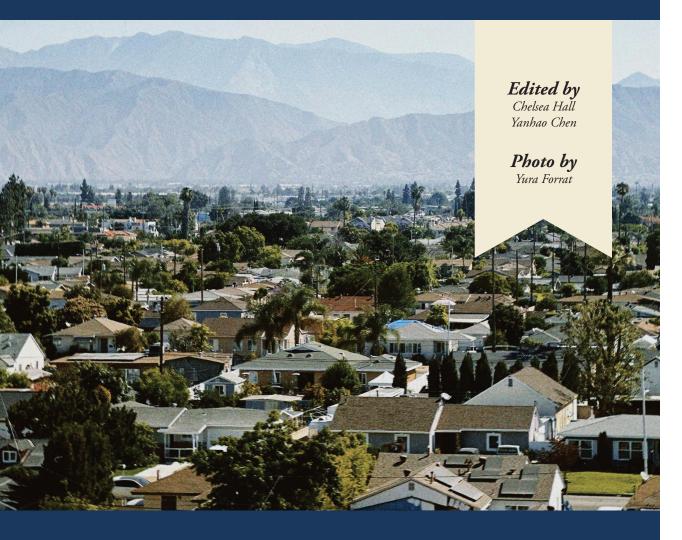
# Cycles of Movement: The Bay Area and Central Valley in the Era of Platform Capitalism

by Alexis Atsilvsgi Zaragoza



#### **ABSTRACT:**

Alexis Atsilvsgi Zaragoza explores the shifting relationship between California's San Francisco Bay Area and the Central Valley through the lens of platform capitalism, and examines how digital platforms, such as those used in real estate transactions, logistics, and surveillance,

have deepened economic and social disparities between these two dynamic regions. By examining these interconnected issues, the article argues for urgent policy reform and coordinated activism to address the systemic challenges faced by both urban and rural communities in an increasingly digital economy.

#### Introduction

The first thing you notice are the hills green for two months and yellow for the rest of the year, a color as dull as it is vibrant. The canyons have seen the changing seasons, a living canvas painted and stratified with the passage of time. Animals circle in and out of burn scars, coexisting with the haunting specter of human-induced droughts. Yet, in this landscape, their human counterparts often feel just as fragile. For the residents here, their landscape is home to a trail of imprisonment, displacement, and a future in the hands of the digital but ever-present Amazon empire built on soil so rich, they once called it "the land of fertility." This is the once-great Central Valley of California.

One hundred miles west lies the San Francisco Bay Area. While most residents have only been through the valley for a short time—such as passing through on their way to Los Angeles or Yosemite—the economic activity of Central Valley residents is entirely intertwined with the urban center. However, this connection is not one-way. Issues that affect Bay Area citizens are often formed outside its borders—gentrification, carcerality, and the housing crisis are examples of cycles (as opposed to isolated phenomena) that harm people of color across both spaces. These cycles include urban residents being pushed out of their city via gentrification, then landing in rural regions. Alternatively, the workers of those rural regions often commute to the urban centers for better jobs, as opposed to accepting the low wages of the Central Valley. The California prison system, which lines Highway 99 in the Central Valley, puts those who are arrested and convicted in urban regions out into the periphery—financially destabilizing their

families and providing more low-income work for Valley residents.<sup>2</sup> Famed for social movements, the urban centers often fight against the injustices of this one-way relationship of displacement and unjust arrest, but there is a geographic cutoff for how far that activism reaches. Even if the space between these two regions is intimately connected, the hour-long drive to the Central Valley could not feel farther.

In this article, I investigate the less visible bidirectional processes between the urban Bay Area to the rural Central Valley, as well as the new challenges embedded into their shared story: platform capitalism. Platform capitalism can be defined as digital platforms, platforms for social networks, e-commerce, cloud services, and data analytics which are utilizing data, predictive technology, algorithmic bias, targeting, and complex systems management to alter their economic relationships, particularly with other platforms and the physical environments in which they are based. Platforms like Amazon and Airbnb can be useful, but they can also become vessels for alternative forms of exploitation, such as violating personal privacy and utilizing user's preferences against them.<sup>3</sup> I will focus on three platforms and their effect on the urban-rural relationship between the Bay Area and Central Valley. These include carcerality and surveillance, the enhancement of supply chain logistics (from urban port cities to rural warehouse towns), and online platforms for real estate and rentals. The patterns on display are intentional, forthright, and largely ignored because half the process occurs within the rural periphery—a policy blind spot. Finally, I will suggest policy routes to create spaces of shared advocacy that cross the operational landscape.

This is a story of the ebb and flow of capital accumulation that lines Interstate 5.

#### MOVEMENT THROUGH GENTRIFICATION



The Economist

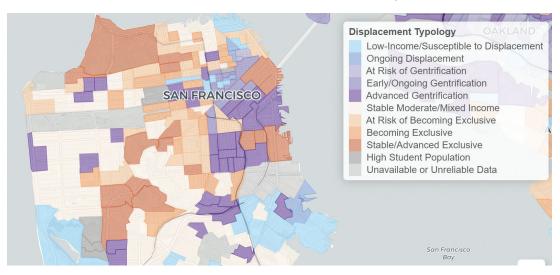
In San Francisco alone, there are over 30,000 empty homes, despite the growing housing crisis. The price of homes, lack of rent control, and the new rental economy have caused a nightmare for those looking to stay in the Bay Area.

While platform economies do not single-handedly displace people, they can accelerate pre-determined processes and make displacement and inequality happen faster. These algorithms being used by various corporations and city governments are, "by definition, designed to render complicated social problems, with distinct histories and geographies, as technical [and neutral]"4, and are trained by data that reflects historical inequality, reproducing outcomes that are often steeped in racist and classist assumptions. Market Value Analysis (MVA) has become a quiet monster in the world of gentrification. MVA tells city officials and investors what neighborhoods are "ripe for

opportunity" and expansion, leading to investment and disinvestment from certain areas. This technology is common in local and city government, often used with the widespread trust of policy practitioners and city developers alike.

If you are on the market for a home, technology can be beneficial, such as being able to search the area you want to live in and find dozens of homes and realtors online. However, online websites have algorithms that choose where to advertise and to whom they will advertise. In a complaint filed by the Assistant Secretary for Fair Housing and Equal Opportunity to the U.S. Department of Housing and Urban Development, there was revealed to be algorithmic bias by Facebook in utilizing characteristics—such as race, religion, familial status, disability, and more—to prevent people of certain demographics from seeing housing advertisements.<sup>5</sup> Facebook allowed external real estate advertisers to use tools based on demographics and current zip code to, in effect, "draw a red line" around those neighborhoods, enshrining the history of redlining and systemic racial bias within the new form of algorithms.<sup>6</sup> In 2022, it was revealed that various online real estate had been using property technology—known as Proptech to create house-flipping algorithms, which uses data systems to price various houses, buy them, fix them up, and then sell them at higher margins.7 This crisis is not only harming the unhoused population in San Francisco, but it is causing people all across the Bay Area region, largely people of color, to leave and move into other areas, which are typically fringe urban-rural.8

Where are these fringe urban-rural spaces? While some move to other states, or to California metropolitan areas such as Los Angeles and San Jose, many find themselves in Bay Area edgelands. The cost of living in the



Central Valley and the edgelands are more affordable to those who work higher-paying jobs in the Bay Area, but the Central Valley is home to low-skill, low-wage jobs, and most longtime residents find that they are not high-paying enough to afford the prices of homes. This is especially true as more people move into the Valley and the demand for homes increases. This causes a secondary movement: some residents of the rural edgelands move toward the Bay Area to attain higher-wage jobs. These rural regions have little to no infrastructure and therefore necessitate car travel, adding extra costs to residents and contributing to horrendous commute times and traffic along the highways, causing losses in wages, leisure, and health.9

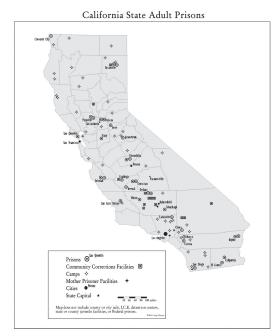
There is a third movement, or lack thereof, that controls the rural economy. Unable to afford homes and unable to commute, many residents find themselves stuck. The logistics and supply chain industry as well as the prison industry use these immobile workforces to create trapped regional economies, disrupting social mobility for rural residents.

#### MOVEMENT THROUGH INCARCERATION

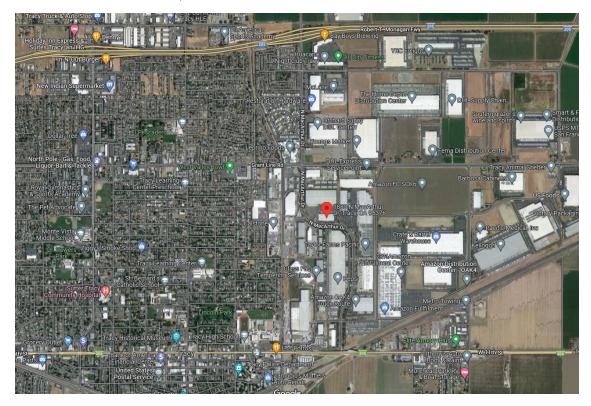
When someone is incarcerated in California, they are sent to one of the state-owned

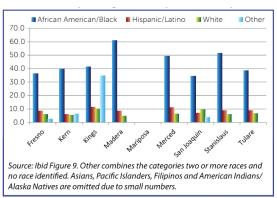
correctional facilities, which consists of 34 prisons and 114 jails. Prisons, the highest form of punishment, are almost exclusively located in California's Central Valley.<sup>10</sup>

**Figure 1:** Map of California Adult Prisons by Craig Gilmore. Reproduced with Permission of Craig Gilmore



In the 1980s, most of California's incarcerated population came from urban areas and were sent to the state's rural prisons. The geographic location of these prisons created a phenomenon with lasting effects: today,

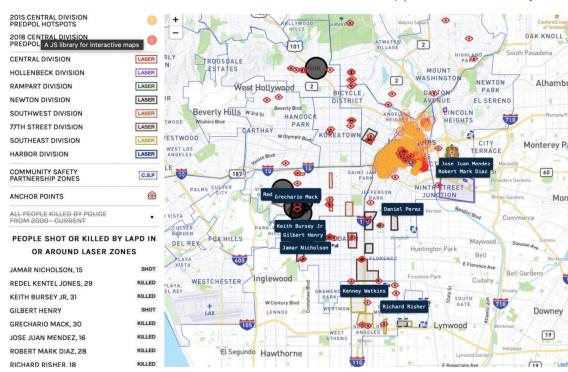




the Central Valley has the highest rates of incarceration. 11 This movement over time from urban to rural indicates three factors. First, the mass movement of people from urban areas who are being incarcerated and, upon release, remain in the places where they were imprisoned, or simply never leave prison. Second, the movement of people who are leaving urban centers due to gentrification—a process that causes destabilization and sometimes the increasing spatial displacement of crime. 12 Third, the incarcerated person's family, who often move closer

to prisons in order to see their loved one and advocate for their release. 13 Other metrics coming out of the Central Valley, such as limited economic opportunity, low education rates, and high poverty rates, make the environment conducive to higher rates of incarceration. This system in which humans are shuttled *out* to invisible spaces was not accidental. The displacement of crime and mobility of incarcerated people and their families is necessary to the broader prison economy.

The presence of prisons also affects surrounding communities—people in the Central Valley face the "work at the prison or go to prison" dilemma, a saying often expressed to youth in the Valley when discussing their futures. The proximity to prisons creates prison towns economically dependent on the carceral system's survival. Central Valley prison economies are highly dependent on the jobs and wealth prisons give them: "when the corporations pick up that a town



is economically struggling, they come in promising economic security, jobs, and other benefits... affluent cities have the power to say no... that option doesn't exist in smaller depressed cities." <sup>14</sup> Instead, these small towns often fight against decarceration efforts, even as their own citizens are harmed by the carceral system. Central Valley counties incarcerate youth ages 10-17 at significantly higher rates than the rest of the state, and display the same racial disparities. <sup>15</sup>

In the age of decarceration, the closure of child prisons, and scrutiny of police, how do these prisons stay alive in the modern California landscape? Over the past decade, there has been an immense growth of carceral surveillance technologies, leading to more unjust arrests. However, the most harmful form is *predictive policing*. In both rural and urban cities, technology such as ShotSpotter—microphones that triangulate gunshot sounds—and PredPol—software that intakes historical data on an area and runs algorithms predicting where crime will occur next—are being used with no

public oversight.<sup>16</sup> Research shows that using historical knowledge of an area will then cause over-policing of the area, destabilizing communities of color and perpetuating impoverished conditions.<sup>17</sup> The adjacent map displays a visual guide to the geographic makeup of PredPol technology use in Los Angeles.<sup>18</sup> If these algorithms are built on historically biased data, they will continue to perpetuate harm. Increased surveillance contributes to the active destabilization of communities of color in both urban and rural areas, whether it is from the carceral economy or the logistics economy.<sup>19</sup>

# MOVEMENT THROUGH LOGISTICS AND UNSUSTAINABLE SUPPLY CHAINS

While the Central Valley economy used to be agricultural, there has been an extreme concentration of those who can own farmland, as over 50% of the farmland in California is held by just 5% of landowners. Many farmers began to move out of the state as prices increased, leaving behind land for sale. Corporate actors such as Amazon

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and Walmart began buying up the land and building massive fulfillment centers. Many of these warehouses are at least an hour away from a local university or community college. The lack of public transportation, little to no proximity to higher education, and distance from urban jobs—particularly due to long commute hours—make the residents vulnerable, but to a company like Amazon, it is a perfect place for developing a lifelong workforce. 22

Local high schools have begun conducting warehouse industrial training for students as young as fourteen to learn skills like forklift driving and logistics management, often in lieu of advanced courses and extracurriculars. These programs often promise a guaranteed \$16 per hour job upon graduation—a significant amount for a school district that is majority students of color and the children of farmworkers. While these programs provide some financial opportunity, participation often keeps students away from pursuing college or other industries, keeping them physically tied to their workplace.

The digitized surveillance that causes harm in these other industries does the same for logistics. Surveillance in warehouses has been a policy void for the past decade, with certain regulations only recently being proposed because of public outcry. Surveillance robots are pointed at workers every shift, which monitor their productivity—often flagging mistakes that have nothing to do with the product or placement. Amazon survey results found that 53 percent of Amazon workers almost always "feel a sense of being watched or monitored in [their] work."25 The group that reported feeling that they are watched at the highest rate was Black women, at 60 percent. Videos of potential errors are sent across the world for review by people working in painstaking

conditions—who avoid blinking for hours in order to maintain "good metrics" for an income of \$200 a month. <sup>26</sup> Even if there is never a real mistake made, having enough potential errors flagged by the system leads to a write-up. <sup>27</sup> More recently, the public has realized these issues through stories of delivery drivers peeing in water bottles to avoid getting written up, which has led to more political scrutiny over workers' rights. <sup>28</sup> While these issues appear to be industry-specific, the harm that is caused is geographically and racially discriminatory, which necessitates advocacy within both urban and rural spheres.

### POLICY AND ACTIVISM

Platform capitalism exists under the radar of the citizens it monitors. While many of these technologies can make life better for residents, without a framework that prioritizes individual rights, fairness, and transparency, they instead cause harm across multiple geographies.

As the connections between urban and rural become more and more clear, there is a desperate need to combine the activism from the Central Valley with that of the Bay Area. This pattern should be realized in the spaces of the Inland Empire and Los Angeles, alongside other intimately tied urban spaces with industrialized edgelands. While the rural must always think about the urban, the urban rarely offers a thought to its periphery: the field of urban studies, famously the center of localized activism and key issues such as gentrification, identify rural regions surrounding the urban in terms of what they do for the city rather than being important spaces in their own right. Corporations can get away with the creation of "Amazon cities" and putting forklift classes in high schools because they exist in that periphery. By the time these experiments are robust

enough to be implemented in cities, stopping them from expanding becomes more difficult. Rural regions are often vocal about these issues and host some of the largest activist groups in the state, meaning that the combined effort of these two regions—urban and rural—could shift the policy realm across the state and even the nation.

There needs to be a major push for stopping the use of surveillance technology in California and in the United States. Recent legislation includes California bills like SB 21, originally proposed in 2017. The bill required agencies to submit Surveillance Use Policies to their governing bodies at a public meeting for approval, and mandates discontinuance of such technologies if not approved. The bill has been brought back multiple times, but continues to die in committees.

The State of California needs to commit to full anti-surveillance and labor policy re-structuring and enforcement to curb the uncontrolled and overused spying software in multiple industries. Local jurisdictions in Southern California have implemented indirect source rules (ISRs) to address the environmental aspects of warehouses, but they only apply to a handful of cities.<sup>29</sup> A recent law, AB 701, protects warehouse workers from productivity quotas and performance tracking algorithms, signaling a step in the right direction, but many warehouse workers across the Central Valley still cite unsafe workplace conditions, particularly with extreme heat. 30 Cal/OSHA is set to approve protections for workers in extreme heat conditions in the summer of 2024, and while this aims to help most workers, imprisoned people were recently struck out of these protections.<sup>31</sup> While workplace safety has finally gotten attention, the extreme surveillance in warehouses has yet to gain any policy ground.

To protect citizens from policing surveillance, there needs to be a bill similar to that of SB 21 as well as SB 1186, which requires law enforcement agencies to submit detailed uses of surveillance technology and get approval before they can acquire them.<sup>32</sup> Similarly, SB 3131, which would have created public oversight before acquisition, made it through the legislature but was vetoed by Gavin Newsom in 2018.33 Organizations like the Surveillance Technology Oversight Project frequently introduce and track bills across the United States with the goal of protecting everyday citizens from these same technologies. Without policy intervention, the fundamental issues that plague communities—gentrification, over-policing, labor abuse, and exploitative economic development—will only increase more rapidly and become enshrined in law.<sup>34</sup>

#### Conclusion

The interconnectedness of urban spaces like the San Francisco Bay Area and rural regions such as California's Central Valley reveals a complex web of socioeconomic issues driven by gentrification, carcerality, and the exploitation of platform economies. While the Bay Area grapples with a housing crisis and technological advancements that displace marginalized communities, the Central Valley faces its own challenges, including environmental degradation, incarceration, and limited economic opportunities. The movement of people between these spaces, whether forced by housing unaffordability or incarceration, highlights the bidirectional processes shaping both urban and rural landscapes. Furthermore, the convergence of digital platforms with physical spaces exacerbates these issues, perpetuating systemic inequalities and marginalization.

To address these challenges effectively, there is a pressing need for collaborative activism

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and policy interventions that recognize and respond to the shared struggles of urban and rural communities. By fostering greater awareness, advocacy, and equitable resource distribution, we can work toward creating spaces of shared advocacy and mitigating the pervasive issues facing people of color in both urban and rural settings. Ultimately, understanding the dynamics at play in both urban and rural areas is crucial for developing holistic approaches to address systemic injustices and promote sustainable, inclusive communities across California.

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