

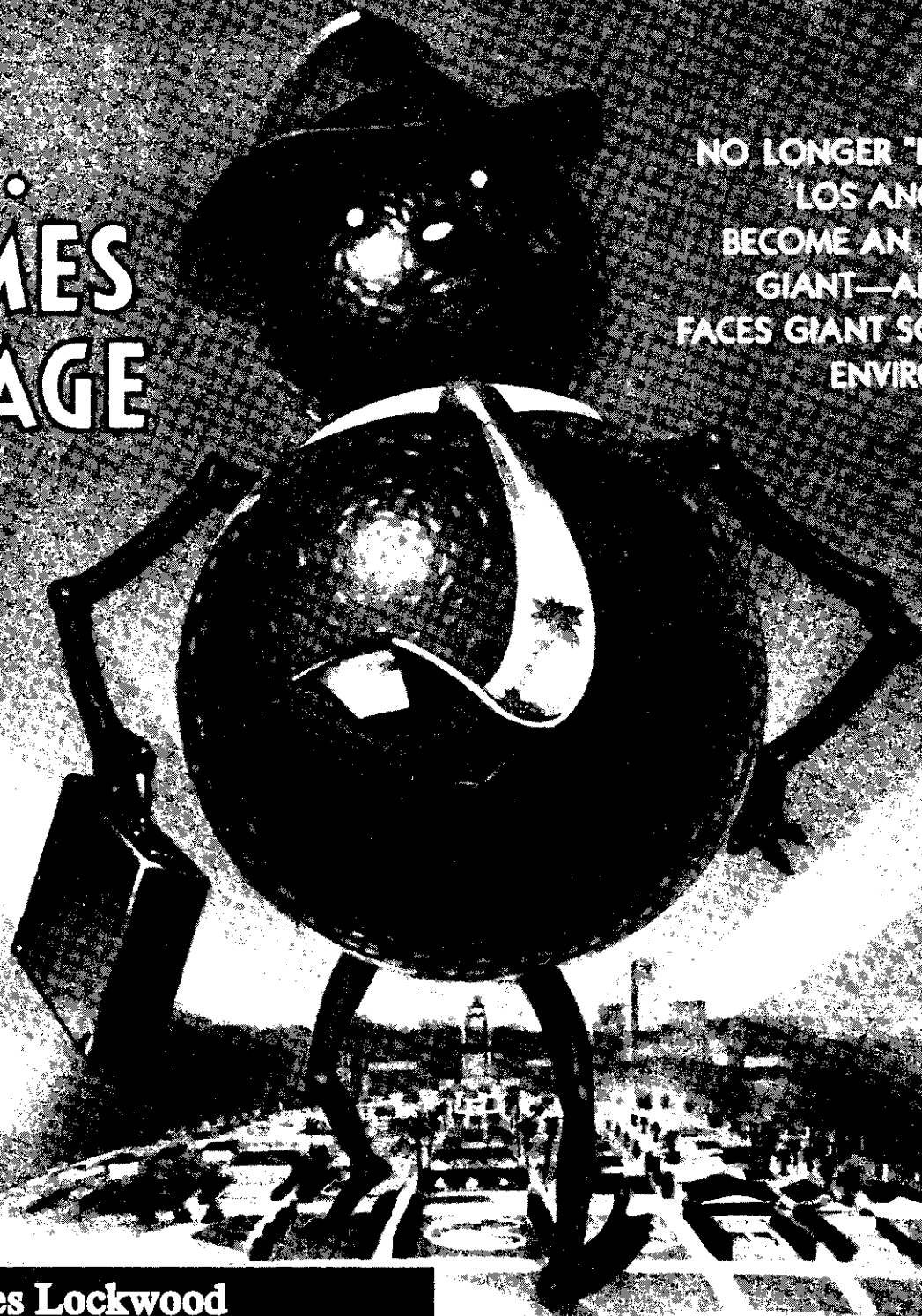
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**L.A.
COMES
OF AGE**

NO LONGER "LAID BACK,"
LOS ANGELES HAS
BECOME AN ECONOMIC
GIANT—AND NOW IT
FACES GIANT SOCIAL AND
ENVIRONMENTAL
PROBLEMS



**By Charles Lockwood
and Christopher B. Leinberger**

CHARLES LOCKWOOD and CHRISTOPHER B. LEINBERGER ("Los Angeles Comes of Age") are urban-affairs specialists with a particular interest in Southern California. Charles Lockwood was born in Washington, D.C., and attended the Woodrow Wilson School of Public and International Affairs, at Princeton University, graduating in 1970. He is the author of a number of books about American cities and architecture, including *Bricks & Brownstone* (1972), *Manhattan Moves Uptown* (1976), and *The Estates of Beverly Hills* (1984). Christopher B. Leinberger is a managing partner at Robert Charles Lesser & Co., an urban-affairs consulting firm. Leinberger was raised in Philadelphia and attended Swarthmore College, from which he graduated in 1972. He received an M.B.A. in strategic planning from the Harvard Business School in 1976. Leinberger is a member of the Urban Land Institute and lives in Santa Fe. Lockwood and Leinberger's article "How Business Is Reshaping America" was the cover story of *The Atlantic Monthly* in October of 1986.

*The city is experiencing rapid growth
and big problems, and—ever the trendsetter—dealing
with both in ways that every urban area in the country can learn from*

LOS ANGELES COMES OF AGE

BY CHARLES LOCKWOOD AND CHRISTOPHER B. LEINBERGER

PHOTOGRAPHS BY ALEX WEBB



IN THE GARMENT DISTRICT, DOWNTOWN LOS ANGELES

LOS ANGELES CONJURES UP A MYRIAD OF IMAGES: A city dominated by show business, where businessmen take meetings beside swimming pools and don't wear ties to the office; a palm-shaded city where blond young men surf their days away at the beach; a city of transplanted midwesterners who ignore the threat of the next earthquake; an intellectually and culturally vapid city where many residents worship rampant materialism while others pursue various forms of self-realization with equally intense preoccupation; a city with no downtown—a sprawling amoeba of unending stretches of suburban tract houses, connected by more freeways than exist anywhere else in America.

Whatever their suitability for jokes on late-night talk shows, these images of Los Angeles no longer tell anything like the whole story. Within the past decade greater Los Angeles has undergone economic, social, political, and cultural upheavals deeper and broader than those experienced by any other large American city during the same period.

Once a prosperous but provincial regional metropolis, greater Los Angeles has become America's true "second city"—second only to New York in economic power and cultural influence. And Los Angeles rivals New York in attracting ambitious people who want to make it, in almost every professional endeavor and field of business. If pres-

ent trends continue, and if certain nagging problems don't overwhelm the metropolitan area, Los Angeles might even emerge as the Western Hemisphere's leading city in the early twenty-first century.

Greater Los Angeles, a national trendsetter in popular entertainment, life-styles, and speech, has been wrestling with economic and social issues that are only now beginning to challenge other American metropolitan areas. These issues include how and where Americans will work and live, racial and ethnic integration when Anglos (non-Hispanic whites) are a minority, and which of many groups will assume leadership in the arts and culture. Los Angeles also presents large-scale versions of now widespread urban challenges such as traffic, air quality, waste management, public education, and regional government. To visitors and Angelenos alike, it seems that what many once considered to be an earthly paradise is environmentally befouled and increasingly unlivable.

The city's leadership and most residents of the metropolitan area recognize that these are regional issues, which don't disappear at the city or county line, and this is the first step toward resolving them. In this regard, greater Los Angeles is far ahead of most other American metropolitan areas, and therefore provides a role model for other urbanized regions. Yet, ironically, Los Angeles is one city most Americans do not want their home town to emulate.

The Los Angeles area is even in the forefront of redefining the urban vocabulary, to describe itself and other metropolitan areas. Words like *city* and *suburb* are becoming meaningless in Los Angeles, because they imply a metropolitan area that has followed the traditional development pattern, in which a dominant high-density business center is surrounded by a dependent and mostly residential low-density periphery. Searching for a more appropriate urban terminology, some of Southern California's urban experts now describe Los Angeles as a series of "constellations" forming the metropolitan "galaxy."

Although these terms reflect the new thought processes and the beginnings of a lexicon of the kind needed to comprehend not only Los Angeles but also other metropolitan areas, this article will use a more familiar vocabulary. Except where specifically describing the city or county of Los Angeles as a political jurisdiction, the terms *Los Angeles* and *greater Los Angeles* will refer to the Census Bureau's Consolidated Metropolitan Statistical Area, which includes the urbanized portions of Los Angeles, Orange, Riverside, San Bernardino, and Ventura counties. This is also referred to as the *metropolitan area*.

The city of Los Angeles contains only 25 percent of the metropolitan area's population of 12.6 million, and its 465 square miles make up only 11 percent of the metropolitan area. Yet the city of Los Angeles constitutes an incredibly diverse urban fabric, including downtown skyscrapers, the black ghetto of Watts, the sprawling East Los Angeles barrio, the estates of Bel-Air, and the vast and largely middle-class San Fernando Valley, which has a population greater than the city of Dallas.

Soon to Be a Major Everything

THE CHANGING SIZE AND FORM OF LOS ANGELES SET it apart from any other American city, and so does its economy. The 4,100-square-mile metropolitan area, already one of the largest in the world, is rapidly expanding. The direction of the growth is dictated by geography and also politics. The Pacific Ocean forms the city's western boundary. The San Gabriel Mountains, whose peaks reach 10,000 feet, impede but do not completely block growth to the north. To the northwest, Ventura County, where development in the San Fernando Valley will logically extend, has established "slow growth" limits. Greater Los Angeles, then, is expanding southeast, into Orange County, and even more rapidly eastward, into the less expensive and less congested San Bernardino and Riverside counties, more than sixty miles from downtown Los Angeles.

The metropolitan area, furthermore, is coalescing into approximately eighteen "urban village" cores, which are business, retail, housing, and entertainment focal points in the low-density cityscape. Some of these cores—like Pasadena and Westwood—are decades-old communities that have grown into regional hubs. Others—like the Los Angeles International Airport, Costa Mesa/Irvine/Newport Beach, and Ontario—have seemingly emerged out of bean fields or suburban sprawl.

The metropolitan area's largest urban-village core is, of course, downtown Los Angeles, which finally gained a big-city skyline during the recent office-building boom. After almost dying in the 1950s and 1960s, at least in the perception of the city's widely dispersed middle-class Anglos, downtown has regained some upscale shops, stylish apartments and condominiums, fashionable hotels, English-language movie theaters, and cultural institutions, like the Museum of Contemporary Art and the Los Angeles Theatre Center.

All these new office buildings, shops, apartments, and attractions, however, are only a small part of downtown Los Angeles. Downtown is a microcosm of greater Los Angeles, and totally different worlds exist in one block. Within its four and a half square miles, downtown has a Hispanic shopping district along Broadway that is the busiest city shopping district west of Chicago, a civic center with one of the largest concentrations of government offices outside Washington, D.C., a Chinatown, a Little Tokyo, a busy Skid Row, a fledgling Soho-like artists' district, one of the largest garment districts in the country, and a wholesale flower market.

Despite its recent construction boom, downtown Los Angeles cannot claim the symbolic value to its metropolitan area that traditional downtowns, like those of Boston, Chicago, and San Francisco, have. With just four percent of greater Los Angeles's jobs, it is not the metropolitan region's functional hub. Moreover, it has few historical landmarks, well-established museums or cultural institutions, revered churches or synagogues, or appealing public

squares or promenades that would attract people on lunch hours or weekends.

The reason for this lack of historical and cultural attractions goes back to the founding of Los Angeles, two hundred years ago. In a semi-arid region, the city was established next to the only stretch of the Los Angeles River where water flowed year-round. Now more than 90 percent of the region's water supply is imported and the Los Angeles River is a dry concrete ditch nine months of the year, used for training bus drivers. The only practical reasons for the location of downtown are the freeway system and inertia.

THE METROPOLITAN AREA'S GREAT EXPANSION AND the revival of downtown reflect the local economy's rapid growth and the area's emergence as a major business center. Last year greater Los Angeles produced \$250 billion worth of goods and services, making the 12.6-million-person metropolitan area the world's eleventh largest "nation" in terms of gross national product, ahead of Australia, India, and Switzerland. The Southern California Association of Governments published employment projections in August of 1986 indicating that the area's gross regional product will increase sharply in the coming years. The number of jobs is expected to jump from 5.9 million in 1984 to 8.0 million in 2000.

In recent years the Los Angeles economy has been remarkably recession-proof, because of its diversified base, including aerospace, entertainment, finance, manufacturing, government, health care, insurance, international trade, oil extraction and refining, real estate, tourism, and wholesale and retail trade. The metropolitan economy is so large that its individual components are enormous in their own right. Who would suspect that greater Los Angeles is the nation's largest manufacturing location, in terms of the value of goods produced? Or that it boasts greater absolute retail sales than the New York City metropolitan area, with its population of 18 million?

Contrary to what many Americans still believe, Hollywood plays only a small role in the Los Angeles economy. Motion-picture and television production directly employs approximately 75,000 people in Los Angeles County, where the vast majority of such jobs are located, but these jobs translate into just 1.4 percent of the region's total employment. Additional jobs, in areas like catering, hairdressing, and carpentry, depend in some way on motion-picture and television production. But even taking into account this indirect and usually part-time employment, Hollywood provides only seven percent of the metropolitan area's jobs.

Hollywood's importance in the regional economy will decline in coming years. Although Los Angeles is still the national center for movie and television production and distribution, it is no longer the unchallenged shooting location. More than a third of the feature films produced in the United States in recent years have been filmed outside California. In 1984 no major Academy Awards were given

to movies shot in Los Angeles. The main beneficiaries of this "runaway production" are states—like New York, Florida, North Carolina, Texas, and Illinois—that advertise their advantages in the entertainment "trades" and on the billboards looming over the Sunset Strip.

The role that finance plays in the economy is less glamorous but far more important than Hollywood's. A decade ago Los Angeles surpassed San Francisco as the West Coast's financial center. In 1986 Los Angeles surpassed Chicago in banking deposits. Los Angeles's \$130 billion worth of deposits in mid-1985, including savings-and-loan deposits, ranked second nationally only to New York's \$175 billion. And the Los Angeles deposit totals have been rising rapidly, growing from \$75 billion since 1980, while New York's have declined slightly.

The world's leading banks, naturally, are eager to take advantage of the growing Los Angeles market. In 1986, 173 non-California banks, 126 of them foreign, maintained offices in Los Angeles. In 1986 Citicorp and Chase Manhattan completed high-rise buildings in downtown Los Angeles. In 1991 for the first time California will allow East Coast and Midwest banks to offer all-service banking in the state, thus creating more competition.

Like finance, manufacturing is a major—and growing—part of the economy. Greater Los Angeles is, for example, the largest aerospace center in the world. Lockheed, Northrop, Rockwell International, and TRW all have their most significant office, engineering, and manufacturing operations in the area. Aerospace, however, provides only 7.7 percent of the region's employment.

Although greater Los Angeles has only one automobile-assembly plant, it is the Detroit of the West. Eight of the nine Japanese car companies, plus Hyundai, of South Korea, have their U.S. headquarters in the metropolitan region. And because Southern California is America's trend-setting automobile market, Detroit's Big Three have opened design centers in Los Angeles so that they can catch the latest trends.

Metropolitan Los Angeles—not Silicon Valley—has the greatest concentration of high-tech industries, mathematicians, scientists, engineers, and skilled technicians in the United States. The region's high-tech output consists of sophisticated military and space communications equipment, electronics components, missiles and space vehicles, and office and computing machinery. Over the next decade, according to a study by the DeVry Institute of Technology, Los Angeles will lead the nation's major cities in adding new high-tech jobs.

Overall, manufacturing provides 22 percent of local jobs. Although manufacturing is expected to play a declining role in the nationwide economy during the next fifteen to twenty years (Peter Drucker, the author and business authority, has said that by the year 2000 the number of people holding jobs in manufacturing will have dropped from 20 percent to 10 percent of the national work force), it is expected to be greater Los Angeles's third largest sector in 2010, gaining 300,000 new jobs by then and provid-

ing nearly 20 percent of employment at that date.

Aside from the enormous size of the local market, one reason for Los Angeles's continued strength in manufacturing is its ability to combine First World management, talent, and location with Third World labor, provided by recent arrivals from Latin America and Asia. Without this plentiful cheap labor Los Angeles would lose much of its garment and furniture manufacturing and distribution industries to lower-cost locations.

Some Los Angeles factories can even undersell Third World manufacturers. Last year a UCLA professor interested in labor conditions asked to be taken on a tour of factories in the industrial area near downtown Los Angeles, and his request was granted on condition that he be blindfolded. When the blindfold was removed, the professor found himself standing inside a large factory building with blacked-out windows. Dozens of Hispanic and Asian workers were manufacturing the steel wheels on which automobiles' tires are mounted. The workers' only protection against dust and airborne metal particles was cloth bandannas over their mouths and noses. The greatest shock for the professor was not the sweatshop working conditions or the apparent immigration and pollution violations but the label attached to each wheel at the end of production. It read MADE IN BRAZIL. The goods were headed for Detroit.

With no single industry dominating the economy, the area's prosperity does not depend on a handful of companies. Nor is it likely that most key industries would decline simultaneously. If aerospace should find the defense budget cut drastically in 1989 after a new Administration takes power, oil might recover. If movie and television production accelerates its flight from Southern California, high technology might become stronger.

But nearly all large Los Angeles industries have characteristics in common, which few industries elsewhere have shared until recently. They are either highly cyclical (oil and tourism) or project-oriented (entertainment), or both (aerospace and real-estate development). Companies based in Los Angeles have thus long been at the front lines of competitiveness in the business world.

An aerospace company, which is dependent on government contracts, may receive a telephone call on Friday with the news that Congress has killed a missile project. The survival of the company depends on its ability to lay off the thousands of employees working on that project by the following Monday. Or the opposite might happen, and then the company must quickly gear up for a project. This corporate nimbleness at reacting to external circumstances has imbued the aerospace work force with a somewhat cavalier attitude toward change. Very few aerospace employees, except possibly for top management, have been at Lockheed, McDonnell Douglas, or Northrop for their entire careers. Job-hopping is not only acceptable in Los Angeles aerospace circles, it is essential.

The same ups and downs affect the entertainment industry—or, as they have always said in Hollywood, "You're

only as good as your last picture." Paramount's recent good fortune, after a decade in the doldrums, can be credited to such box-office hits as *Top Gun*, *Beverly Hills Cop*, and *Crocodile Dundee*. One or two bombs can have the opposite effect, as the \$41 million *Heaven's Gate* debacle, which destroyed United Artists, showed. An entertainment job means uncertainty. More than 90 percent of entertainment-industry employees are daily or weekly workers, and they typically work only eight to ten months a year.

Los Angeles, moreover, is a city of entrepreneurs, from the founders of high-tech companies to modern-day snake-oil salesmen, from real-estate developers to the bosses in a fast-growing pornography industry. Even the 1984 Olympics were a typically Los Angeles entrepreneurial effort. For the first time the Olympics were not sponsored by a government entity. Instead, a private group named the Los Angeles Olympic Organizing Committee was in charge. It created the most profitable—and, one might add, the showiest—Olympics in history. On revenues of \$650 million the group reaped a staggering 33 percent profit, of \$215 million. This success contrasts with the outcome of the Montreal Games, which cost \$3.3 billion, saddled the city with an enormous debt, and nearly killed the modern Olympics.

If someone is not an entrepreneur in the classic sense, he is likely to be a consultant. Greater Los Angeles has more self-employed people than any other city in the nation, in part because the metropolitan region's project-oriented companies need a vast network of consultants and subcontractors that they can hire or fire as their business cycles dictate. These consultants are financial planners, screenwriters, attorneys, real-estate experts, interior designers, and high-tech whizzes. Because many members of this consultant subculture work at home, Los Angeles provides a laboratory for the rest of the nation to study the impact of telecommuting and home offices on individuals, families, and companies.

One result of the office-at-home phenomenon is already clear: the metropolitan area does not have as much office space as would be expected for a city of its size and wealth. Most major metropolitan areas have at least twenty square feet of office space per person. In greater New York, the bastion of the organization man, the figure is twenty-eight square feet. In greater Los Angeles the figure is a mere fifteen square feet.

The entrepreneurial risk-taking ethic, although it enables Los Angeles businesses to give rise to the newest technology or take advantage of the latest trend in the competitive world economy, has a potential downside. According to a well-known business axiom, the entrepreneurs who excel at company start-ups rarely have the temperament to run more mature organizations successfully. The very skills of the entrepreneurial lone wolf—the decisiveness, the single-mindedness in the face of whatever opposition there is, and the quick reaction to new opportunities—can be inappropriate to the management of large, slower-growing companies, as H. Ross Perot recently dem-

onstrated at General Motors.

Quite possibly, the talents and business values that have propelled the Los Angeles economy to its current prosperity may be the reason that only seventeen of the Fortune 500 industrial companies, fourteen of the Fortune 500 service firms, and eighteen of the Fortune 100 diversified financial institutions (mostly savings-and-loans) have built their headquarters in the metropolitan area. Put another way, Los Angeles generates six percent of the gross national product with five percent of the population, but only four percent of the sales revenues of the Fortune 500 companies whose headquarters are in Los Angeles. Los Angeles may have the nation's most vibrant regional economy, as recent studies have claimed, but most national corporations still have just a branch office there, albeit probably the largest one in the organization.

To domestic and foreign corporations the acquisition of middle-size Los Angeles companies represents the opportunity to establish a foothold in the Southern California market and gain forward-thinking executive talent. And Los Angeles offers plenty of businesses for sale. An entrepreneur can take a company only so far before it needs additional capital to expand. Or the founder may want to cash out. Or the company may hit the downside of the cycle or may lose a major project and run into financial difficulties. The Douglas Aircraft Company, of Long Beach, ran into cyclical financial difficulties and sold out to McDonnell Aircraft Corporation, of St. Louis, in 1967. Los Angeles's Stuart family sold its interest in Carnation, to the Swiss-based Nestlé, in 1985. Last year the locally based airlines Pacific Southwest, Western, and AirCal were taken over by USAir Group, of Washington, D.C.; Delta, of Atlanta; and American, of Dallas, respectively.

Will the Los Angeles-based companies that have been acquired by out-of-town corporations grow faster and, perhaps, attract distant headquarters to Southern California? This is what happened after the Atlantic and Richfield merger that created Arco. Rockwell International has incrementally moved its headquarters to Los Angeles from Pittsburgh, now that the majority of its manufacturing capacity is in Southern California. Or will these acquisitions lead to the loss of local jobs, influential executives, and community support to the distant headquarters city? Such a drain has taken place in San Francisco, which has lost half its major companies through mergers or restructuring since 1979.

A related problem has to do with who will own and run the Los Angeles of the future. A tangible symbol of Los Angeles's economic might—its gleaming new downtown skyline—has already passed out of local control. According to the *Los Angeles Times*, 75 percent of the large downtown office buildings are foreign-owned or -controlled, up from 25 percent just eight years ago. At their offices in these foreign-owned buildings some Los Angeles banking executives worry that financial institutions based in New York and Tokyo may someday dominate the local market. Already branches of Wall Street firms like First Boston and

Morgan Stanley have become Southern California's leading investment banks. Similarly, long-established Los Angeles attorneys fear that an influx of New York law firms now under way will take away some of their business, because the New Yorkers offer the prestige of a national outfit and have already worked with the banks and corporations that have recently opened offices in Los Angeles. By 1987 about forty New York law firms had opened offices in Los Angeles. Most had arrived within the preceding few years; many had come to Los Angeles within the preceding year.

Trade is another activity that is both bringing prosperity to greater Los Angeles's economy and putting outsiders in charge of large parts of the city. The ports of Los Angeles and Long Beach, which sit side by side on San Pedro Bay but are run separately by the two municipalities, together form the fastest-growing major cargo center in the world. The value of its total import-export oceanborne cargo jumped from \$35.4 billion in 1983 to \$56.2 billion in 1985 and \$61.8 billion in 1986, easily surpassing the Port of New York and New Jersey's \$49.9 billion for 1986. The rise in value of the international trade passing through the Los Angeles customs district, which includes Los Angeles International Airport, is even more impressive: from \$21.7 billion in 1975 (using 1985 dollars) to \$63.8 billion in 1985. This far outstrips New York's growth from \$62.4 billion in 1975 (using 1985 dollars) to \$90.4 billion in 1985.

The Los Angeles–Long Beach area has recently become the nation's largest port, primarily because it is the trade gateway to the American market for the Pacific Rim nations—and America's gateway to the Pacific Rim market as well. Already U.S. trade with the Pacific Rim countries is 30 percent greater than U.S. trade with the Atlantic Basin countries, and 60 percent of U.S. trade from the Pacific Rim enters the United States through Los Angeles's two ports and its international airport.

There could not be a more propitious moment for Los Angeles to affirm its role as gateway, because Asia now boasts the world's fastest-growing economies. With 43 percent of the world's population, the Pacific Rim's twenty-seven nations (excluding the Soviet Union) are projected to account for 27 percent of the gross world product by 1995, up from 24 percent in 1980 and 21 percent in 1970, according to a California Department of Commerce report. The combined GNP of the Pacific Rim countries is growing at the astonishing rate of \$3 billion a *week*.

Foreign trade, which is now responsible for one in ten jobs in greater Los Angeles (the figure may reach one in six by 1995), is reshaping parts of the Los Angeles cityscape. Ten years ago downtown Long Beach was a virtual slum. Most white-collar jobs and middle-class shops had moved out. The downtown consisted of several new office towers and vacant lots from a failed 1960s clearance-style urban-renewal project, half-empty and run-down 1920s office buildings, parking lots, retirement hotels, pawn shops, and theaters specializing in X-rated movies. Today more than \$2 billion worth of construction is under way in or

planned for downtown Long Beach, which, because of its proximity to the ports of Los Angeles and Long Beach, is becoming an urban-village core focused on foreign trade. Near the *Queen Mary* tourist area, for instance, will be the World Trade Center, a 2.2-million-square-foot office, hotel, and retail complex. In an increasingly common kind of deal, the joint-venture partners are IDI, the largest Long Beach-based office developer, and Kajima, the largest Japanese construction firm.

Asian corporations and businessmen are playing an ever greater role in the metropolitan area's economy, through their investments in manufacturing and trade as well as in real-estate development. Many of these Asian investors prefer Los Angeles to other parts of the United States, because they have already made business deals here and feel comfortable with the area's substantial Asian population, business networks, and social institutions. These Asian corporations and businessmen are formidable investors and business competitors. They are oriented toward the long term more than Americans are and, therefore, are willing to pay more for an asset, whether it is a company, a manufacturing plant, or a building. For instance, Japanese investors require only a six or seven percent first-year return on a real-estate investment, as compared with nine or ten percent demanded by most American investors.

The impact of this foreign investment and trade—in combination with the metropolitan area's huge gross regional product, rising financial might, and fast-growing population—is raising expectations that Los Angeles will soon be more than the West Coast's business and financial center. Many bankers and civic leaders expect Los Angeles to become a leading world financial center, in a league with New York, London, and Tokyo. Some even suggest that Los Angeles might become the world's financial capital, linking the mature American and Western European economies with the ascendant Pacific Rim ones.

America's First "Third World City"

THE POPULATION OF GREATER LOS ANGELES IS ALSO growing and diversifying. Now 12.6 million, the population is projected to reach 16.4 million by 2000 and 18.3 million by 2010. Greater Los Angeles, therefore, will retain in 2000 its current position as one of the twelve largest cities in the world, according to Peter Hall's *The World Cities*. This fact is impressive when it is considered in the context of urban growth around the globe. In 1950, Hall notes, seven of the world's twelve largest cities were North American or European. By 2000 only two—Los Angeles and New York—will be. Greater New York is not growing rapidly, but it will remain on the list because of its currently enormous population. Greater Los Angeles, however, is growing rapidly. Indeed, of the top twelve cities projected for the year 2000, Los Angeles and Tokyo will be the only highly developed post-industrial cities doing so, fast growth being common now only in developing and newly industrializing countries.

Why is Los Angeles the only fast-growing large city in a post-industrial North American or European nation? After all, like other large North American and European metropolitan areas, Los Angeles now has considerable population emigration. During the early and middle 1970s the population of the city of Los Angeles actually declined, as emigration increased and immigration from the rest of the United States decreased. Young working- and middle-class Americans were deciding that Los Angeles housing prices were too high, and Mexican immigrants had pushed down local wages for unskilled and semi-skilled labor. In the late 1970s, however, Los Angeles began gaining population again. The emigration did not slacken, but the metropolitan area became the leading point of entry for legal immigrants to the United States. Since the late 1970s, moreover, Los Angeles has also gained hundreds of thousands of illegal immigrants.

As the metropolitan area's population increases, its ethnic composition is becoming less Anglo and more Latin and Asian. The Anglo population will drop from 60 percent to approximately 40 percent in 2010, while remaining stable in absolute terms, according to a recent report by Frank E. Hotchkiss, the director of regional strategic planning for the Southern California Association of Governments. The non-Hispanic black population will rise from 9 percent to 10 percent, increasing by approximately 800,000. The Asian population will grow from 6.2 percent to 9.3 percent, increasing by almost one million. The Hispanic population will rise from 24 percent to 40 percent, increasing by more than four million.

Greater Los Angeles is well on its way to becoming the first major "Third World city" in the mainland United States, with the majority of residents in the metropolitan area of non-European ancestry. Although it is impossible to verify claims about relative ethnic populations in cities all over the world, some Angelenos boast that greater Los Angeles is the largest Mexican metropolitan area outside Mexico, the second largest Chinese metropolitan area outside China, the second largest Japanese metropolitan area outside Japan, the largest Korean metropolitan area outside Korea, the largest Philippine metropolitan area outside the Philippines, and the largest Vietnamese metropolitan area outside Vietnam.

A visit to Broadway in downtown Los Angeles should persuade anyone that a significant part of Los Angeles is already a Third World city. Before the Second World War a six-block stretch of Broadway was one of the leading shopping and movie-theater centers for middle-class Anglo families, who rode the electrified trolleys known as Red Cars downtown from all over the metropolitan area. Today Broadway is the shopping and movie-theater center for the city's Hispanic residents, most of whom come downtown on buses. The street scene is as crowded, lively, and noisy as any in the nation. The movie palaces are little changed since before the war, except that they now show films in Spanish. So successful are the apparel and shoe stores that retail rents along Broadway are nearly as high as those in

Beverly Hills (\$5 to \$8 a square foot per month versus \$5 to \$12 a square foot).

In the past decade Asian immigrants have also created their own thriving commercial and residential districts. Many of these Asian enclaves have emerged in the suburbs, as affluent newcomers have abandoned the inner-city Asian neighborhoods to more recent immigrants. Less than a decade ago the mile-long stretch of Bolsa Avenue in the Orange County towns of Westminster and Garden Grove, for example, was lined with half-empty shopping centers, vacant lots, and bean fields. Today several hundred Vietnamese-owned shops, restaurants, banks, and professional offices serve the metropolitan area's approximately 120,000 Vietnamese residents, and the strip is known as Little Saigon. On weekends Vietnamese flock to Bolsa Avenue to shop and see friends. Tens of thousands of them have moved to Westminster and Garden Grove, giving an Asian spirit to a suburban area previously best known as the location of the evangelist Robert Schuller's Crystal Cathedral. Indeed, Bolsa Avenue has become the Vietnamese capital of America. In the San Gabriel Valley, Alhambra's Asian population has tripled, from 12 percent to 36 percent of its population of 71,300, in the past seven years.

Even more startling is the population shift in Monterey Park. Fifteen years ago this suburban town in the western San Gabriel Valley, five miles east of downtown Los Angeles, was primarily Anglo and Latino, like the rest of the valley. Now the population of 60,000 is about 50 percent Asian, most of it middle class, making Monterey Park the most heavily Asian city in the mainland United States. (See the accompanying article by Nicholas Lemann.)

Although the Hispanic and Asian newcomers have gained more attention in the press, the metropolitan area has attracted another significant group of new arrivals: well-educated, upper-middle-class Anglo professionals and businessmen. While the overall Anglo influx into Los Angeles has declined, more and more of these well-paid newcomers have been attracted to the city from the East Coast, Midwest, and San Francisco to run the metropolitan area's burgeoning enterprises. Some are attracted to Los Angeles more by the vibrant economy than by the intrinsic qualities of the region. A search-firm executive snidely told a San Francisco resident who had reluctantly agreed to take a new job in Los Angeles, "You move to Los Angeles so that you can someday afford to move back to San Francisco."

The resulting demand for high-priced showplace homes on the city's affluent and overwhelmingly Anglo "Westside"—the local term for the adjacent Beverly Hills, Bel-Air, Brentwood, and Pacific Palisades neighborhoods—has recently led to the phenomenon known as tear-downs. Homeowners and real-estate speculators are demolishing 2,000- and 3,000-square-foot houses and building flashy 8,000- and 10,000-square-foot "mansions," even if this means leaving only five or ten feet of open space on each side of the half-acre lot and sacrificing the back-yard lawn



THE BROADWAY SHOPPING DISTRICT

to the obligatory swimming pool and guesthouse. The economics of tear-downs is astonishing, even in the Westside's hyperinflated real-estate market. In one typical Beverly Hills transaction in the flats below the Beverly Hills Hotel, a speculator paid \$1.7 million for a one-acre property, ripped down the 1920s house on it, built an 8,000-square-foot house for a little over \$1 million, and sold the property for \$4 million. In pricier Bel-Air, speculators are paying up to \$3 million for tear-downs on one-acre lots. Even twenty-year-old houses are being demolished.

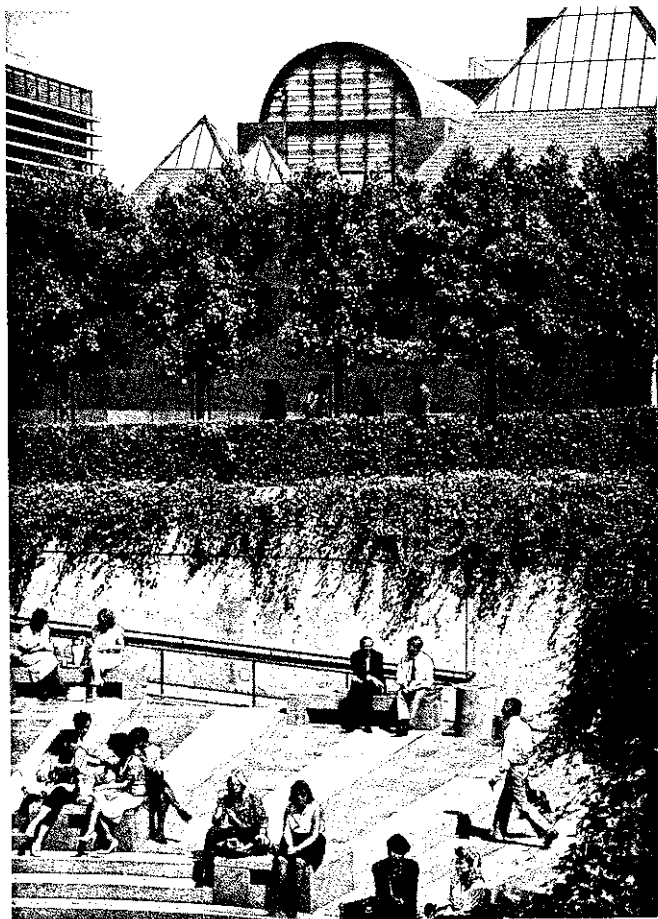
Culture at Last

ANGELENOS HAVE PERHAPS AN EVEN GREATER cultural inferiority complex than did, say, the late-nineteenth-century New York robber barons or the Chicago meat-packers. They know that the East Coast elite often regard them as sun-baked nouveaux riches or flakes, or both; they have heard Johnny Carson's joke that the only live culture in Los Angeles is in its yogurt. Indeed, relative old-timers remember when the Los Angeles County Museum of Art hid its Jackson Pollock in a storeroom and removed a Picasso because it was "Communist propaganda."

Artistic activity in Los Angeles, however, may soon rival that in New York. As Los Angeles has become richer, more populous, and more ethnically diverse over the past decade, it has also become more sophisticated. Most middle-class and affluent Angelenos are more excited by the city's thriving art scene and excellent new restaurants than by

news that Los Angeles has become the nation's second most populous metropolitan area or that its port has surpassed that of New York. Many Angelenos are eager to flaunt the icons of sophistication that money can buy—including a record promoter who avidly buys Old Masters paintings of dubious authenticity for his 1920s villa and a businessman who has turned the back yard of his half-acre Beverly Hills "mini-estate" into a "sculpture garden" and issues engraved invitations for the unveiling of his latest acquisition. The *Los Angeles Times* Westside edition carries real-estate advertisements for new houses with "gallery wall space" and "a courtyard for your Henry Moore."

On the city's often self-conscious cultural front, nothing



SPIRAL COURT, BUNKER HILL, DOWNTOWN LOS ANGELES

has attracted more attention than the recent opening of two new art museums. *Newsweek* proclaimed, "To a widening international circle of contemporary artists, dealers and collectors, Los Angeles is the new place to be." In December of 1986 the Museum of Contemporary Art opened in its new downtown Los Angeles home. With a permanent collection already totaling 600 pieces, it is the only Los Angeles museum devoted to art dating from 1940 onward. So far, MOCA's art collection has taken second place to the museum's extraordinary building, designed by the Japanese architect Arata Isozaki. It is a series of playful forms—barrel vaults, cubes, and rooftop pyramids—executed in red Indian sandstone, aluminum panels, and

glass. Across town the twenty-three-year-old Los Angeles County Museum of Art doubled its exhibition space with the opening, a month before MOCA's opening, of the \$35 million Robert O. Anderson Wing for modern art. LACMA has also started construction on a Pavilion for Japanese Art, which will display the museum's world-renowned Shin'en-kan collection of Edo-period paintings and serve as an international center for the study and exhibition of Japanese art.

Norton Simon is planning to make a \$750 million gift of his art collection to UCLA. And the J. Paul Getty Trust, which already has the J. Paul Getty Museum, in Malibu, is planning a fine-arts center for a 110-acre hilltop site above Brentwood, eleven miles away. This will include another museum and the headquarters of the Getty Center for the History of Art and Humanities and the Getty Conservation Institute. The current Getty Museum will be devoted to Greek and Roman antiquities. With an endowment of \$2.9 billion the Getty Trust can be the freest-spending museum fund in the world, much to the chagrin of, say, New York's Metropolitan Museum of Art, with its endowment of \$350 million. Indeed, the Getty Trust has so much money that it makes grants to other museums. It gave \$3 million unconditionally to MOCA and \$1 million to the Southwest Museum, near downtown Los Angeles.

Reflecting its iconoclastic image, Los Angeles also boasts several unconventional new museums. The Museum of Neon Art is the world's only museum created to preserve and exhibit vintage commercial neon signs and also the creations of contemporary artists working in the medium. The nearby Los Angeles Contemporary Exhibitions, a non-profit artists' laboratory and gallery, has sponsored events as diverse as the Industrial Zone Surf Stomp Music Festival and performances by the Alien Comic. In a recent spoof on the local art scene, LACE funded and screened a video about COMA, the fictitious County of Orange Museum of Art. The video introduced the "museum curator" as she lounged at poolside and applied suntan lotion. Then it toured various COMA exhibits, including an early-1980s suburban tract home in miniature, a sculpture colonnade filled with high school athletic trophies, and the Neo-Expressionism Gallery, where visitors could acquire paintings and then consult a museum interior decorator about buying new upholstery to complement the artwork.

While undeniably funny, the COMA spoof perpetuated Angelenos' long-standing joke that the highest cultural peak in Orange County is the Matterhorn ride at Disneyland. In fact the metropolitan region's most impressive recent cultural accomplishment is not one of Los Angeles's new art museums: it is the Orange County Performing Arts Center, with its 3,000-seat theater and 300-seat rehearsal hall. Another, 1,000-seat theater is planned. The \$140 million in private contributions that built and endowed the complex is the result of the largest wholly private fundraising campaign ever conducted for a performing-arts center in the nation.

An Unconventional Power Structure

THE GROWTH OF GREATER LOS ANGELES'S economy, population, and cultural activity is impressive. But these changes have contributed to serious problems in metropolitan-area government, education, law enforcement, environmental protection, and transportation. Meeting these challenges requires renewed commitment on the part of the region's power structure, which has evolved beyond the typical big-city political, economic, and social hierarchy. Power and influence are now so dispersed that no one circle of interests is dominant.

In the past Los Angeles had its business and social elite, which worked downtown and lived in Pasadena, San Marino, or the Hancock Park neighborhood, several miles west of downtown. The downtown California and Jonathan clubs represent the last vestiges of this system. Until last year, when the city passed an anti-discrimination ordinance, these two clubs still discriminated against nearly everyone except white males. These tradition-bound clubs are becoming less powerful as the Westside, with its highly visible Jewish population, the nouveau-riche Orange County town of Newport Beach, and the Hispanic and Asian communities increase in influence.

Today business and political leaders must be adept at building coalitions if the diverse groups are to cooperate in getting anything done. Dorothy Chandler, the wife of the former *Los Angeles Times* publisher Norman Chandler, was one of the first successful coalition-builders. In the late 1950s and early 1960s she brought together the old families, downtown corporations, show-business leaders, and self-made millionaire businessmen to build the Music Center of Los Angeles County, on Bunker Hill, downtown.

One of the most skillful coalition-builders of recent years is the four-term mayor, Tom Bradley. In a city where blacks constitute only 17 percent of the population, Bradley has had to build coalitions in order to survive. Survive he has, despite what political scientists describe as a "weak mayor" system, to become the most effective mayor in recent Los Angeles history. Bradley's style involves low-key cajoling and constant communication with various groups, which means that he seldom wins sole credit for getting legislation passed or a project completed. But many of the city's finest recent accomplishments would not have happened without his leadership. A good example is the 1984 Olympics, for which Peter Ueberroth received the acclaim. But the Games would never have come to Los Angeles, much less been successful, without the constant support of the mayor.

Culture is one arena in which business, political, and social interests come together, in coalitions that include public-private partnerships. The year-old Museum of Contemporary Art, for instance, was created by the coordinated efforts of many private citizens in partnership with government—not just by one person's vision and

money, as were the J. Paul Getty Museum and the Norton Simon collection. Eli Broad, a leading local collector of contemporary art and the chairman of Kaufman and Broad, one of the nation's largest home-building companies, was the catalyst for MOCA. After putting up \$1 million in 1979, Broad assembled a coalition of other collectors and influential citizens, which persuaded Mayor Tom Bradley that the \$1.5 billion California Plaza redevelopment project downtown would be an ideal place for a modern-art museum. Through the imaginative use of the Community Redevelopment Agency provision that 1.5 percent of any renewal project's construction budget be devoted to public art, Bunker Hill Associates paid for the construction of the \$23 million MOCA building rather than sprinkling the 11.2-acre project site with sculptures. Broad and his coalition assembled the museum's permanent art collection and raised a \$20 million endowment. As a result, Los Angeles gained one of the nation's finest modern-art museum buildings without spending a dime of public money but with significant public support.

So far, the coalition power structure has served the city of Los Angeles well. But the system's flexibility is now being tested on many fronts, particularly political ones. There are ten Anglos on the fifteen-member Los Angeles City Council, although the Anglo share of the city's population is only 41 percent. In contrast, Hispanics—with 36 percent of the population—have only two city-council members. Hispanics are only beginning to get their fair share of local political power. In December, 1985, Richard Alatorre became the first Hispanic to win a city-council seat in two decades. The second Hispanic council member, Gloria Molina, was elected last February but only after the U.S. Justice Department found the city's gerrymandered council districts in violation of the Voting Rights Act and ordered the city to enact an equitable redistricting plan.

Problems as Big as the City

AS A NEW REGIONAL POWER STRUCTURE TAKES SHAPE, it faces the urban ills that are often overlooked because of the region's affluence and pleasant climate. While most other cities have similar problems, those of Los Angeles are exacerbated by the large population of legal and illegal immigrants and the enormous size of the region. As the problems increase, some Angelenos are beginning to believe that Tom Bradley's effectiveness as a mayor is waning. According to a 1987 *Los Angeles Times* poll, 45 percent of those surveyed said that Los Angeles was changing faster than the mayor, 31 percent said that he was keeping up with changes, and only eight percent said that he was ahead of them. After unsuccessful campaigns for governor in 1982 and 1986, the seventy-year-old Bradley has lost influence citywide in the past two years, as was made plain when his ally and handpicked candidate to succeed him, Pat Russell, the city-council president, lost her council seat to an anti-growth candidate, Ruth Galanter,

last June. That election made clear that Bradley's desire for Los Angeles to become "a world-class city" had left many people in the neighborhoods behind. They are more concerned about crime, schools, traffic, the environment, and the deterioration of the much-heralded Southern California life-style.

Los Angeles has indeed become faster paced, more congested, and meaner in the past ten years. To describe most of today's Angelenos as laid-back would be as inappropriate as calling most New Yorkers polite. Only affluent Angelenos can now enjoy the pleasures that the working and middle classes took for granted ten or fifteen years ago, such as spacious and reasonably priced housing, easy access to nearby beaches and mountains, and exemplary public education.

The Los Angeles Unified School District, which encompasses an even larger area than the city of Los Angeles and is independent of the city government, faces a seemingly impossible challenge. In contrast to the situation in nearly all other big cities, in Los Angeles the school-age population is increasing, at the rate of 14,000 students each year. To accommodate this growth, the district needs to build nine new elementary schools, a junior high school, and a senior high school each year for the next five years, and also do something about the \$400 million backlog of deferred maintenance on existing buildings. At the present rates of student increases and school construction, 50,000 students will not find seats in the classroom in five years.

Educating all these children is increasingly difficult. Of the nearly 600,000 students in the Los Angeles Unified School District, from kindergarten to high school, about 25 percent exhibit only a limited proficiency in English and speak one of more than eighty other languages. More than half the pupils in some classes require remedial English instruction. To compound the district's educational problems, more than half the district's children come from homes whose incomes are under \$14,250 a year.

Other social problems affect all Angelenos, whatever their income, as the spate of freeway shootings last summer reminded them. Los Angeles has the nation's third highest crime rate, behind Detroit and Dallas. And if the recent allegations that Los Angeles has emerged as a \$1-billion-a-year clearinghouse for cocaine in the western United States are correct, crime rates are likely to go even higher. In the gang-infested South Central ghetto, teenage drug entrepreneurs drive custom \$50,000 to \$100,000 BMWs and Mercedes, and their gangs' foot soldiers brandish Uzi submachine guns and Soviet-made AK-47 assault rifles. About 70 percent of gang killings involve innocent bystanders.

The list of environmental problems is also daunting. The handsome physical setting of Los Angeles is more threatened than the settings of most of the world's major cities. All the region's residents are affected by the ever-present threat of earthquakes, foul-smelling and chemical-laden tap water, and the potential for water shortages by the year 2000.

An equally serious but often ignored environmental threat is the pollution of Santa Monica Bay, which forms the visually splendid backdrop for the city's beaches from Palos Verdes to Malibu. Raw sewage is occasionally dumped into the ocean by the city's overburdened sewer system, endangering the health of swimmers, and the ocean water is so polluted with cancer-causing DDT and PCBs that much marine life is now deformed or afflicted with tumors and fin rot. Indeed, one meal of local sea bass would exceed Environmental Protection Agency lifetime limits for several toxic chemicals.

The DDT had already entered the local ocean food chain when use of the chemical was outlawed. The sources of the continuing PCB and other chemical pollution are industrial sludge that is pumped into the ocean without complete treatment, oil and exhaust particles washed off streets into storm drains by winter rains, and smog particles that are washed out of the air and off plants by rain. The city has repeatedly delayed improving its waste-treatment system so that all household and industrial waste water would receive full secondary treatment to remove bacteria and solid matter before it was pumped into the ocean. In fact, it paid a \$625,000 fine for missing a recent deadline for full secondary treatment, in a consent decree with the Environmental Protection Agency and the state Regional Water Quality Control Board. The city now faces a new deadline, 1998. The State of California is unwilling to wait until then, and has filed a suit against the city, threatening to press for \$100 million in damages unless the city ends the sewage contamination.

The best-known environmental problem, of course, is smog. Los Angeles has the most polluted air in the United States. On two out of three days at least part of the metropolitan area violates federal air-quality standards. On the smoggiest days ozone readings in some areas are often three times more than allowable standards.

Although air quality has continued to improve over the past decade and is far better than it was in the pre-EPA 1960s, it is expected to worsen in the 1990s, simply because of the increases in the population, the number of automobiles, and the amount of industry. Because prevailing winds off the Pacific blow much of the smog into the inland Riverside and San Bernardino counties, where most new "affordable" housing (under \$150,000) is being built, air pollution will affect more people in the future. Coastal communities with relatively clean air, like Pacific Palisades, Santa Monica, and Palos Verdes, are almost fully developed, and housing prices in them are among the highest in the metropolitan region.

Freeways and Down Time

BESIDES THESE DIFFICULTIES, GREATER LOS ANGELES also faces another seemingly insoluble problem: transportation, which affects almost everyone and will eventually limit the region's economic growth. Easy mobility is essential to anyone in Los Angeles and forms an

important part of the city's life-style.

But the days of driving simply for fun are over. Los Angeles County has four of North America's five busiest freeways. Here traffic frequently slows to a rush-hour crawl during the middle of the day or late at night. On the other, less-congested freeways, rush hours last from 7:00 to 10:00 A.M. and from 3:00 to 7:00 P.M., unless accidents or rain extend the congestion. Even on "good" mornings more than 300 miles of the 740 miles of freeways in Los Angeles, Orange, and Ventura counties are clogged with commuters going no more than fifteen miles an hour. Only thirty miles of freeways were similarly overburdened in 1963. On some freeways there is enough traffic to fill an additional ten to twenty lanes, if such an expansion were physically and financially possible. Not surprisingly, Los Angeles motorists waste 100,000 hours a day in traffic jams.

This traffic congestion adds up to a lack of freedom for nearly all Southern Californians, not to mention an expense and a cause of emotional stress. More time on the freeways means less time at home. Rush-hour slowdowns simply rule out some personal outings or business trips during the work week. Who wants to make the sixty-mile trip from the Westside to Orange County during rush hour if it will mean two and a half hours of bumper-to-bumper traffic?

The traffic congestion, moreover, will only get worse. Los Angeles ranks seventeenth among American cities in miles of freeway per million population, and California spends the least state and local highway money per capita of the fifty states, owing to the slow-growth philosophy inherited from the Jerry Brown administration and local resistance everywhere to new freeway construction. Transportation demand is soaring faster than the population. From now to 2000, reports Martin Wachs, a professor in the Graduate School of Architecture and Urban Planning at UCLA, the region's population will increase 25 percent but the number of licensed drivers will increase 32 percent, number of trips 35 percent, and vehicle-miles of traffic 41 percent.

If these trends continue, traffic will soon become "intolerable," according to the Southern California Association of Governments. By 2010 the number of miles of freeways that are congested during the afternoon rush hour will more than double. "Roughly 50 percent of the region's travel time will be spent in delay," according to a recent *Los Angeles Times* article. Anthony Downs, of the Brookings Institution, recently said, "The only solution to the traffic problem is to buy a BMW with comfortable seats, a high-quality sound system, and car phone, and enjoy it as best you can."

Current development practices aggravate the problem. The Los Angeles City Council frequently exempts developers from preparing environmental-impact reports and traffic studies if their projects are anywhere other than downtown and can meet the municipal zoning code, which permits far greater commercial and residential density than the streets can accommodate. After years of increas-

ing frustration, Los Angeles voters took advantage of California's initiative process a year ago, overwhelmingly passing Proposition U, which halves the maximum permissible density on 85 percent of the city's commercial and industrial land, over the objections of Mayor Tom Bradley and the former city-council president Pat Russell. In the same election voters in the rich Orange County town of Newport Beach defeated the Irvine Company's plan for a \$400 million mixed-use complex overlooking Newport's harbor. The no-growth forces spent \$10,000 to defeat the project. The Irvine Company's unsuccessful campaign cost \$500,000. The company had promised to spend \$47 million for road improvements.

The rapid geographic expansion of greater Los Angeles will further increase traffic problems. Residential growth will continue to move eastward, toward the San Bernardino and Riverside areas and even into the Mojave Desert, north of the lofty San Gabriel Mountains. But jobs are not expected to follow the housing quickly, and the result will be that commutes will grow even longer.

In response to the growing traffic paralysis, politicians, experts, and citizens have proposed such futuristic ideas as double-decking existing freeways and removing auto wrecks by helicopter. Most suggestions are more predictable. One that is often proposed involves constructing new freeways. Although more freeways are being built at the edges of the metropolitan region, the new Century Freeway is probably the last one that will be completed within heavily populated areas. The costs of catching up with demand through such road construction are too great and the benefits too small. Already twenty years in the planning, the seventeen-mile freeway is expected to cost \$1.7 billion. After nine years of litigation, more than 6,000 homes in its path have been demolished. Experts admit that the Century Freeway will suffer rush-hour traffic jams from the day it opens, in 1993.

Another controversial claimed solution is the Metro Rail subway. After twelve years of planning, construction began last year. Metro Rail's first 4.4-mile segment, which is expected to cost \$1.25 billion, will run from Union Station, just north of downtown Los Angeles, through the downtown area to Alvarado Street, in a run-down residential area west of downtown. If completed as planned, the subway will run approximately twenty miles down Wilshire Boulevard, through Hollywood, and into the San Fernando Valley. The total cost is estimated at \$4.5 billion, making Metro Rail one of the world's most expensive mass-transit projects.

Metro Rail's proponents, who are led by Tom Bradley and downtown business interests, claim that Metro Rail is needed to keep the city from strangling on its own traffic. According to the plans, the twenty-mile subway will eventually be the centerpiece of a 150-mile commuter-rail network in Los Angeles County. Opponents claim, however, that Metro Rail is an urban status symbol that will do little to alleviate congestion. Its 4.4-mile initial segment, they say, serves no real commuter needs. Nor will the entire

twenty-mile project appreciably reduce traffic problems, because Los Angeles is not a nineteenth- or early-twentieth-century city, with subways and commuter trains shuttling between a strong downtown core and suburbs radiating outward in declining density. The pattern of high-density office and retail buildings in the eighteen urban-village cores of Los Angeles results in too many routes between where people live and where they work for any subway or even bus network to serve them. Metro Rail's twenty-mile route to the San Fernando Valley will service only downtown and the much smaller mid-Wilshire and Hollywood districts. These three areas provide about five percent of the metropolitan area's employment, and the \$4.5 billion Metro Rail will *potentially* serve 1.25 percent of its work force.

Metro Rail's critics also charge that the initial ridership projections of 55,000 passengers daily for the first leg of Metro Rail are inflated, just as such projections have been, in the planning stages, for almost every subway system built in the United States since the Second World War. For Metro Rail, the accuracy of ridership figures is critical, because all operating costs are to be paid for through the fares (\$1.50 a ride), a financial feat that no new American subway system has achieved in forty years. To cite one example, the fares collected by the new MARTA system in Atlanta cover only 40 percent of the system's operating expenses and none of the amortized capital costs.

But this is only one aspect of the concern over Metro Rail's funding. The exact route of the system beyond its short first leg has not been determined, owing to geological problems. Seemingly every route revision is accompanied by an escalation in the budget. Only five months after Metro Rail's splashy groundbreaking, in a ceremony that cost \$90,000, the estimate of the system's cost was revised upward by \$1 billion. At present, Metro Rail is guaranteed only \$870 million in federal funds, which will be paid in increments over the next eight years.

Although downtown Los Angeles streets are now being closed and dug up for Metro Rail, no one at city hall has firmly said where the additional construction money will come from, and with good reason. For a city beset by seemingly insoluble social, environmental, and transportation problems—and one with limited revenue-raising opportunities—the construction of the impractical multibillion-dollar Metro Rail is scandalous.

Less expensive and more workable tactics could be used to fight the transportation problem. Some experts urge the adoption of a region-wide traffic-management plan consisting of more one-way streets, stricter enforcement of ordinances against parking on the street, more computer-controlled traffic signals, the encouragement of peripheral parking outside urban-village cores, the speedier detection and clearance of accidents on freeways, the encouragement of staggered work hours, and more freeway lanes set aside for carpools and buses. Already Los Angeles has the largest bus transit system in the nation, carrying 1.5 million riders every day. The bus operation comes closer to

full capacity than any other in America. Its passenger volume exceeds that of most of the nation's rail systems. The Wilshire-corridor lines, for example, carry 190,000 riders a day, whereas only 80,000 people travel those routes in automobiles.

Some efforts at traffic management have already worked in Los Angeles. During the 1984 Olympics traffic volume increased by as much as 11 percent. But traffic was moving at 55 miles an hour on the freeways at rush hour, because of the temporary imposition of traffic-management steps, such as alterations in work schedules and hours when delivery trucks were permitted to use the freeways, and increasing commuter parking near freeway entrances. This was the largest experiment ever in traffic management, and it is being studied worldwide to determine what lessons can be learned and what steps should be implemented permanently in Los Angeles and elsewhere.

Banding Together to Solve Problems

THE SOLUTIONS TO THE METROPOLITAN AREA'S problems, particularly transportation and air quality, require regional planning and cooperation—most notably in encouraging future development along the urban-village pattern, to bring jobs, housing, and shopping closer together. The Southern California Association of Governments recently commissioned a computer model of greater Los Angeles transportation in the year 2010, which examined the effect of measures like double-decking freeways, building more freeways, expanding mass transit, and imposing traffic-management plans. According to the model, everything that could feasibly be done would be only a gesture toward meaningful relief of the expected congestion, except for one thing—moving employment closer to housing, and vice versa. This solved the congestion problem.

Los Angeles has a history of solving problems as a region—for example, bringing in plentiful water at the turn of the century, which made possible the boom of the teens and twenties and sustains the metropolitan area of today. Similarly, the creation of the man-made port at San Pedro, also at the turn of the century, was an important prerequisite for Los Angeles's growth as a trading, manufacturing, and oil-exporting region.

Ninety years ago, however, the Los Angeles metropolitan region was much smaller, and the number of governmental jurisdictions to coordinate was much smaller. Today the metropolis extends across five counties and 157 city jurisdictions, and there are innumerable special districts dealing with specific issues such as mosquito abatement and flood control. The city has grown so large that it takes two hours to drive from one end of it to the other—when traffic is light. The potential that a series of less-than-optimal local solutions will be imposed on regional problems, therefore, is great.

Orange County, for example, often tries to assert its independence from Los Angeles, even though it is an exten-

way rather than according to the traditional city-suburb pattern, every city in the metropolitan region has always included poor communities, urban employment centers, industrial districts, and cultural institutions. While Angelenos can live, work, play, and shop in one section of the metropolitan area, they cannot isolate themselves from the diversity of urban life, as do the residents of many suburbs. When many Beverly Hills residents drive to the nearest freeway, for instance, they pass through a middle-class Anglo area, the largest Sikh neighborhood in Los Angeles, and a working-class black neighborhood—all within two miles.

Although the jumble of different uses and socio-economic classes in proximity is one reason that Los Angeles is so difficult for out-of-town visitors to comprehend, it gives middle-class and rich Angelenos a greater understanding of the metropolitan region than their counterparts demonstrate in most other cities.

Angelenos are also increasingly drawn together by an awareness of their city's "manifest destiny"—as a rival to New York City for the nation's financial and cultural leadership, as America's gateway to the Pacific at the dawn of what some observers predict will be the "Pacific century," and perhaps even as the world's financial capital. Before Los Angeles can realize its potential, though, its leadership must build broader metropolitan-wide coalitions to face problems like traffic, smog, ethnic rivalries, and generally poor public schools. Purely local solutions to traffic, in the country must eventually seek similar kinds of regional solutions to its own regional problems. Unfortunately, the cities and suburbs of most metropolitan areas are still too busy competing to begin.

The historian Lawrence Clark Powell, speaking at the celebration for the hundredth anniversary of the Historical Society of Southern California, in 1983, recalled, "In the early years of this century, it was gospel that we were destined to be the Athens of the West. Now we're more likely to become Rome. Our power is more imperial than classical." For Los Angeles to continue to achieve its imperial goals, it must rely on the major advantage of its regional identity. Without this identity and the willingness to solve its regional problems, the huge metropolitan area risks spinning apart. Only with regional unity and cooperation will Los Angeles fulfill its dreams of greatness. □

sion of the metropolitan area, just as White Plains is an extension of New York City and King of Prussia is an extension of Philadelphia. One way in which Orange County tries to demonstrate that its more than two million residents are not part of the metropolitan region is through its airport. The other five of the six major airports in greater Los Angeles voluntarily coordinate their planning and safety efforts through a metropolitan-area-wide airport authority. This authority happens, for historic reasons, to be run by the city of Los Angeles, even though Los Angeles International is the only one of the airports within the city limits. But Orange County, whose airport has serious air-traffic congestion problems, refuses to participate in the authority, undermining the authority's ability to solve the region's congestion.

Orange County's frequent refusals to participate in regional planning point to a problem faced by all metropolitan areas: the competition between city and suburb. Thirty years ago our central cities did not want to pay for the infrastructure necessary to extend services to the growing suburban areas. Now the nation's suburbs attract the vast majority of new employment, new commercial development, and new tax base. Turning their backs on the central cities, the suburbs want to write off urban problems that they think cannot be solved. The result is competition—and suspicion—between city and suburb which hinders all forms of metropolitan cooperation and problem-solving.

But in spite of the growing geographic and ethnic distances, most of the 12.6 million people in the greater Los Angeles region still feel that they are part of "Los Angeles." When a resident of Ontario, fifty miles east of downtown Los Angeles, is asked by an out-of-towner where he or she lives, the answer is likely to be "Los Angeles" or "the Los Angeles area." In contrast, someone from Stamford, Connecticut, or Princeton, New Jersey, doesn't necessarily feel a part of greater New York City. Nor do residents of Gwinnett County, Georgia, feel particularly connected to metropolitan Atlanta. And the public officials of greater New York and Atlanta are doing little to dispel these notions of separateness. In fact, looking at regional solutions to regional problems would go against the strategy of big-city mayors and their powerful lobbying organizations, such as the League of Cities and the Council of Mayors. For the past generation these organizations and their members have been fighting suburbs and suburban growth.

One reason for the sense of regional identity in greater Los Angeles is the area's long history of decentralized development. By the early twentieth century the area now covered by greater Los Angeles contained several dozen towns, among them Pasadena, Riverside, San Bernardino, Long Beach, Beverly Hills, and Santa Monica. Each community was separated from the others by orange groves and bean fields, but all were linked by the 1,100-mile Red Car trolley network. The decentralized urban-village pattern actually followed from the Red Car system, not the other way around. Because Los Angeles developed in this decentralized



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