California under the Treaty of Guadalupe Hidalgo and power shifted again. Part of the treaty conditions included a U.S. offer of American citizenship to any Mexicans in the ceded territory areas, including California- meaning that some of the original “American” inhabitants of the Central Coast were Mexican in origin. Ideological and violent conflicts between new Americans and older *Californios* were frequent, as the *gringos* sought Mexican lands and resources and did not have time for *siestas*, social formalities of the region, and stratification of society.¹⁷

Due to rapid growth and modernization in other areas of California, the capital was moved from Monterey to San Jose in 1849, and eventually to Sacramento in 1854 as the first “American” capital of the state. Under American control, Native groups were further dispossessed of the majority of their land and un-enrolled. Struggles by Native groups over land and cultural survival continued for the next 150 years. Today on the Central Coast and Valley, the Ohlone Indians are still fighting for federal recognition in order to secure adequate funds for community development.¹⁸

¹⁵ “Monterey County Historical Society Website.”

¹⁶ Ibid.

¹⁷ Hicks and Hicks, *Monterey* .

¹⁸ “Monterey County Historical Society, Local History Pages--Ethnic Participation during the American Period, 1846-1930.”

From approximately 1860, the town of Salinas experienced significant growth based on cattle ranching, and wheat and barley crops, and in 1868 the town of Watsonville was incorporated. In 1872 the Southern Pacific Railway construction extended there, a significant factor in early economic growth. Crop farming in the valley “demanded a particular type of laborer, one who would appear when needed, want little in the way of housing and wages, and disappear from the scene when the harvest was over.”¹⁹ This was satisfied with the sequential recruitment of a number of immigrant ethnic groups. In the 1870s and 1880s, cheap Chinese laborers carried out land reclamation and cleared and drained swamps and Lake Carr that surrounded the town, which raised the land value by almost 300% in two years.²⁰ The 1880 census for Salinas showed 1,755 whites, 102 Chinese, and 8 Blacks.²¹ The 1890s saw growth of dairies in the area run by Swiss and Portuguese, and a diversification of agriculture with the introduction and rapid growth of the sugar beet. Intensive horticulture took off, reliant on the transient labor. This was accompanied by demographic diversification through the importation of 200 Japanese laborers to work at the sugar beet factory.²²

The Japanese population grew in size for the next 50 years despite exclusionary immigration policies and intense discrimination. Forced evacuation and internment during World War Two depopulated the Japanese-American community, and only some returned after the war. Mexican labor began to be imported during World War One to replace workers who enlisted in the army (and to further exclude Japanese laborers): many stayed until the 1930s. This wave of Mexican immigration was followed by the Bracero farm labor program that brought thousands of laborers to the region from 1942 through 1964.²³

At the turn of the twentieth century, fishing became Monterey’s first organized industry, and the first large commercial fish cannery was opened in 1895, specializing in sardines. Chinese migrants were imported to supply cheap and pliant labor and a Chinese village was set up between Monterey and Pacific Grove. At the turn of the century,

¹⁹ Ibid.

²⁰ “Monterey County Historical Society Website.”

²¹ Ibid.

²² “Monterey County Historical Society, Local History Pages--Ethnic Participation during the American Period, 1846-1930.”

²³ Ibid.

hundreds of Italians, Sicilians and Portuguese fishermen also arrived, and combined with new technologies of the Cantabrian *lampara* net, the industry boomed.²⁴ The Italians, Sicilians, and Portuguese formed a *paisano* colony with the Mexicans and Filipinos, which became known as Cannery Row, immortalized by American novelist John Steinbeck. He described it, “Gathered and scattered, tin and iron and rust and splintered wood, chipped pavement and weedy lots and junk heaps, sardine canneries of corrugated iron, honky tonks, restaurants and whore houses, and little crowded groceries, and laboratories and flophouses.”²⁵ The Chinese population became subject to racism and prejudice, and in 1906, the entire Chinese village burned to the ground. The shoreline property became available to non-Chinese developers, and many Chinese people were forced to re-locate.

In the 1920s, economic and social forces produced a great shift in agricultural production in the Central Coast region, taking new advantage of the area’s fertile soils and growing conditions. Lettuce and other row crops such as artichokes began to boom in the Salinas Valley, and the development of ice-bunkered railcars made it possible to send the crops around the country.²⁶ Technological advances such as establishment of Reclamation Ditch #1665 in 1917 allowed for marshland areas to be converted to farmland, and newly available electric power allowed for extraction of groundwater to expand irrigation of crops. The advancement to intensive, single-crop production firmly entrenched the need for seasonal and cheap labor in order to make maximum profits. As the Japanese had replaced Chinese labor for the sugar beet industry, now Filipino labor replaced Japanese labor for the row crops.²⁷ In the 1930s ownership shifted to even larger absentee corporations and exporters.

In 1934, the Filipino Labor Supply Association, one of California’s first farm labor unions, carried out a major strike. Filipino communities faced intense prejudice and racial violence at this time. Labor strife continued throughout the 1930s, and in 1936, the Dust-bowl migrants from the mid-west who settled in the Alisal district of Salinas challenged the Associated Farmers over wages as members of the Vegetable

²⁴ Hicks and Hicks, *Monterey* .

²⁵ Steinbeck, *Cannery Row*, 5.

²⁶ “City of Salinas, California: General Plan Info.”

²⁷ “Monterey County Historical Society Website.”

Packers Association. Steinbeck wrote the Pulitzer Prize-winning novel *The Grapes of Wrath* (1939) memorializing this labor saga.

World War Two saw a temporary shift from labor strife to reconciliation in efforts to produce “Food for Victory,” and Mexican migrant labor was re-introduced to replace soldiers with the *Bracero* program.²⁸ Following WWII, Mexican labor began to dominate agriculture in California, including the Central Coast region: a pattern that continues today. Following the end of the *Bracero* Program in 1964, a strong labor rights and human rights movement rose among the farm worker population. As a result of labor organizing, in 1963, California instituted a minimum wage for agricultural workers, and by 1966, farm workers were included under the federal Fair Labor Standards Act.²⁹ The United Farm Workers were extremely active in the region, and in 1970 instigated the largest strike in farm worker history, targeting lettuce growers. By 1975, pressure from the UFW led to the signing of the California Agricultural Labor Relations Act (CALFRA), which protected farm workers organizing for their rights. The following year, state unemployment insurance and workers compensation benefits were extended to agricultural workers. In the 1980s the political landscape shifted as the economic crisis in Mexico encouraged out-migration, and a conservative California government made it difficult for the UFW to have as great of an influence.³⁰ In 1985, cannery workers in Watsonville working in frozen foods went on strike for eighteen months, virtually shut down the town, and eventually secured health benefits.³¹ Events in this time period demonstrate how Latino/a farm workers strengthened their social position through organizing efforts, sowing the seeds for future generations to take up further positions of power.

Over the last two decades, the Mexican migrant population diversified greatly and achieved some political leadership.³² Political and economic events in Mexico pushed more Mexican migrants to bring their families to the U.S. rather than stay in Mexico, creating a new set of social service needs and increased visibility. In the early 1980s, Indigenous Oaxacans from Southern Mexico (including speakers of Mixtec, Zapotec,

²⁸ Ibid.

²⁹ Wells, “Politics, Locality, and Economic Restructuring,” 35.

³⁰ Ibid., 44.

³¹ Silver, *Watsonville on Strike*.

³² Fox, “Reframing Mexican Migration as a Multi-Ethnic Process.”

Triqui, Purapecha and others) and Mayans from Guatemala began to migrate to the U.S. from northern Mexico. Indigenous migrants currently make up between 10-15% of California's farm labor force, and by 2010, that number is estimated to jump to 20%.³³ Migration is driven by both economic factors related to the under-development models of the Mexican government and neo-liberal trade regimes such as NAFTA as well as political factors. For example, the Triqui Indians face political violence around land disputes in Oaxaca, and the more recent teacher's strike and Federal militarization of Oaxaca increased out-migration for many groups.³⁴ Zapotec migrants have a big presence in the Seaside, Salinas, and Watsonville corridor, while in Greenfield there is a predominance of Mixteco and more recently Triqui groups. While these groups are distinct, they also work together in ways that they did not when in Oaxaca.³⁵

Beginning in the mid-1990s, the Mexican president began to treat Mexican migrants as 'heroes,' openly honoring their efforts to earn wages for their families. Remittances are the second largest source of foreign income in Mexico, and in 2007 totaled \$24 billion dollars.³⁶ These substantial numbers indicate that governments in both the U.S. and Mexico must pay more attention to migrant populations.

Other significant regional changes have affected the population on the Central Coast and overall development patterns. Notably, the closure of the military base Fort Ord on the Monterey Peninsula in 1994 ended the draw of ethnic populations associated with the base, including an African-American population dating to the 1940s.³⁷ The base is now the site of California State University, Monterey Bay, a shift that has brought in permanent residents as well as students. Other changes include the decline of the fishing industry, particularly sardines, which shifted the area's regional identity and employment patterns.³⁸ The decline of the food canning industry in Watsonville, with the departure of major employers such as Green Giant, led to a significant job loss and economic transition. In 1996, the Loma Prieta earthquake struck the area and devastated much of Watsonville, leading to a reconstruction and improvement of some parts of the city

³³ Ibid., 43.

³⁴ Hester, "Indigenous Migration in the Central Coast."

³⁵ Rivera-Salgado, "Background on Indigenous Migration to Central Coast."

³⁶ "Migration News - Migration Dialogue."

³⁷ Sulsona, "Background research."

³⁸ Cite James Macavoy on the decline of the fishing industry

through a focus on the area by federal and state agencies, and long-term planning for sustainable economic development.

Although there are reports of a significant amount of prejudice toward Mexican populations, there are degrees of social, political, and economic improvements. One challenge that comes with these improvements is the increasing segregation occurring as white residents move to wealthier, non-Latino/a parts of region. In East Salinas, for example, the Latino/a population is estimated to be 80-90%.³⁹ Issues such as insecurity and gangs are reasons cited for people leaving lower-income areas. Resources to support pathways for positive youth development (e.g., community centers, mentors, leadership training, job training) are scarce, resulting in high rates of high school drop outs and gang violence. In Watsonville, which is nearly 70% Latino/a, there is great animosity by Whites against Mexicans, who are blamed for low-wages and gang violence.⁴⁰ While in the past, Latino/a migrants were likely to be single men who returned to their families and disappeared in the off-season, in the past twenty years whole families have settled in the area, leading to a need for more education and social support resources.⁴¹

In 2007, Greenfield was 88% Latino/a or Hispanic.⁴² A younger and much smaller city, it has a reputation for being more welcoming to Latino/a groups politically, but there is still prejudice, especially against Indigenous groups. Although one in ten Mexicans speaks an Indigenous language, Indigenous groups face subordination and racism in Mexico.⁴³ This is often reproduced when they come to the U.S. and interact with non-Indigenous Mexicans. One of the major challenges that Latino/a populations face is around language acquisition skills, although many services are available in Spanish. Some Indigenous migrants are monolingual, particularly the Triki in Greenfield, and particularly women.⁴⁴

One of the most serious problems that communities of color face in the Central Coast region is the instability and insecurity of undocumented workers. Although exact numbers are clearly unknown, some sectors have extremely high estimates- for example,

³⁹ Mehia, "Background on SUBA and BizCom."

⁴⁰ "History of Watsonville."

⁴¹ Herrera-Mansir, "Background on El Pájaro CDC."

⁴² "Greenfield, CA Economic Development."

⁴³ Fox, "Multicultural Mexican Migration to Central Coast."

⁴⁴ Rivera-Salgado, "Background on Indigenous Migration to Central Coast."

it is estimated that 75% of berry workers in the Watsonville area and Pájaro Valley were undocumented in 2000.⁴⁵ Being undocumented affects health and access to resources, yet keeping with the history of the Central Coast, there is a demand for undocumented labor because it is cheaper and allows for greater profit by businesses. Undocumented laborers cannot organize as securely, and so they are in great danger of having their human, civil, and labor rights violated. Unable to attain secure jobs, undocumented laborers like many field workers, deal with seasonal unemployment. In order to take into account race, class, and power disparities in the region, economic development frameworks will need to take into account the unique challenges brought about by undocumented labor.

IV. Making Place: Building on Cultural, Social, and Political Assets

This section provides an overview of the cultural assets among immigrant and communities of color in the region and looks at the social relationships and political atmosphere in which these communities work to create new rural economies. Economic development happens concurrently with social and political change, so it is essential to identify the socio-cultural and political spaces for new economies to emerge.

There is an extensive range of cultural assets among communities of color in the Central Coast region that these communities to draw upon for economic and political empowerment.⁴⁶ In the Pájaro and Salinas Valleys, Latino/a communities are valued as hardworking, with the desire to earn money to either send back to their country of origin and/or build up a life in the U.S. Judy Sulsona of the Community Foundation for Monterey County describes the cultural wealth of crafts, music, poetry and literature that she sees among Latino/a communities in the region.⁴⁷ She stresses the sense of family, friendship, and neighborhood that communities share, and that she sees as an asset to draw on in economic development ventures.

Due to safety issues in some communities, people tend to shut themselves inside. Local economic development such as opening more “mom and pop” shops could

⁴⁵ Wells, “Politics, Locality, and Economic Restructuring,” 35.

⁴⁶ Emery and Flora, “Spiraling Up: Mapping Community Transformation with Community Capitals Framework.”

⁴⁷ Sulsona, “Background research.”

strengthen neighborhood relations by enabling people to walk to the shops. Cultural values of closeness might make this an easily acceptable event, particularly if they carry products that have an affinity to peoples' experiences. Economically, this would also reduce sales tax leakage as consumers' dollars would remain local. Small business owners have more power than they realize, according to Victor Mehia of Business Community Partnerships (BizCom). Additionally, the local economy is strengthened because people would shop at a neighbor's store rather than a big box.⁴⁸

Brett Malone of the Agriculture and Land-Based Training Association (ALBA) discussed the hard-working Latino/a populations he works with and highlighted their dedication to farming work. ALBA's training sessions seek to translate the language and concepts of the market and American bureaucracy to orient Latino farm workers to the systems they must negotiate to achieve economic success.⁴⁹ Malone describes farmers that want to have crops that are already popular, such as strawberries, zucchini and cilantro, and with which they are familiar. Crops such as onions, potatoes and broccoli are less popular because of their volume, and crops need to be expanded simultaneously with marketing campaigns so that they sell. Economic development programs need to draw upon Latino/a farmers' cultural assets of experience and commitment to farming and continue to expand educational programs on marketing and small farm management.

The more recent arrival of Indigenous Mexican communities brings another set of cultural assets to the region. Doctoral student, Rebecca Hester, works on health issues among Indigenous migrant communities in the region, and emphasizes the cohesion as a community among different Indigenous groups.⁵⁰ Although in Mexico these groups may not work together, because of shared experience in the U.S., there is inter-ethnic cooperation.⁵¹ A shared "cosmovision," or way of understanding the world, that is less individualistic is a huge strength that has kept them alive over many centuries. Part of this ethos is cooperation and support for each other, which is an incredible asset to build on in economic development ventures.⁵² Another asset that several people pointed out is the high level of organization that exists among Indigenous migrant communities,

⁴⁸ Ibid.

⁴⁹ Malone, "Background to ALBA."

⁵⁰ Hester, "Indigenous Migration in the Central Coast."

⁵¹ Rivera-Salgado, "Background on Indigenous Migration to Central Coast."

⁵² Hester, "Indigenous Migration in the Central Coast."

particularly in Greenfield. People have established roles and in relationships with civic leaders, and this ability to be political and navigate the system has a high level of potential. Researchers Jonathan Fox and Gaspar Rivera-Salgado emphasize the need for paid organizers in Indigenous migrant communities in the region, in order to draw upon these cultural assets and create effective economic development plans.⁵³

Another asset many communities have (Indigenous as well as non-Indigenous) is bi-national involvement, which means access to more resources and relationships. Indigenous communities have had a high level of autonomy in Oaxaca for a while, and have the ability to maintain their communities through the *cargo* system.⁵⁴ Hester points out that we need to dispel the image of Indigenous communities as homogenous, poor, and lacking in skills - for example, many people here are major authorities back home.⁵⁵ Transformative economic frameworks can draw upon these connections and skills.

The social and political environment for communities of color in the Central Coast region varies, and is important to consider in determining openings for economic ventures. In some areas, such as Salinas, there is an emerging Mexican and Mexican-American middle class, and increased participation in the political system. Salinas has the oldest and most established political system of the three cities under discussion. In Salinas, although there are three Latino/a members of the seven-member city council, Latino/as lack a consistently strong power base.

The political power base is weakened because of the transient nature of migration- it is difficult to convince people to get involved, and difficult to start over each season. Some do not get involved because they are scared of Immigration and Customs Enforcement (ICE) raids. Victor Mehia, from BizCom in Salinas, notes that some undocumented workers avoid Latino/a businesses because they are scared of ICE raids there as well.⁵⁶ Part of BizCom's mission is to educate and involve the community so that they are aware of these issues and can work to challenge them in order to support the

⁵³ Fox, "Multicultural Mexican Migration to Central Coast"; Rivera-Salgado, "Background on Indigenous Migration to Central Coast."

⁵⁴ The cargo system in Indigenous communities in Mexico and parts of Central and South America is a revolving set of religious and secular unpaid positions held by men involved in civic life. Migrants in the U.S. can hold positions in Mexico. All men in the community are expected to take part in the cargo system.

⁵⁵ Hester, "Indigenous Migration in the Central Coast."

⁵⁶ Mehia, "Background on SUBA and BizCom."

business community. While Mehia acknowledges the significant generational change in political leadership in the region, and diversification in terms of race and gender, he questions how much the power structure has changed, and wonders if class divisions are being reproduced. Further research should develop proxy measures of inequality in political leadership and economic structure. These measures could be used to track change in the political structures over time.

Building on decades of Latino organizing in Watsonville, Latino political empowerment can be partly traced to the 1989 Circuit Court decision that at-large voting denied adequate representation for Latino/as.⁵⁷ The number of Latino/as in political positions rose following this decision. According to a key informant who preferred to remain anonymous, this political gain has been coupled with some racial backlash from non-Latino/a members of the city council. Another challenge is that many Latino/as in Watsonville work in low-wage jobs that are seasonal and some are undocumented, weakening the power base. Alternative economic development ventures could be threatened by racially divided politics if they do not get directly addressed.

The political and social environment varies in its acceptance of migrant labor and communities of color, and the city of Greenfield is notable for its welcoming attitude. The Greenfield leadership is involved in ensuring the security of its residents, and takes part in cultural celebrations. Judy Sulsona describes how a recent literacy campaign was more successful in Greenfield than anywhere else in the county, many Indigenous individuals going through two layers of language acquisition.⁵⁸ City officials in Greenfield hold community meetings with Indigenous groups if someone gets hurt at work or dies, and generally provide a supportive atmosphere, including monthly meetings with the police. Greenfield Mayor Huerta's father was an organizer for Cesar Chavez, and Mayor Huerta continues this advocacy for the communities of color in his community. The United Farm Workers are beginning to pay more attention to Indigenous issues in the region. Other important social relationships are with the California Rural Legal Assistance, which was the first organization to have Indigenous

⁵⁷ Gomez and Wong, *A Glimpse of Watsonville's Past: How it Got to Where it is*.

⁵⁸ Sulsona, "Background research."

language-speaking outreach workers and the California Endowment, which funds multiple initiatives in the area.

A current issue facing the Central Coast region is around land use, real estate development, and the high cost of housing. Counties resist building low-income housing, and the county of Santa Cruz was sued by the state for non-compliance on building affordable units. In the fast-growing city of Greenfield, Rebecca Hester says that the housing is much too expensive for many people of color, and office space is also very expensive, meaning that non-profits face severe challenges in getting established in the region.⁵⁹ Over-crowded living conditions persist among all communities of color in the Central Coast region, indicating that even if there is space for housing to be built, such as in Greenfield, these houses may still be out of reach for low-income populations.

An on-going issue is development versus environmental conservation in the Pájaro Valley of Santa Cruz. Smaller than the Salinas Valley, the Pájaro Valley is seen by many as the agricultural ‘heartbeat’ of Santa Cruz County deserving strong land use protections.⁶⁰ In 1978, Santa Cruz County passed Measure J, which mandates the preservation of agricultural land. Importantly, this limits Watsonville’s capacity to annex land and grow outward. It was designed to maintain the distinction between “rural” areas and “urban” areas by discouraging growth in rural areas and encouraging growth in urban areas.⁶¹

VI: Economic Environment and Opportunity on the Central Coast

This section identifies the current economic drivers and sectors in the region that alternative and asset-based economies must address. Additionally, this section identifies emerging regional trends that suggest future economic opportunities, especially to bring asset-based economic strategies to scale. It also summarizes key workforce and other challenges for which strategies must be developed.⁶²

⁵⁹ Hester, “Indigenous Migration in the Central Coast.”

⁶⁰ Dobbins, “Watsonville and the Pájaro Valley.”

⁶¹ “Agenda 21 Santa Cruz Housing.”

⁶² Contextual economic data comes from the California Economic Strategy Panel’s California Regional Economies Project, which conducts ongoing economic base and industry cluster analyses of the State’s nine economic regions, including the Central Coast, and from a variety of local reports, supplemented by

Economic Trends and Emerging Opportunities

The Central Coast region’s economic base is dominated by agriculture, personal services and government.^{63,64} This profile contrasts with the Bay area and Southern California, where manufacturing and high-wage business services are prevalent. Table Four provides a breakdown of employment sectors.

TABLE 4: California Central Coast Job Market, 2005

Sector	Percent of Total Employment	Rank
Government (including public education)	19	1
Agriculture, Forestry, Fishing and Hunting	13.6	2
Accommodation and Food Services	11.1	3
Retail Trade	11	4
Health Care and Social Assistance	7.9	5
Manufacturing	5.7	6
Construction	5.3	7

Source: California Regional Economies Project, California Economic Strategy Panel

Notably, the Agriculture, Forestry, Fishing and Hunting sector saw job growth of 18.5% from 2001 to 2005 (over 9,800 new jobs).⁶⁵ The Agriculture, Forestry, Fishing and Hunting sector exhibited the highest concentration of factors that give it a competitive advantage compared to other sectors and regions.

The following were the top sub-sectors with the most concentration of activities representing regional competitive advantage. These areas may be a focus for job training or entrepreneurship opportunities: Support Activities for Agriculture & Forestry; Crop Production; Accommodations; Museums, Historical Sites & Similar Institutions; and Beverage Manufacturing (including wineries and fruit juices).

qualitative data from interviews. The Panel’s definition of the region is larger than AMBAG’s but economic characteristics are similar.

⁶³ The Economic Strategy Panel defines the Central Coast region as Monterey, San Luis Obispo and Santa Barbara counties; however, the Pájaro Valley sub region of Watsonville and southern Santa Cruz County shares many of the same economic characteristics of the Panel’s region..

⁶⁴ Maglinte, *Economic Profile: Central Coast Region*.

⁶⁵ Ibid.

Looking at where future job growth and career pathway opportunities may occur, some of the fastest growing sub-sectors from 2001 to 2005 were: Wholesale Electronic Markets, Support Activities for Agriculture & Forestry, Beverage Manufacturing, Private Households, Transit & Ground Passenger Transportation, Air Transportation, Specialty Trade Contractors, and Building Material & Garden Equipment & Supplies Dealers.

In addition to regional economic base studies, the Economic Strategy Panel also looked at the key economic drivers in the State through industry cluster analyses, including the “value chain” for the agricultural sector. The report “California’s Food Chain at Work – Agriculture Production, Processing, Distribution and Support” includes agricultural-related functions such as pre- and post-production (e.g., soil services, farm equipment and machinery, manufacturing and packaging) and logistics (getting goods to market), in addition to the actual production of commodities.⁶⁶ The report notes that California is a global leader in commodity and specialty products, in volume, export value and diversity of products.⁶⁷ The State’s producers enhance their competitive advantage through constant innovation, including the introduction of new, specialized products and formats. These efforts include organic production and processing, convenience packaging (like bagged lettuces) and new product development. These trends of agricultural intensification and innovation are clearly evident in the Central Coast. This is affirmed by the County of Santa Cruz Agricultural Commissioner, who noted that production values remain high because of “exceptionally fertile soil, a climate that allows for year-round production and high value crops. Growers use and apply new and innovative techniques to increase yield and prolong the growing season. Also many growers produce value-added commodities or grow organically.”⁶⁸

The Economic Strategy Panel report shows that the Central Coast economy was more concentrated in food chain jobs than found at the statewide level, providing 15.8% of all jobs in 2005.⁶⁹ This cluster saw a 13.1% increase in jobs between 2001 and 2005. Most of the jobs were in the support industries (48%), followed by production (36%), processing (10%), and distribution (6%). In 2005, the average wage reported for this

⁶⁶ Doug Henton, Tracey Grose, *California's Food Chain at Work: Agriculture Production, Processing, Distribution and Support*.

⁶⁷ *Ibid.*, 5.

⁶⁸ Corbishley, *Santa Cruz County 2006 Crop Report*, 2.

⁶⁹ Maglinte, *Economic Profile: Central Coast Region*, 36.

sector was \$26,843, significantly lower than the region's average wage for all private industries of \$34,687. California's average wage for all private industries was \$45,686, almost double the Food Cluster average. There was a range of salaries within the cluster; for example, Distribution, with the fewest jobs, reported the highest annual wage at \$45,166, while Support, with the most jobs, reported the lowest at \$23,086.

The Central Coast Region had a much higher concentration of Production jobs than found at the statewide level. This means that the region has a strong competitive advantage in Production. The Central Coast also had a higher concentration in Support jobs than the rest of the State. In order to stay competitive, the industry must ensure that its innovative capacities continue to thrive.⁷⁰ This includes ensuring a skilled workforce with the technical capacities needed to ensure continuous improvement. In turn, this will require investments in K-12 and adult education to ensure that new jobs benefit local workers and populations and are not merely draws for out-of-area workers.⁷¹

Other significant major clusters in the region, as identified by the Economic Strategy Panel, are the manufacturing value chain, which provided 8.3% of jobs in the Central Coast in 2005 but lost 7.6% of its jobs from 2001 to 2005. The Health Sciences and Services cluster provided 7.9% of all jobs in the region, with an overall growth of 6.3% from 2001 to 2005. Recent (2008) data from the California Employment Development Department projects that many of the region's fastest growing occupations are in the health related industries, including home health aides, pharmacy techs, medical assistants, and registered nurses.⁷² The Government cluster, the region's largest sector, saw very little growth (0.9%). The largest Government sub-sector is local government. This sector was impacted by the state budget downturn in the early 2000's and is affected by the current state budget crisis.

Reflecting the evolving nature of the Central Coast's economy, there are numerous emerging economic sectors that can be tracked for their potential to contribute to asset-based economic development. The Economic Strategy Panel identified

⁷⁰ Doug Henton, Tracey Grose, *California's Food Chain at Work: Agriculture Production, Processing, Distribution and Support*.

⁷¹ Berliner, "Investing in lives outside of school to increase achievement inside schools"; Sum et al., *Left Behind in the Labor Market: Labor Market Problems of the Nation's Out-of-School, Young Adult Populations*.

⁷² "Monthly Data Release, California LaborMarketInfo."

opportunities for future prosperity in the “Regional Experience” industry cluster.⁷³ This cluster includes the distinctive regional combination of natural, historical, cultural, educational, leisure, and eating, drinking and shopping experiences. The Central Coast region attracts visitors, residents, and businesses based on unique quality rather than lowest cost, which can improve economic opportunity and wages over time, especially if workers can access job training and entrepreneurship support to engage in an empowered position in this economy.

The region has experienced growth in Tourism and Entertainment, Accommodation, Amusement and Recreation, Farm (especially specialty food crops such as strawberries, other berries and mushrooms and organics), wineries, and other place-based attractions. Data on direct travel spending for the AMBAG region shows a steady increase since 2002, providing possible revenue sources for specialty and niche products.⁷⁴ Again, the challenge and opportunity is sustaining a well-trained workforce to support this diverse and growing economy, along with maintaining the necessary infrastructure, land base and other natural resources to appeal to residents and visitors.

There are important differences between the economies of three counties in the AMBAG region. Unemployment rates for May, 2008 were 6.7%, 8.8% and 6.1% respectively for Monterey, San Benito and Santa Cruz counties. For January 2008 were 11.6%, 10.4% and 8.2% respectively, illustrating both the differentiation between the counties and the seasonal nature of a regional economy due to its dependence on agriculture, tourism and natural resources. These rates were above the State’s rates of 6.5% in May and 6.4% in January.⁷⁵ Construction is one of the sectors experiencing job losses, consistent with California and the nation due to the downturn in the housing industry and problems in the financial markets

Agricultural production values have increased in the region, and the growth of certain high value commodities reflects opportunities for new employment and business growth. The 2007 Monterey County Crop Report showed an overall production value of \$3.8 billion, an increase of 9.5% over 2006. This was due to higher values for strawberries, head lettuce, grapes, broccoli, spinach and other vegetable crops.

⁷³ Maglante, *Economic Profile: Central Coast Region*, 66.

⁷⁴ AMBAG, *2008 State of Our Region Report*, 18.

⁷⁵ “California LaborMarketInfo, The Economy.”

Strawberries were the number two crop, increasing in value from \$440 million in 2006 to \$605 million in 2007 – a 48% increase compared to an increase of only 3.6% in acreage (335 acres).⁷⁶ According to 2006 California Department of Pesticide Regulation data, Monterey County used the highest volume of fumigants in the State, which have been linked to pesticide-related illness. Strawberry applications alone accounted for more than 40 percent of Monterey County’s agricultural pesticide use.⁷⁷

Grapes, Monterey County’s sixth largest crop, also increased in total and per unit value and acreage from 2006 to 2007. Although not all grapes are processed in the County, this production is contributing to the development of the region as a quality wine destination, with growth in wine-related activities, including bottling and associated agri-tourism.

Except for strawberries, the concentration of agricultural commodities is quite different in Santa Cruz County. The total gross production value of the County’s agricultural commodities in 2006 was more than \$414 million, a slight decrease from 2005; (data are not yet available for 2007.) The number one crop remained strawberries, far ahead of other crops at over \$154 million. Raspberries were valued at almost \$84 million, followed by nursery crops at more than \$18 million. The gross production value of agriculture in San Benito County was more than \$293 million in 2007, up eight percent over 2006. The largest single crop was nursery stock (more than \$34 million), although lettuces and spinach totaled \$72 million collectively.⁷⁸

Organic and local sustainably-produced foods are a growing market nationally and in California, for many reasons including health, food product safety, and environmental stewardship.⁷⁹ These systems of production are increasing in the region, aligning with, or, in some cases such as with Earthbound Farms, leading the market. These systems can provide a market opportunity for specialty and small growers such as those participating in ALBA’s programs. However, it is important to note that, despite

⁷⁶ Lauritzen, *Monterey County Crop Report 2007*.

⁷⁷ Stahl, “Devil’s Fruit: Strawberry production booms in Monterey County- and so does pesticide use.”

⁷⁸ Matulich, *San Benito County Annual Crop Report 2007*.

⁷⁹ Shreck, Getz, and Feenstra, “Social sustainability, farm labor, and organic agriculture.”

the imputed progressive values, organic and sustainable (alternate) agriculture often is based on unfavorable and even unfair labor conditions.⁸⁰

In 2007, there were 111 farms registered organic in Monterey County, with 17,663 acres in production producing a value of almost \$227 million, an increase of 1.7 percent for both from 2006.⁸¹ San Benito County had 30 organic growers in 2007, with 60 crops on more than 6,100 acres.⁸² In 2006, there were 70 organic farms in Santa Cruz County with 2,700 acres in production; fifteen percent of all fruits and vegetables are grown organically.⁸³

There are several challenges to capitalizing on asset-based development opportunities in the Pájaro and Salinas Valleys. Some challenges may be attributed to conditions related to factors of race, poverty and class as described in the earlier sections of this paper, and others are based on broader economic conditions – including the following:

- Lack of workforce readiness and skills (discussed in further detail below);
- Language proficiency. The number of English language learners in the K-12 schools in Monterey County was approximately 25,000 in 2005-2006, comprising 36 percent of total enrollment. This total is an increase from almost 15,000 English language learners in 1992-93, at 27 percent of total enrollment, according to the California Department of Education (see <http://www.cde.ca.gov/ds/sd/lc/el81c.asp>).
- Educational Attainment. Only 25 percent of Monterey County high school graduates completed college preparatory courses in 2007, compared to 35 percent in California, and more than 50 percent in Santa Cruz County. There were very significant negative disparities in the SAT scores of Hispanic/Latino and African American students compared to white students in 2005, and in the percent of Hispanic/Latino test takers, especially in Santa Cruz County. The rate of public high school students going to college declined significantly in Monterey County from 2004-2006 (AMBAG, “2008 State of Our Region” report, pages 21-24);

⁸⁰ Brown and Getz, “Privatizing farm worker justice: Regulating labor through voluntary certification and labeling.”

⁸¹ Lauritzen, *Monterey County Crop Report 2007*.

⁸² Matulich, *San Benito County Annual Crop Report 2007*.

⁸³ Corbishley, *Santa Cruz County 2006 Crop Report*.

- High cost of housing and decreasing affordability (less than 20% of units are considered affordable in Monterey and Santa Cruz counties in 2007), leading to overcrowding; households spending a disproportionate share of their budget on housing rather than other necessities; long commutes; and a dramatic increase in foreclosures, resulting in a disproportionate share of households of color losing their primary economic asset (further resulting in a massive transfer of wealth from low-income communities of color to the interests of the banking and financial sectors.)
- Increasing gas prices affecting both households and businesses.
- Water quality, flood control and salt water intrusion affecting the long-term viability of agriculture.
- High cost of land for leasing or ownership for agricultural operations.
- Broadband (high speed Internet) access. A 2004 AMBAG report found that Latino small business owners needed increased availability, assistance with technical instructions to facilitate usage, and training for workers. This infrastructure is critical for businesses and workers in a 21st century economy. A June 2008 Central Coast regional broadband forum held by the California Emerging Technology Fund found that language and cultural barriers (including for growing indigenous populations) prevent full usage of broadband and access to critical information and services. This “digital divide” among Latino and populations was documented in a June 2008 report by the Public Policy Institute of California.⁸⁴

Workforce preparation and skills shortages are a critical issue for the region.⁸⁵ In part, this shortage is due to the insufficient number of students entering the workforce who are prepared for careers in the trades. Skill development in the “Mechanical Trades” occupational group is particularly in demand by employers in the region, across not only the Food Value Chain but also in other areas such as construction, transportation and

⁸⁴ Baldassare et al., *PPIC Statewide Survey: Californians and Information Technology*.

⁸⁵ California Center for Regional Leadership, *Pajaro Valley Vocational Training Facility Project: Feasibility Study Final Report*.

waste services.⁸⁶ There is a coming workforce gap with the pending retirement of skilled workers and the lack of trained workers to take their place. Additional needs include English language proficiency, workforce and basic readiness skills, and computer literacy.⁸⁷

The Hartnell College Salinas Valley Vision 2020 Project found that workforce skills employers need to include communications, bilingual ability, and customer service. The Project identified that Spanish is becoming the language of commerce in the Valley, with more than 30% of communication between employers and employees being conducted in Spanish, and almost 40% between customers/clients and the business.⁸⁸

These jobs and sectors represent important career pathway and entrepreneurship opportunities for the NRFC pilot projects. It will be important for grantees, partner funders, and for the NRFC as a whole to collaborate with the region's education, employment and training institutions to promote a holistic community development process. This process would include efforts on career awareness; ensuring access to high-quality education experiences for K-12 students and guidance for entry into community college and certificated training; entrepreneurship training, ESL, and social support services. There are many current or new/emerging opportunities with school-industry partnerships linked to regional occupational programs (ROPs), career technical programs at area community colleges – some of which are geared specifically to Latino/a students in the Watsonville and Salinas areas, and workforce system partnerships. The key is to connect so that these resources are available to those most in need, and the NRFC projects can contribute to the shaping of initiatives. More youth programs can be developed to help provide alternatives to gang involvement, encourage alternative careers, and establish the multiple pathways needed for successful transitions from youth to adulthood for the region's diverse populations.

Additional opportunities for asset development and inclusion exist in the region, including the following:

⁸⁶ Ibid.

⁸⁷ Ibid., 5.

⁸⁸ Monterey County Business Council, *Spring 2008 Monterey County Economic Report*.

- The city of Greenfield is working toward having an Artisan Agriculture designation, which would allow for five parcel acres of land, more attainable for small-scale farmers.⁸⁹
- Salinas Valley Enterprise Zone. Comprises the cities of Salinas, Gonzales, Greenfield, King City, and unincorporated areas of Monterey County, uniting the sub-region for collaboration and synergy around a focused strategy. The Zone will provide eligible businesses with tax benefits and other benefits to stimulate economic growth. EZ plans call for attention to small business development, skills training and coordination of services. Importantly, the EZ plans will enhance previously existing services directed toward job-seekers in the region.
- Focus on green and sustainable businesses in both Santa Cruz and Monterey counties.
- Agri-tourism and sustainable regional food systems as part of economic development strategies.
- Niche products such as weaving, building on the textile skills that Indigenous women are carrying on (done in a culturally sensitive way that does not tokenize or exploit indigenous cultures or exclude male members of the community). The City of Greenfield and the NRFC are currently acquiring four looms for a business incubator project with Indigenous weavers from Oaxaca. Peer training from NRFC grantee *Tapatas de Lana* in New Mexico might be a useful contribution.
- Increased access to higher education assets. Building connections between the educational sector and the business community can result in partnerships that will facilitate small business development and access to markets. For example, California State University, Monterey Bay has many community partnerships to increase access to broadband and use of technologies to support community revitalization efforts.
- Career Technical Education Programs. The Digital Bridges Academy, located at the Watsonville campus of Cabrillo College, is a highly innovative program designed explicitly to help accelerate the readiness of students who are “under-

⁸⁹ Malone, “Background to ALBA.”

prepared” for college in any number of ways (including “at-risk” students). It provides career preparation for many different areas. Cabrillo College is also building a new career technical education center in Watsonville that is planning to provide some fundamentals for the mechanical trades. Hartnell College just broke ground for the Center for Applied Technology at the Alisal campus. It will include programs such as the Agricultural Business and Technology Institute and new sustainable construction programs, as well as general education , basic skills, ESL and student services programs to serve the Alisal community. There is strong private sector involvement.

- Regional Broadband Plan. The California Emerging Technology Fund will assist regional partners including the Community Foundation for Monterey County, CSU, Monterey Bay and AMBAG to develop a regional strategy to increase broadband in the region, including to underserved populations.

Judy Sulsona of the Community Foundation for Monterey County suggests that economic support be directed to encourage communities of color to support their own businesses, through advertising, education, and enhancing public safety.⁹⁰ Existing classes on business development and technical assistance can be expanded - capacity building, micro-enterprise development and poverty alleviation go hand in hand. Gaspar Rivera-Salgado emphasizes the need for paid Indigenous organizers to help determine viable economic development opportunities in the region.⁹¹ Regarding economic development efforts targeting Indigenous and other communities, it is essential to engage intermediary organizations if not the community members themselves in designing frameworks for action to ensure cultural relevance. Rivera-Salgado also suggests community gardening projects and training and support to develop community-based transportation services and land-management initiatives.

It is important to stress that Indigenous epistemologies may not fit into linear economic frameworks and a long-term inter-cultural dialogue is needed to develop successful strategies that support and draw from these cultures, not disregard or degrade

⁹⁰ Sulsona, “Background research.”

⁹¹ Rivera-Salgado, “Background on Indigenous Migration to Central Coast.”

them.⁹² There is also the need for increased ethnography of Indigenous migrants in the region so that community members, funders, workers, and researchers can better understand these Indigenous epistemologies.⁹³ Generally, institutions should increase the awareness among marginalized populations of services available to them.

Conclusion

Understanding economic development in the context of race, class, and power dynamics in the Central Coast region can lead to culturally appropriate and economically viable development opportunities for communities of color. By providing both a historical analysis of race, class and power dynamics in the region and a treatment of economic development opportunities and challenges, this report has demonstrated that economic and socio-political development are mutually-dependent and constitutive. Historically, ethnic participation in the labor force was determined by demand for cheap, transient, and pliant labor, which increased (not decreased) with technological advances. A historical trajectory of economic and political exploitation and oppression, met by resistance and community organizing, has produced a measure of economic success and political power for communities of color in the Central Coast region. These improvements are not automatic and will require continued struggle and innovation to maintain and expand in the face of continually shifting economic, social and political patterns shaping the region.

Communities of color in the Central Coast (as elsewhere) are very diverse, and special consideration must be given to developing place-based frameworks with each community that are also able to respond to trans-local political and economic forces. Increased attention must be given to labor rights for immigrants in agriculture and other sectors, and how this interacts with economic development, particularly around the thorny issue of immigration. Resources may be usefully invested in supporting communities in mapping out their assets, opportunities, and challenges in ways that can inform public policy, economic development strategies, and community mobilization.

⁹² Schnabel and Parmee, "Understanding Community Development. A Guide for Native American Community Leaders and Professionals. Participant's Manual. A Training Packet Developed for and in Cooperation with Native American Tribal Leaders."

⁹³ Kresge, *Indigenous Oaxacan Communities in California: An Overview*.

Next steps might include detailed analysis of individual locations for economic development projects, the creation (or adaptations) of indicators for measuring equity in economic development, and strategies to incorporate NRFC projects' alternative models into current and emerging economic development initiatives. Community partners should be involved in the consideration, planning, and implementation of all future projects. Recommended areas for consideration include:

- **ACTION-BASED ORGANIZING TO SUPPORT ECONOMIC DEVELOPMENT**
 - **Directly address challenges of undocumented labor.**
 - **Address labor conditions for all farm workers.**
 - **Leverage funding for paid organizers in Indigenous migrant communities in the region** in order to draw upon local cultural assets and create effective economic development plans.
 - **Address inter-city racial tensions including at the government level.** In addition to diminishing the ability of residents to organize proactively for community improvement and empowerment, these tensions could threaten economic development efforts.

- **LEADERSHIP DEVELOPMENT**
 - **Collaborate with Community Development Institutions.** This process would include efforts to foster career awareness with students, parents, and teachers through collaboration with employers; ensuring access to high-quality education experiences for K-12 students and guidance for entry into community college and certificated training; entrepreneurship training, and social support services.
 - **Expand classes on business development and technical assistance.** Capacity building, micro-enterprise development and poverty alleviation go hand in hand.

- **PATHWAYS FOR SECTOR-BASED AND OTHER SKILLS ACQUISITION**
 - **Prepare to fill the coming workforce gap by the increasing number of skilled workers.** The pending retirement of skilled workers is an opportunity for trained workers to take their place even in industries where there is not a lot of new job creation. Needs for new workers and those seeking to upgrade skills include English language proficiency, workforce and basic readiness skills, computer literacy, and a general focus on sector-based career technical education.
 - **Develop training and businesses in areas with regional competitive advantage.** Collaborate with One-Stop Career Center partnerships, employers and economic development organizations to identify and develop training and skills upgrading for defined career pathways. Some targets of opportunity include agricultural and production-related activities; hospitality and tourism,

including agricultural, heritage and recreational; green building; and beverage manufacturing (including wineries and fruit juices).

- **GOVERNMENT POLICY INITIATIVES**
 - **Invest in workforce and infrastructure.** The challenge and opportunity to support the region's diverse and growing economy is to invest in a well-trained workforce along with maintaining the necessary infrastructure, land base and other natural resources to appeal to residents and visitors.
 - **Ensure Participation in the Planning and the Investment Decision-Making Process:** Immigrants and communities of color need to be included in the planning and decision-making process for investments of public sector resources in workforce development, infrastructure and other areas such as broadband deployment. These investments will provide for equity in the core foundations for sustainable economic development.

- **RESEARCH**
 - **Develop proxy measures of equity in political leadership and economic structure.** These measures could be used to track change in the political structures over time.
 - **Track emerging economic sectors:** Reflecting the evolving nature of the Central Coast's economy, there are numerous emerging economic sectors that can be tracked for their potential to contribute to asset-based economic development. Work with partners to identify career pathways and develop indicators for equity in these pathways.
 - **Develop indicators around equity in skills attainment.** These could include demographics of students graduating from high school, taking prep classes, and awareness of alternative career paths among marginalized communities.
 - **Create participatory ethnographic project.** Work with communities to attain a more detailed analysis of assets and challenges in each one.
 - **Document Project elements.** Prepare case studies of the NRFC-funded models to increase awareness of the projects and support dialogue around inclusion and participation.

Suggested Internet Resources

City of Greenfield:

<http://ci.greenfield.ca.us/>

City of Salinas:

<http://www.ci.salinas.ca.us/>

City of Watsonville:

<http://www.ci.watsonville.ca.us/>

Agriculture and Land-Based Training Organization (ALBA):

<http://www.albafarmers.org/>

El Pájaro CDC:

<http://www.elpajarocdc.org/>

Salinas United Business Organization (SUBA):

<http://www.subasalinas.com/>

NRFC- Salinas and Pájaro Valley Initiatives:

http://www.nrfc.org/redesign/agriculture_land_training.asp

Community Foundation for Monterey County:

<http://www.cfmco.org/>

Action Pájaro Valley Publications:

<http://www.actionpajarovalley.org/publications.htm>

California Economic Strategy Panel:

<http://www.labor.ca.gov/panel/>

California Department of Education:

<http://www.cde.ca.gov/ds/sd/lc/el91c.asp>

Association of Monterey Bay Area Governments (AMBAG):

<http://www.ambag.org/>

Monterey County Historical Society:

<http://www.mchsmuseum.com/index.html>

Latino Issues Forum:

<http://www.lif.org/display.asp?catID=4&pageid=25>

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