

Murtaza Baxamusa and the Middle Class Thinker

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By Scott Lewis

I don't always agree with Murtaza Baxamusa, but I will always read what he writes. I've frankly never seen anyone write about public policy so poetically. But it's not fluff. I would not dare go into a debate with Baxamusa without being incredibly prepared.

The guy thinks. Then reads. Then thinks some more. Then reads some more. Then starts doing the math. That's when we get to see it.

If you disagree with him, fine. But if you start calling him names or write him off as a "liberal" you're done in my book. The guy's facts are compelling and you should come with better ones.

After reading him for a few years now, I've detected in him a tendency to believe that government not only can and does provide an efficient service but that it also has a responsibility to set an employment standard. As an employer, in other words, the city has unique responsibilities to provide levels of benefits above what might be offered at a comparable sized company.

I've been trying to wrap my head around that for a while. Is this the city's job? On the one hand, that sentiment gives me only a fraction of the uneasiness I feel when others, like labor's Lorena Gonzalez, rank major projects not based on their need or even their attractiveness but their value to the workers who actually get to build them.

On the other hand, what worries me is that we may not want that building or project or it may be shortsighted or a waste of money that could be used on something else. And yet, if it's good for the workers who construct it, we're compelled to build it?

I'm not sure the same thing applies to Baxamusa's guiding principles. But I do think he should use his analytic skills not only to help us justify good benefits for public workers but to help us ensure we're putting them to work on things that help the community develop the way we want it.

Baxamusa is the director of research at the Center for Policy Initiatives and he's next up on the Looking at 2010 Q&A circuit.

If there was one, simple misconception among San Diegans that you could clear up in 2010, what would it be?

The last decade saw a well-orchestrated campaign by the blame-the-government privatizers at federal, state and local levels. San Diego was one such target, in which public employees were repeatedly demonized as over-paid and over-benefited, even when independent studies show that the city of San Diego compensates its workers much less than others for comparable

work. But the work needs to be done, be it cleaning our streets and picking up our trash, to policing our neighborhoods and fighting fires. So the imperative for the work to be done in-house by public employees, accountable to taxpayers, and managed in the public interest, is even greater in a time of scarce resources, than to risk it being outsourced to corporate executives, accountable to nobody, and bidding for private profits.

Will it be easier to be a worker in San Diego in 2010 than it was in 2009? Why?

This 2008-09 recession was not the terrestrial imprint of a destructive Tandava dance somewhere in the cosmos. Not even remotely as fantastic. Instead of paying workers to produce goods, corporations paid executives on Wall Street to blow financial bubbles, whilst nobody was looking. When the bill came, workers paid with falling incomes, job losses, deflating property values, rising costs of healthcare, and credit card debt. If the goal is to reinvest in San Diego's middle-class workforce, we need to create local jobs, that pay a livable wage. And I am optimistic that sensible public investments coupled with strong public policy will counter the negative vibes from intangible cosmic forces in 2010.

What do you plan on reading in 2010?

The top book on my reading list is the newly released *Shadow Elite* by Professor Janine Wedel of George Mason University. The book's subtitle "How the World's New Power Brokers Undermine Democracy, Government, and the Free Market" captures the emergence of "free" market agents that are not subject to democratic oversight. Also on my reading list are *The Idea of Justice* by Amartya Sen, *Animal Spirits* by Akerlof and Shiller, and *People First Economics* by various progressive thinkers including Naomi Klein.

What decision will you be paying attention to the most in the coming year and who will be making it?

Ballot measures for both the June and the November elections. These measures could define the method of governance, of service quality, local job creation and of raising revenues for the city, with generational consequences. There may one or two downtown mega-projects on the ballot as well. Voters will be making these choices.

Who is the most promising leader in San Diego these days and what do you think he or she might do in 2010?

City Councilman Todd Gloria -- a young, dynamic, deep thinker. He has great promise and acumen in envisioning the path of recovery for the city's middle class, and for treading the path in a measured, fact-based gait. Others may judge people by their sway on political totem-poles, but the strength of our common good lies more in the buttress of our quality of life, than the ascendancy of media bombast.

What else are you looking forward to in 2010?

I am looking forward to a sunny economic forecast for San Diego later this year. Firstly, with the reinforcing cycle of regulation-spurred demand and subsidized supply, we will see the regeneration of energy, construction and manufacturing industries in San Diego. Secondly, sustained government spending on job creation will begin to create ripples in the local employment pool to get the consumer spending currents going. And in the long term, we hope that the new federal initiatives will diffuse the rampant torrents of oil, health insurance and finance industries from lashing on our shores.

Rank the following major projects in order of priority for San Diego:

A New Wastewater Recycling System

An Expanded Mass Transit System

A New Central Library

A New City Hall

An Expanded Convention Center

A Different Airport Infrastructure

A New Stadium

A Performing Arts Center

Note: These projects are ordered in the priority in which the city should invest in them. The first investment priority should be fixing our infrastructure (including water and transportation), second should be rebuilding our public civic institutions (including a civic center and central library), third should be regional economic development projects (including convention center, airport) and finally private civic institutions (including stadium and arts center). The key difference between public and private institutions is that of access and public benefits.

Rank these local civic problems by how much they will worry you in the coming year -- most worrisome at the top:

Most worrisome:

School Budget Shortfalls -- this is a recalcitrant problem originating from Proposition 13 of 1978, that took statewide control of financing of local schools, and capped it at unsustainable levels. This recession has made the problem critical, with emergence of jumbo and combo classes at the lowest grades.

Municipal service cuts -- this includes fire protection, libraries and parks and recreation. These could hinder our economic recovery, through impacts on workforce living standards, commerce, and health and safety of our community.

Mass Transit Shortcomings -- mass transit is similar to discount retail, in that volume generates efficiency. You do not take down the most popular lines, or increase prices in sale season, and expect the masses to show up.

Moderately worrisome:

Infrastructure Decay -- decades of underfunding here, which might get some relief with infusion of federal dollars.

Water reliability concerns -- last year's pricing and PR dunking of developers and residents by local

agencies seems to have worked. Expect more local, state and federal government investments in water this year.

Homelessness -- Related to the problems of increasing poverty and hunger in the region. The consistent narrative is a weak social safety net, that is ineffective when the winds of economic turbulence hit our middle class. A loss of a job for a family often results in the loss of a roof. The problem is "moderate" because it is easily solvable with political will.

Least worrisome:

Municipal Budget Shortfalls -- There are no "shortfalls" since the budget has to be balanced by law. I do not say this lightly, since there are two sides of any balance sheet: income and expenses, and a little bit of honesty will make the budgetary solutions transparent.