

PPIC Blog: California—State of Change

VIEWPOINTS

The PPIC Blog



As leaders from government, business, and philanthropy gathered last week to discuss California's future, we were reminded once again that these are exciting times in our state. The discussions were part of PPIC's full-day conference, [California—State of Change](#), and they highlighted both the advantages our state enjoys and the major challenges ahead.

Speakers noted that the recovering state economy, newly elected state leaders, a richly diverse population, and a history of innovation provide much to build on—as well as a lot of building to do. For example, California has recently enacted sweeping changes in corrections and education finance. But, as the governor's chief aide, Nancy McFadden, emphasized in her keynote address, most of the hard work of implementing these policies lies ahead.

Among other challenges noted in the subsequent panel discussions: a state tax structure that leads to extreme revenue volatility, a need for public employee pension reform, an uneven economic recovery that has left many Californians behind, government institutions that do not provide the tools for managing in the 21st century, and an electorate that is disengaged from the political process.

But, as other speakers reminded us, Californians are living in a time of reform. A change in term limits may lead to more stability in the legislature and result in more long-term policymaking. Recent initiatives to shift many school decisions from the state to the district level and to move state corrections responsibilities to the counties could make local governments labs for innovation—but only if we have the will and the data to evaluate the results.



Our final panel demonstrated that California still knows how to dream big. The discussion focused on three projects: a historic effort to combat climate change, the construction of high-speed rail, and the advancement of stem cell research. All have been controversial, but they show that California voters and elected officials embrace innovation, as they have throughout the state's history.

We invite you to watch the [videos of each session](#). We hope you find the conversations as thought-provoking as we did.