governments gave preference to commercial developments, lured by the prospect of increased revenues from sales taxes. Environmentalists and slow-growth advocates also added to the problem by supporting measures that limited the building of new housing units.

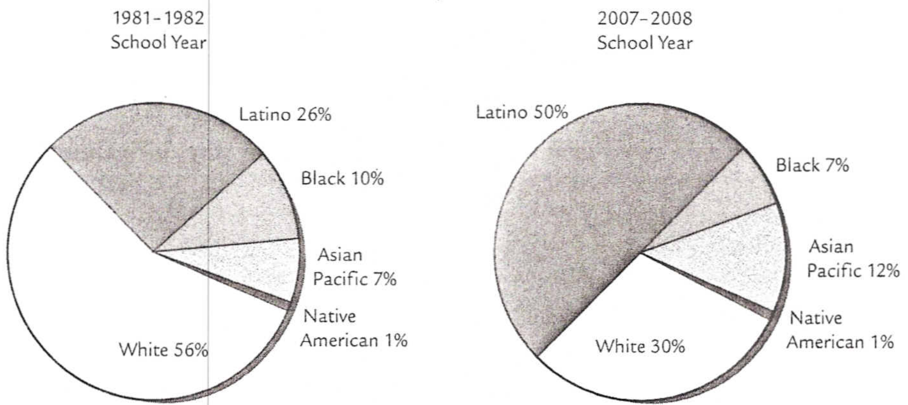
The housing crisis contributed to other troubles. Employers complained that the prohibitive cost of housing was making it difficult to attract new workers. Mark Baldassare, director of the Public Policy Institute of California, warned that industries dependent on a highly skilled workforce were especially vulnerable. Unable to buy or rent homes near their jobs, Californians endured longer and longer commutes as they moved farther from the major metropolitan centers in search of affordable housing. Traffic congestion thus increased. Tens of thousands of high-tech workers in Silicon Valley commuted each day from remote communities in San Benito, Sacramento, and other inland counties. The fastest-growing region in southern California was the Inland Empire of Riverside and San Bernardino counties. The region's growth was fueled by housing prices that were substantially lower than in coastal cities 40 miles or more to the west—cities where most residents were employed.

The lack of affordable housing remained one of the state's most daunting challenges. Left unmet, it threatened to undermine the future growth and stability of California. "There is nothing more important than housing," concluded political scientist Fernando Guerra of Loyola Marymount University. "When someone buys a home, they become more stable and more invested in their community, economically, socially, and politically."

Education

Fundamental demographic and economic changes also put enormous pressures on the state's already overburdened system of public education. The most noticeable change was the increasing diversity of California's school-age population. Whereas only one-quarter of students in the state's schools were members of ethnic minorities in 1970, 35 years later about two-thirds were minority students. By 2005 one out of every four students had only limited proficiency in English and more than 40 percent spoke a language other than English in their homes. The primary language of students in Los Angeles schools included 80 languages other than English. The largest number spoke Spanish, followed by Armenian, Korean, Cantonese, Tagalog, Vietnamese, Russian, and Farsi. The state's child poverty rate also was increasing. A fifth of California's children lived in poverty—a rate even higher than that of Russia. Michael W. Kirst, a professor in the School of Education at Stanford University, commented that schools increasingly must educate students whose backgrounds and experiences they were not designed to accommodate and whose needs they historically have not served well.

Meeting the needs of children was especially difficult in an era when public schools were constrained by tight fiscal limits. Following the passage of Proposition 13 in 1978, California's system of public education began to suffer from slow starvation. Schools became grossly underfunded and scandalously overcrowded. By



The changing ethnic makeup of California's public schools. (*Based on data from the California Department of Education.*)

1992 California ranked forty-second among the states in per-pupil spending and highest in student-teacher ratio. Peter Schrag, author of *Paradise Lost: California's Experience, America's Future* (1998), observed: "California's public schools, which had been among the most generously funded in the nation, began a path of decline from which they have never recovered."

In addition to having the highest student-teacher ratio in the nation, California's schools ranked last in providing counselors and librarians. More than a third of the state's schools had no guidance counselors, and nearly 90 percent lacked professional librarians. California schools spent only a tenth of the national average on new library book acquisitions; by 2000 the average copyright date of nonfiction books on the state's school library shelves was 1972.

Almost beyond belief was the lack of advanced educational technology in the public schools of California. The state's high-tech industry led the nation in the production of multimedia interactive educational software, and yet as late as 1996 California's classrooms had fewer computers per student than any other state. Conditions improved over the next decade as schools added additional computers and were wired for access to the Internet. Unfortunately, California's teachers were not being adequately trained in the use of the new resources. "Without extensive professional development on the use of technology, the technology will basically go unused in the classrooms," commented the research director of the Bill and Melinda Gates Foundation. "Just buying a bunch of computers isn't going to accomplish very much."

The most compelling evidence of educational decline was the dismal performance of California students on nationwide exams. In 1995 the reading comprehension scores of California's fourth-graders were the lowest in the nation, tied with the fourth-graders of Mississippi. Concerned Californians decried the "Mississippification" of their schools. Despite massive efforts to improve outcomes, the reading scores of California fourth-graders improved only slightly over the next decade. By 2005 they had risen to next-to-last place; only fourth-graders in Mississippi scored lower. Likewise, the reading scores of California eighth-graders ranked 49th among