

*The following writing sample is from the monograph Mark Isaac and I published called Just the Facts Ma'am: A Case Study of the Reversal of Corruption in the LAPD. I chose this section because it is a section that I wrote without collaboration from Mark. We thought the urban rivalry between LA and San Diego was important because it provided the incentive for institutional reform against police corruption.*

Even within the first decades of California statehood, Los Angeles and San Diego were rivals pitted in a tournament to become the next California metropolis. Though there were divergent sentiments about which city would triumph, early opinion seemed to favor San Diego. With its superlative harbor, many considered San Diego's march to metropolis a foregone conclusion.<sup>i</sup> On the other hand, Los Angeles possessed a larger population, which included powerful businessmen with money staked in the city.<sup>ii</sup>

When Los Angeles became the western terminus for the Southern Pacific Railroad in 1872, doubt was cast upon the future of San Diego. But, after recovering from a series of failed railroad negotiations San Diego rallied in 1886 and secured the terminus for the Santa Fe Railroad. With new transportation, San Diego capitalized on the inadequate and shallow Los Angeles area harbor (Wilmington harbor) that could no longer accommodate increased tonnage from ships. The loss of business to San Diego threatened the aspirations of Los Angeles and prompted the Los Angeles *Herald* to write, "If this is to go on, then indeed we might as well not have a harbor, but become a back-country to San Diego." Los Angeles needed to create a harbor that allowed them to compete with the natural harbor of San Diego (Fogelson 1967, pp. 109–110).

San Pedro Bay was selected by the Army Corps of Engineers and construction commenced in 1899. Once the engineers converted the modest bay into a functional harbor, the City of Los Angeles brokered a deal to consolidate San Pedro and Wilmington into the city limits. The area quickly became a hub for commercial activities, and further improvements to the port (1911–1912) set the stage for Los Angeles to supply petroleum, lumber, citrus, and other products to larger markets. As Starr (1997) has noted, the new harbor was critical in propelling Los Angeles past San Diego.

Nevertheless, as the Los Angeles harbor expanded, San Diego was far from an afterthought. The watershed moment for San Diego arrived with the California-Panama Exhibition in 1915. The event

conferred notoriety to a proud city still struggling with its economic identity.<sup>iii</sup> Richard F. Pourade writes about the boost in confidence from the exhibition, “Forgotten for the time were old rivalries that had found San Diego bested at every turn by the commercial ambitions of its larger neighbor [Los Angeles]” (1965, p. 199). How the new notoriety should translate to the economic future sparked a political debate in the 1915 mayoral election dubbed “Smokestacks vs. Geraniums.”<sup>iv</sup>

The vision for commerce carried the election, but San Diego did not immediately attract commercial interests. Instead, their California-Panama Exhibition had showcased the scene to important military personnel. With significant lobbying efforts from former Congressman William Kettner and in spite of bitter competition from their California rivals (San Francisco and Los Angeles) San Diego prevailed as the home base of the Pacific Fleet in 1919. This military development, which represented \$27.79 million over five years, vaulted San Diego into its modern city model. Once again, San Diegans believed they could assemble a competitive commercial harbor (Hennessey 1993).

In a short period of time San Diego’s population more than doubled: 74,361 in 1920 to 203,341 in 1940—a rate of growth in the 1930s that far outstripped that of California as a whole (San Diego Historical Society 2010a; Starr 1997). San Diego engaged in a series of civic improvements including a second international exhibition in the 1930s and growing preeminence in the field of aviation. Starr has even highlighted the fact that President Franklin Roosevelt was a major booster of San Diego in the 1930s.

But, despite San Diego’s surge in growth, one might argue that Angelinos did not view San Diego as a major concern in the depths of the Great Depression in the 1930s. Los Angeles had already surpassed San Francisco in terms of industry and population, and all it lacked was the prestige San Francisco had accumulated as California’s financial center.

By the time of the first post-war census (1950) Los Angeles arguably held the position as the premier city in California, with a population of almost 2 million (almost six times larger than San Diego)<sup>v</sup> and with being the western regional location of many companies. Yet, historian Roger W. Lotchin argues that post–World War II California continued to be characterized by competition over government assets (1992, p. 172). The United States Congress had earmarked \$12 billion for military spending in 1947 and each rival city wanted to hoist those prized military contracts. Lotchin writes,

From the First World War on, both [sic] Los Angeles, San Francisco, and San Diego had become increasingly aware of the importance of military spending. The preparations for World War II enhanced this perception greatly and the war did too: The Los Angeles Chamber of Commerce, as we observed, even opened a Washington office devoted to helping local businessmen secure government war contracts. (p. 202)

The preexisting military infrastructure made San Diego a natural home for further military expenditures. Following the establishment of the headquarters of the Pacific Fleet, San Diego added a host of other military installations, including the Marine Corps Recruiting Depot (1923), the Naval Training Center (1923), and Miramar Naval Air Station (1939) (San Diego Historical Society 2010b). Military operations during World War II expanded the runway at San Diego's municipal airport, Lindbergh Field, to 8,750 feet, making it "jet ready" long before many of the other municipalities.

But San Diego's heavy footprint in military facilities did not deter Los Angeles from its own pursuit of federal dollars. The City of Angels Chamber of Commerce placed professional lobbyists in Washington, D.C. Furthermore, California also experienced massive private capital inflow after World War II. Economic historian Paul Rhode writes, "The California State Chamber of Commerce, which tracked *new factory start-ups and plant expansions*, estimated that in the four years from 1945 to 1948, \$1,069,000,000 of private capital [approximately \$8.50 billion in today's dollars]<sup>vi</sup> was invested in California manufacturing facilities. This was divided fairly evenly between 3,270 new factories (\$487 million was invested) and 3,160 plant expansions (\$582 million invested)" (1994, p. 386, emphasis added).

If San Diego had fallen behind Los Angeles around the turn of the 20th century, what was there to indicate that San Diego would be viewed as a rival to Los Angeles for economic development at the end of World War II? There are at least three major factors at work. First, the federal support of San Diego in military development kept San Diego as a relatively prosperous area during the Great Depression. Second, San Diego was not standing still in areas in which Los Angeles had gained previous superiority. While Los Angeles had effectively won the railroad wars of the late 19th century, San Diego was aggressively developing a presence in the new field of aviation.<sup>vii</sup> Likewise, no history of municipal growth in California would be complete without a discussion of water. The history of the Los Angeles Department of Water and

Power is legendary and its leadership was prescient. Los Angeles leaders saw that in what was essentially a semi-desert environment water was critical for economic growth. The Santa Barbara area is only about 95 miles *north* of Los Angeles and had potential as a rival home to business and industry. But Santa Barbara had notable constraints on its growth prior to its connection with the California State Water Project in the 1990s (Kuznia 2010). San Diego, on the other hand, (again motivated by considerations for its military installations) completed its own connection to the Colorado River in 1947 (Sholders 2002). As Starr (2002 p. 206) has noted the new connection to Colorado River water “made possible the impending expansion of the city. A privileged and protected resort and naval enclave now stood on the verge of metropolitanization.”

Finally, there is ample evidence that even though the city of Los Angeles had openly revolted against the corruption of the 1930s, it remained a dangerous and corrupt city. Starr (2002 p. 232) noted the wave of murders and other violent crimes in Los Angeles, epitomized by the infamous Black Dahlia murder in 1947, and quoted Los Angeles attorney Bernard Potter as defining the L.A. of the 1940s as:

...the dumping ground for the riff-raff of the world, racketeers of every type, bootleggers, bookmakers, black market operators, thugs, murderers, petty thieves, procurers, rapists, fairies, perverts, reds, confidence men, real estate sharks, political carpetbaggers and opportunists. Ask for any violator of any law and we can promptly fill the order.

We have found no evidence of any single “smoking gun” document in which Los Angeles leaders spell out their concerns about whether they believed their culture of corruption would deter the private or military investment. However, we have documented a historical tug-of-war between urban rivals since their formative years. Furthermore, we believe that the perceived gains and losses in the competition for post-World War II economic development are what Davis and North would view as drivers of institutional change. Specifically, we argue that the fact and perception that its municipal institutions were significantly corrupt and that there existed at least the potential competition from other western locations, including but likely not limited to San Diego, provided a threat to Los Angeles’ continued economic dominance. Finally, in the following sections, we will document the role that business and civic leaders played in the efforts to reform the Los Angeles government in general, including the LAPD. We will describe the connections that

reform mayor Bowron made between reform and Los Angeles economic improvement. And, we will also document William Parker's direct, unvarnished appeals to the business community for support of his reform efforts.

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<sup>i</sup> For example, some Los Angeles residents are quoted as saying, "We must be content to be the political and social capital of south California; we must be satisfied with our genial climate, fruitful soil, our generous wines, our golden fruit, our productive mines, our cattle upon a thousand hills... The great commercial city of south California must be San Diego." (*Los Angeles Star*, August 14, 1869 as quoted in Fogelson).

<sup>ii</sup> Charles Crocker once said, "We would blot San Diego out of existence if we could, but as we can't do that we shall keep it back as long as we can" (1880 letter as cited in Fogelson 1967)

<sup>iii</sup> Pourade (1965), Hennessy (1993), and the *San Diego Journal of History* all write about the importance of the California-Panama Exhibition. Specifically, Hennessy argues that, "Growth so dominated politics during this period [1909–1919] that voters in a frantic search for prosperity and metro recognition, returned only two mayors to office for a 2nd term."

<sup>iv</sup> Despite the success of Los Angeles the "Smokestacks" still envisioned San Diego as a major port with large industries and booming commerce. On the other hand, "Geraniums" preferred a resort town to industrialization. In the end, voters voiced their preference for the smokestack strategy to growth (Ports 1975).

<sup>v</sup> [www.census.gov](http://www.census.gov).

<sup>vi</sup> This is using the 2009 GDP deflator compared to the 1947 deflator at [www.gpoaccess.gov/usbudget/fy05/hist.html](http://www.gpoaccess.gov/usbudget/fy05/hist.html). The original California Chamber of Commerce data are not online, so it is difficult to calibrate them to federal data series. However, from Rhode (2003) we find that, using 1948 again as the benchmark, California had 8.157% of all business formations in the United States and the Pacific Coast had 20.27% of all urban building construction. California had just over 7% of the U.S. population in the 1950 census, following about 5.6% in the 1940 census. Rhode also makes the point that the Great Depression was still fresh in people's minds, so a billion dollars in new plant was undoubtedly important to people in California regardless of how that squared with what actually occurred in New York or Pennsylvania.

<sup>vii</sup> San Diego was the home of modern passenger aviation (see Starr), the manufacturing location of Charles Lindbergh's *Spirit of St. Louis* (Ryan Aviation), the home of Consolidated Aircraft, and a constant booster of its civilian aviation facility (later known as Lindbergh Field).