
Dan Walters: ‘California Comeback’ hasn’t helped everyone

By Dan Walters

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As Gov. Jerry Brown runs for re-election, he has adopted “California Comeback” – voiced during his State of the State address in January – as his informal slogan.

Not surprisingly, therefore, Brown’s Employment Development Department issued a report last week, keyed to [Labor Day](#), crowing that California has recovered – numerically – all of the 1.3 million jobs it lost during the recession.

“California is helping lead the nation in solid [job growth](#), which has enabled us to put the recession behind us,” said EDD Director Patrick W. Henning Jr.

A day later, the left-leaning [California Budget Project](#) released its annual [Labor Day](#) report and didn’t buy into the everything-is-rosy scenario painted by the governor and his minions.

It pointed out that while the job numbers have recovered, [unemployment](#) remains relatively high (tied for sixth-highest in the nation) because, since the recession began in 2007, California’s labor force has grown by more than 700,000 and “far more jobs are needed to account for those additional Californians who are searching for work.”

The CBP also noted that recovery from the recession has been slow and uneven both geographically and by sector.

While the [San Francisco Bay Area](#) and a few other coastal regions are booming, double-digit unemployment plagues inland areas, topped by nearly 22 percent in [Imperial County](#).

With major [job growth](#) confined largely to a few sectors, such as technology, [health care](#), food service and hotels, blue-collar employment is still depressed and, as the CBP notes, “long-term unemployed workers still make up a large share of California’s jobless residents.”

The interesting thing about the CBP’s nuanced analysis of California’s economy on [Labor Day](#) 2014 is that it’s quite similar to those from organizations far to its right.

The business-backed California Center for Jobs and the Economy highlighted many of the same numbers as the CBP in its analysis of the latest employment data, noting that employment actually declined in July and that labor force participation, 61.9 percent of employment-age adults, is historically low.

“The two-tier economic recovery persists,” the organization’s report concludes.

[Bill Watkins](#), who heads economic research at California Lutheran University, observes, “The problem ... is that there is not one California economy. Instead, we have a group of regions that will see completely different economic outcomes. Then, those outcomes will be averaged and that ... is California’s economy.”

Watkins adds, “On average ... California’s economic growth will be far below its potential (and) in most of the state, it will be disappointingly low to dismal. ...”

Averaging California’s economy masks some deep-seated problems – including the nation’s highest poverty rate – that shouldn’t be ignored in the political rush to proclaim a “comeback.”

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