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California Screaming

The tech industry made the Bay Area rich. Why do so many residents hate it?

By Nathan Heller

In the spiritual geography of San Francisco, Davies Symphony Hall—a glass-and-concrete half rotunda much resembling R2-D2’s neckline—sits between hills steep with layered mansions and the urban basin where the city’s gritty elements now rest. John Adams’s “Harmonielehre” premiered here; so did a recent album by Dan Hicks and the Hot Licks. When the hall opened, in the eighties, it was said to be “dead” and “at war with itself,” but acoustic tinkering perked it up, and today it’s a reminder of the way the urban landscape is perpetually smoothing its sharp edges. Pleasant London plane trees trace the building. A warm, cultivated light glows from inside. On the evening of the Crunchies Awards, one Monday in February, the fog was so low and diaphanous that it appeared only in spotlights by the entrance, pointing grandly toward the sky.

The Crunchies are the closest thing that the tech-startup world has to the Oscars. In practice, this means that the Crunchies are a night when techies do not dress as if they just maxed out a Gap card. Women step from Uber cars with heat-set hair and dresses fit for mention in the party pages. Men, of whom there is a surplus, don the local formalwear of blazers, Tokyo denim, bright sneakers, and pressed shirttails in peacock hues.

Nearby, a throng of protesters had gathered at a makeshift stage, in front of a Henry Moore bronze, “Large Four Piece Reclining Figure.” Facing the dome of City Hall, they chanted, sang, and danced to mock the industry festivities inside.

“Welcome to the Crappies, where we give lots of crap to the tech industry!” one of the protesters, Tommi Avicolti Mecca, shouted into a microphone. He was wearing a sparkly bow tie and Groucho tails over a red T-shirt and jeans; his graying hair sprang in small ringlets from a sequined top hat. “I’m sure you all know why we’re here, right?”

“Right!” A small crowd shuffled into the space before him. Many of the onlookers were middle-aged. One carried a sign, trimmed with Twitter birds, that read, “The Crappies: The Truth in Tech Awards.”

“Rents are too damn high, right?”

“Right!”

“Gentrification is changing all our neighborhoods! Totally destroying the diversity of our city! Totally evicting our elders, the disabled folks, people with AIDS, people of color, poor people, working-class people! The very heart of our city is being tossed out!”

“Boooooo!” the crowd responded.

Mecca smiled grimly. During the past couple of decades, he has worked as a writer and as an organizer, setting up homeless shelters in the Castro district and performing folk songs of his own invention. Because San Francisco’s real-estate market has grown especially mercenary—no-fault evictions have soared in the past few years—Mecca’s local activism has recently intensified.

“The first award is the tax-evader award—can I have a drumroll?” He nodded to Benito Santiago, a sixty-three-year-old special-education teacher who is being evicted from the apartment he’s lived in since 1977. Santiago nodded gravely and began beating on a dumbuck at his waist.

“The tax-evader award goes to—” Mecca pantomimed shock. “Oh, my God! Twitter!”

The crowd bood. A protester dressed as Dick Costolo, under whom Twitter made a controversial tax-incentivized move to San Francisco’s seedy Mid-Market district, took the microphone. “This is our town, because, you know, we pay for it, we own it. That’s progress, people. That’s—” Three spoken-word artists cut him off. The last of them was Lisa Gray-Garcia, who prefers to be called Tiny. A tall woman in her late thirties, with hair highlighted in alternating blond and auburn streaks, she chanted about “the twenty-first-century missionaries and tech colonizers.” When Tiny was eleven, her mother, a laid-off social worker left by her husband, became homeless. For years afterward, they suffered through poverty; Tiny was incarcerated at one point for sleeping in her car. In a bookstore, as a young adult, she noticed several special-interest magazines—*Golfweek*, *Artforum*—but no publication on poverty, so in 1996 she launched *POOR Magazine*, a hundred-plus-page glossy periodical of memoirs, poetry, and essays which she typeset herself at Kinko’s. Soon after that, she founded MommaHouse, a community home for low-income single parents and their children. In 2010, MommaHouse got hit with a no-fault eviction. Since then, Tiny has been staying with family and friends.

Outside Davies Hall, she wore a baseball cap turned sideways that said “POBRE” and, like others, a gray suit jacket silk-screened with a white wood-block logo: “GentriFUKation.”

“Can we put theouselights up a little?” Ron Conway said, standing at the dais inside Davies Hall. He is a barrel-shaped man with a cap of downy white hair and dark eyebrows set in a perpetual arch of mild surprise. He’s known locally as one of the Bay Area’s most successful angel investors; the companies he early-funded include Google, PayPal, Napster, and Facebook.

“I’d like to step back to two years ago, when I was standing here,” Conway said. “San Francisco, and the region, was suffering from double-digit unemployment.” Past the theatre doors, the lobby was waiting for the post-awards reception, trimmed with product-information tables and signs saying things like “YAHOO! WEATHER: The Forecast Is Beautiful.”

“To meet those challenges, I founded Sf.Citi, a bipartisan nonprofit organization, to represent a collective-policy voice for the S.F. tech community,” Conway went on. He praised its record:

“We—the people in this room—cut unemployment in San Francisco from ten per cent to five per cent. We cut it in half.” The audience cheered.

But a new challenge had appeared this year. Techies had to “give back to the community,” Conway said. He introduced Theresa Preston-Werner, a former grad student in cultural anthropology (her work focussed on inequality) who is married to a co-founder of GitHub. Last year, she founded Omakase, a nonprofit startup that channelled money from tech to worthy charities.

“There’s been a lot of criticism lobbed at the tech community recently,” she said, thumbing through some notes on her iPhone. “We hear about Google buses. You may have seen the protesters out there. People are saying that tech is really closed off, that we’re insulated. Maybe that’s exactly what’s happening here right now.” She looked up at the tiers of Davies Hall.

“But I don’t think that’s really our story. I imagine there’s lots of people out here in the audience right now who say, ‘That’s not me. I do my part. I donate. I volunteer. I give.’” Conway, she said, had agreed to match the evening’s donations—up to twelve thousand dollars. So would people pitch in? The audience, fairly quiet until then, applauded generously at the thought.

In the folklore of the Costanoan, a native people of the Northern California coast, there is a story about Coyote, the trickster figure from whom all human beings descended. One day, Coyote caught a salmon, but he didn’t want to share, even with his children. As he cooked the fish over the fire, he covered it with ash to hide the meat. When he felt hungry, he plucked up some of the food and ate it. “You’re eating fire!” his children cried. “You’ll be burned!” But when he seemed all right they wanted to eat fire, too. Coyote, still hungry, forbade them. “You’ll be burned,” he said. His children got no fish.

Many people in San Francisco today worry that the tech industry is behaving like Coyote, professing to nurture and provide while actually hoarding. San Francisco has a real-estate shortage. Some speculators, looking to capitalize on growing demand, have started circumventing rent control using buyouts: lumps of cash given if long-term tenants leave. Others have invoked a 1986 California law known as the Ellis Act, which permits evictions when landlords want to go out of business permanently. By repeatedly going “out of business” and exploiting a loophole in the local condo laws, speculators have been able to transform rent-controlled buildings into market-value homes. From 1990 to 1997, there were twenty-eight Ellis Act petitions in San Francisco. From 2006 to 2013, there were three hundred and seventy-four. (A California Senate bill that would curb Ellis Act abuses had been heavily championed by the San Francisco mayor and a few tech firms, but it was abandoned in Sacramento by its chief legislative advocate last week.) San Francisco today has the second-highest median income in the United States, but, even using that peg, middle-income San Franciscans can afford less than a sixth of the homes available in town. Every city on the up-and-up must contend with a gap between rich and poor. Yet few have also, like San Francisco, managed to immiserate a relatively well-heeled middle class.

That isn’t really the tech industry’s fault, but, then, neither was it Coyote’s fault that he could catch fish. His offense was telling a story of community responsibility to obscure his self-interest. Many Bay Area residents suspect that the same thing is taking place today. “The heads of companies should be communicating with local government, with the tenant community, with

tenant advocates,” Rebecca Gourevitch, a protester, said soon after the demonstration outside Davies Hall. “We haven’t heard much of a response.” Instead, they’ve heard declarations of good intent that feel like a substitute for actual remedies. In San Francisco, just about everyone speaks the language of progressive ideals; it is the common ground between the people who are getting evicted and the ones who are motivating the evicting. Is this a problem for liberal thought? It’s certainly one for digital-era culture.

On the chilly morning of December 9th, a group of people dressed in yellow reflector vests got in front of one of the white Wi-Fi buses at a stop at Twenty-fourth and Valencia Streets. It was on its way to the Google campus, in Mountain View. Because the stop was meant for public buses, not private ones, the protesters mounted a mock construction sign that said, “Warning: Illegal Use of Public Infrastructure.” For nearly an hour, they encircled the vehicle, chanting a call and response.

“San-Fran-cisco!” it went.

“Not-for-sale!”

One of the leaders of the protest was Erin McElroy. She is thirty-one, with curly auburn hair, which she wears loosely swept up, and gauged earlobes, from which she hangs a selection of jewelry. The bus protest was intended to draw attention to the preferential treatment that the city gives to large tech companies. Cars that halt at public bus stops get two-hundred-and-seventy-one-dollar fines, but tech buses, for a long time, paid nothing. (It has since been decreed that they will pay a dollar.) When news of the bus block “went viral,” though, McElroy worried that its message had been lost. She helped arrange a second bus protest, on December 20th, but it was on the same day as a more aggressive attack on a bus in Oakland, and the violence got the coverage.

By the time McElroy helped organize a third protest, in January, bus blocking had become the nexus of several Bay Area anxieties. There was the affront to public infrastructure: two-tiered Van Hool chariots with tinted windows pulling up to crowded bus stops and taking on board a select few. There was the effect on real-estate prices: according to McElroy, the rents in homes around the tech-shuttle routes are, on average, twenty per cent higher. There was the concern that San Francisco was becoming a commuter suburb of Silicon Valley. “It seemed ironic that a city that has, historically, been hospitable toward marginal communities is suddenly evicting them,” McElroy says.

And there was the ascent of tech itself—the first true urban industry, complete with national lobbying power, that San Francisco has seen in its long post-industrial history. The technology business has become an inevitable topic of conversation, cropping up at dinner parties, where sides must be taken; in the aisles of jets descending toward the runway, where flight attendants’ spouses want a job, or got a job, or are leaving a job at a big tech firm; and in Tenderloin-district delis, where proprietors ruminate on a demographic change “from hookers to tech hookers.” Gentrification is a hard thing for middleclass people to complain about in good faith—a city is always in the process of being polished or being scuffed up, and there is no stable midpoint—but few gentrifying cities have a scapegoat as clear, or as slow to accept blame, as tech.

In late winter, Google pledged \$6.8 million to a program that gives free public-transportation passes to low- and middle-income youths; a few weeks ago, the city asserted a plan to create joint public-and-private bus stops, in some cases probably at the cost of street parking spaces. By then, however, tech protests had spread to other quarters. One January morning, demonstrators blocked the Berkeley driveway of Anthony Levandowski, an engineer working on Google's self-driving car, and distributed pamphlets that said, "Anthony Levandowski is building an unconscionable world of surveillance, control and automation." A month later, a woman was confronted in a Haight Street bar for filming with Google Glass, and, in April, a Business Insider reporter had the glasses torn off his face as he walked down the street. (Because many Americans find Google Glass inherently amusing, like Segway travel, these episodes, too, drew widespread publicity.) In early April, protesters stood in front of the San Francisco home of Kevin Rose, the Digg co-founder and venture capitalist, distributing more flyers. The group, which called itself the Counterforce, also mounted a Web site, where it demanded that Google donate three billion dollars to "an anarchist organization of our choosing." The Counterforce explained, "With this three billion from Google, we will solve the housing crisis in the Bay Area and prove to the world that an anarchist world is not only possible but in fact irrepressible." So far, however, the anarchists have not unveiled many details of their housing-crisis plan.

A few hours before Ron Conway spoke at the Crunchies, I met him at the spacious apartment, on Lafayette Park, where he enjoyed a panoramic view past Alcatraz and toward the hilly northern shoreline of the bay. The walls were painted the color of aged cheese, and a set of high-backed dining chairs abutted the breakfast table where we sat. "The shuttle buses are nothing but a symbol of the issue," he told me, gazing out at a thin swell of mist over the water. "The buses serve a real useful purpose, and help the environment by not putting people in cars."

Conway, an unofficial adviser, and a generous donor, to San Francisco's mayor, Edwin M. Lee, agrees that something is going wrong in the city's socioeconomics. But the solution, he thinks, is to bring more of Silicon Valley north. "In ten years, I would hope that eighty-five per cent of tech workers who live in San Francisco work in San Francisco," he said. "For every tech job, there's four support jobs, and we need to make sure those people live inside the city limits as well."

Tech's shift to the city is already under way. Last August, Yahoo caused a stir when it moved into the San Francisco Chronicle building; Square, the credit-card-processing company founded by Jack Dorsey, was already there, and Twitter's offices are nearby. Conway supports the Mayor's new "seven-point housing plan," which calls for thirty thousand low-, moderate-, and middle-income homes. The developments are planned largely for former industrial sites like Candlestick and Bayview-Hunters Points—a wharf neighborhood that has had limited appeal; up to half of the city's homicides take place there, and it adjoins a shipyard that's still being cleansed of toxic and radioactive waste. In Conway's dream, lower- and middle-income families (defined as four-person households earning \$145,650 or less) will have a secure place in such housing, while market-rate homes will continue to attract job-creating tech workers.

In some ways, this is a puzzling solution to the real-estate crisis. Wouldn't moving more tech companies into the city drive prices even higher? Conway thought that maybe techies could be induced to put down payments on the homes of their poorer employees. "It's not building

anything, but it's taking qualified people who can afford housing but not the down payment," he said. "And that's probably the least costly." The effort would have to be conducted in an ad-hoc way in order to get it done—a good-hearted C.E.O. here and there stepping up and launching a project.

Yet there's a broader difficulty in solving San Francisco's problems through tech growth: the industry, which derives its competitive edge from efficiency, appears to be better at capital accumulation than at job creation. This is one reason, some economists think, that unemployment has remained more or less flat since 2000, even as productivity has continued to increase. An old-line company like Citigroup has some two hundred and fifty thousand employees; Facebook, which is worth more, employs about six thousand, and most tech startups are far smaller. (When WhatsApp was acquired by Facebook, for nineteen billion dollars, it had fewer than a hundred employees.) Tech has brought good jobs to San Francisco, but almost any other industry, charged with similar growth, would have brought many more.

This has been no secret to those in power. Nine years ago, Ted Egan, who is now San Francisco's chief economist, was hired by the Mayor's Office to plot a long-term economic path for the city. He recommended four measures that would mitigate rising inequality. The city should try to diversify its tech growth away from Internet firms to include industries like biotech, which supplies large numbers of both specialist and nonspecialist jobs. It should work on attracting big companies, which offer residents a range of jobs, rather than only small startups, which rest on the shoulders of a few founders. It should promote tourism more creatively, and focus more intensely on sustaining its blue-collar industries. Egan submitted his report. City Hall appeared to love it. Then, he says, it was filed away.

What's going on in San Francisco has been called a "culture war," and yet the values each side espouses can sound strikingly similar. Protesters like those outside Davies Hall have fought for open and eclectic urban life. They want broader social-support systems; they're angry about the Man's systemic abuses. These are, at least in theory, values on which tech's pursuits rest. Techies tend to have strong feelings about immigration barriers (they're against them), universal health care (for that), and environmentalism (a big deal). In their minds, there's no industry more closely aligned with the quirky culture of San Francisco—so why now, after decades in the region, are they being attacked as interlopers from the wrong side of the ideological divide?

The difference appears to be less one of substance than of style: tech, with its young billionaires and arcane skill sets, does stand apart from the culture of the city. "Tech is where my anger is right now," Theresa Preston-Werner, the Omakase founder, told me the evening after the Crunchies. When she started her company, she surveyed two hundred and sixty techies, asking whether they had helped charities that year and, if not, why not. Most respondents said they didn't trust the charity system, or didn't have enough time. But the third most common reason for not donating was that they thought they didn't have enough money. Somehow, the industry hadn't nurtured a broadly munificent culture. (Neither, perhaps, had Omakase: this spring, it emerged that some GitHub employees had felt manipulated, by the Preston-Werners, into doing pro-bono work for Omakase; Theresa Preston-Werner's husband resigned from GitHub following the internal investigation that ensued, and she subsequently modified the startup's name and mission. Omakase is now called Codestarter, and focusses on crowdfunding laptops

for children.) If people won't be socially responsible on their own, they have to be eased forward on that path.

A popular startup that attempts to do this is HandUp.us, launched by a data manager named Rose Broome. The site gathers profiles of people in need, some hundred and ten so far. There is an essay section—a “story” by the needy person—that elaborates his or her beliefs, plans, and privations. It is a kind of Facebook of the poor. Donors can adopt a homeless person through financial contributions, and receive progress reports on how he or she is doing. According to Broome, more than a thousand donors have made pledges so far, though only about twenty per cent have done so more than once.

I asked Broome how much the model could grow. After all, an effort that helps a hundred and ten individuals may not be adequate to the systemic problems that vex a growing city of eight hundred and twenty-five thousand. “There’s too much of a mentality of silver bullets,” Broome told me. She is now trying to expand to other cities. “Having more of these social connections and bridges helps bring more people closer to the problem.”

One of the most frequently cited leaders in the industry’s philanthropy is Marc Benioff, the C.E.O. of Salesforce.com, a consumer-relations tech company with nearly five thousand local employees. When Benioff founded it, in 1999, he imposed a mandate that he called the “1:1:1 model”: one per cent of the company’s equity, profits or product, and employee time were earmarked for philanthropy. In March, he helped create S.F. Gives, a fund to be made up of half-million-dollar contributions mostly from tech firms. The money is managed by Daniel Lurie, whose philanthropic startup, Tipping Point, funnels cash, skills, and products from well-heeled industries into good causes. Tipping Point takes care of the research and the follow-through. “We’re doing the homework for these incredibly busy people,” Lurie says.

That outsourcing has clear benefits, but it can also mean that those embracing philanthropy are removed from the way that local problem-solving works—or of what, in a mechanistic sense, their money does. I spoke with Benioff one morning, shortly before he set off to meet Ron Conway and the Mayor for lunch. I was trying to understand his hopes for fixing San Francisco. When I wondered how wealth amassed through the 1:1:1 model could be used to solve the city’s problems, he said, “We know every nonprofit and N.G.O. in the city, and maybe in the world.” He told me that he feels an affinity with protesters.

“They probably haven’t read my book ‘Behind the Cloud,’ but it talks about my own protests that I’ve led in software,” he said. “I feel very simpatico with them, and I think they’re doing a good job.”

As I met people from all quarters of the so-called culture wars in San Francisco, I found myself struck by the number of very personal, very moving stories I heard:

Colin Powell put on this conference in Philadelphia, and had all of these corporate chieftains come. I was in my early thirties, but I was invited to represent Oracle. And they said, “Look, you folks need to give back to America. . . .” I’d just come back from a trip through India. In fact, it was through the trip through India that I’d been invited to this conference, because an incredible

philanthropist in New Jersey, named Ray Chambers, was heavily involved with Colin Powell in putting this conference on, and I had met him at Deepak Chopra's daughter's wedding.

—Marc Benioff, founder and C.E.O. of Salesforce.com

I don't usually talk about my story that much, because I get a little choked up. Hold on. Yeah. So, I moved here in 1988. I moved here with my band. . . . Me personally, I'm a little worried about having to move out of San Francisco. But I'm more worried about my disabled roommate. I've got a large social network, and something will come up for me. My roommate, she's on a very, very fixed income, and we have no idea where she'll go.

—Tom Rapp, maintenance technician, San Francisco International Airport, facing no-fault eviction from his rent-controlled apartment of fifteen years

My fourth day of work was September 11, 2001. I was down there that morning. I heard the whiz and whir of the second plane go by our building. . . . The Robin Hood Foundation, the next two years, was the perfect place to be to help lift up New York City and to help, specifically, those hardest hit by those attacks—low-income New Yorkers. . . . It was started by a thirty-three-year-old hedge-fund guy named Paul Tudor Jones, who was just featured on "60 Minutes" recently. He applied business practices and philosophies to philanthropic investing. I liked that. He made it cool and hip and sexy to give back for New York's well-to-do people.

—Daniel Lurie, founder and C.E.O. of Tipping Point

Let's not talk about utopia, but there's nothing wrong with idealism more than materialism. . . . I was next to Steve Jobs when he met his wife. And I saw that a different kind of personal enthusiasm was tangible. A different kind of expansion. And that was love.

—Bobby Coleman, Stanford M.B.A., 1988, Occupy San Francisco activist

The stories were often wildly opposed in their objectives. And yet all were pure of heart and ambitious, as if the entire city were writing its college-admission essay all the time. The tech industry has a reputation for slickness, but the polished personal narratives I heard extended far beyond corporate life. Each person sought his or her own private moment of transcendence. And the spaces between those experiences seem to be where the Bay Area's cultural politics had come apart.

The industrial-age nightmare was that technology would efface the self, but it seems, if anything, to have nurtured a new style of romanticism. The reigning buzzword of our age is "innovation," and its register is reminiscent less of Fritz Lang than of Bernardo Bertolucci; its default mode is not sameness but withdrawn, hypersaturated subjectivity. If you want to strut down Broadway to a Gershwin soundtrack, it can be so. If you want to swim the tepid waters of like-minded thought—*mon semblable, mon frère!*—technology is your friend. And, should you want to cultivate your introverted consciousness, you can carry a library's worth of books, music, movies, and television with you everywhere you go. To be freed from the stranglehold of Big Media is, instead, to be deluged with a range of online commentary on matters big and small, a thousand click-bait headlines, a million points of irrelevant data presented in a hundred winsome graphic forms.

It all works fine until you want to talk about the news with somebody you've never met. So, too, with political language. Where customization is the norm, discussion—between strangers and opponents—becomes hard. Negotiation migrates underground, among close affiliates. Publicly, we volley with broad precepts we can all affirm: creativity and kindness are good; cruelty and oppression are bad. Perhaps all this explains how, even when it comes to matters of wide civic concern, a city of progressives can see so little political progress.

“We have our own version of what I call the ‘Tea Party left,’” Michael Yarne, a former land-use lawyer and a principal at the development firm Build Inc., complained to me late one afternoon. “And I say this as a very blue Democrat.” We were drinking Blue Bottle espresso at the firm’s open-plan loft offices in Hayes Valley. Previously, Yarne worked as a development adviser to the Mayor’s Office, but the job drove him nuts. San Francisco has one of the country’s most arcane planning codes. There are more than sixty zoning divisions, and all construction is subject to discretionary review, so projects that might get swiftly under way in other cities can struggle through bureaucracy for years. “The goal is to create policies such that average income is rising faster than housing costs,” he said. Historically, though, that’s been all but impossible.

“If you’re in a region that is adding jobs, you need parts of that region to be pro-growth to allow the housing supply to increase commensurate with the jobs,” Gabriel Metcalf, the executive director of SPUR, a pro-growth urban-policy think tank, told me. Building advocates like Yarne and Metcalf, who are friends, blame San Francisco’s public process for slowing down construction and driving up housing prices. John Rahaim, the Planning Department’s director, encourages such growth but shares the widespread opinion that it would take a huge amount of building—some people say around a hundred thousand new units, over a period of years—to shift San Francisco’s supply-demand curve.

Adding homes at the high end of the market could also entice more rich suburbanites into town. Supply-side urbanists like Metcalf and Yarne solve the problem by zooming out on the map. It’s O.K. if San Francisco vacuums in the most affluent elements in the region, they say, provided that greater San Francisco doesn’t remain a suburban hinterland. Yarne is fond of pointing out that the BART commute from downtown Oakland to downtown San Francisco is a lot faster than most streetcar commutes within San Francisco. Let’s have more of that, he says, and turn the Bay Area as a whole into a clean, efficient metropolis.

How realistic is this? Marin—a residential county north of San Francisco, which has no commuter trains to the city—has twice backed off from plans for a BART extension, and most suburbs resist dense housing. Urbanization could take years, while artists, educators, and ethnic enclaves continue to get squeezed out of housing—pretty much the worst thing that can happen to a city’s culture.

For San Francisco, the problem is not new. In the early sixties, the redevelopment of San Francisco’s “blighted” Western Addition neighborhood—a poor, predominantly African-American area—entailed the eviction of nearly five thousand households. A few years later, the Transamerica Pyramid, a now iconic skyscraper, was built, having been promoted by a pro-growth mayor. It sat on the former site of the Montgomery Block, a citadel of local literary and artistic history. In light of these precedents, activists have tried to slow upmarket construction,

leaning on regulation and protesting urban tech—essentially, doing all the things that supply-focussed urbanists blame for the problem.

Local politicians have been caught in the middle. One day, I met Jane Kim, a fast-rising San Francisco supervisor, at Philz Coffee, a café near City Hall that is popular with lawmakers. People in suits were hunkering down at tables. Art Agnos, the mayor from 1988 to 1992, wandered around in a polo shirt, shaking hands. Kim used to be a Green Party member, but now she's a Democrat, and she represents a fraught district that includes the Mid-Market Street and Tenderloin areas—a neighborhood where homelessness is flagrant. In 2011, she helped spearhead the payroll-tax exemption that brought Twitter's offices there. Now, with Square, Dolby, Zynga, and other companies based in the area, she has aligned herself with the fight against displacement. I asked whether her thinking had changed.

"I don't think my values have changed, but I think San Francisco has changed," she told me. "When I was on the campaign trail in 2010, the No. 1 issue was jobs." Now the city's budget is the largest in memory, and people are wondering whether it created the right jobs—tech, after all, favors white-collar skill sets. Innovation has buoyed the city and established new styles of communication. Curiously, though, it seems to have left residents more out of touch with one another than they've ever been.

This past January, Tom Perkins, an eighty-two-year-old venture capitalist, composed a letter to the editor of the Wall Street Journal in which he compared Google-bus blocking and criticism of affluent San Franciscans to the massacres of Kristallnacht. The letter became one of the most widely and alarmedly read in the history of the Journal. "If I were to do it again, I'd use something out of the French Revolution," Perkins told me one cloudy afternoon. We were sitting at a leather-and-chrome card table in his apartment, known as the Grand Penthouse, on the top floor of a new luxury-housing skyscraper called the Millennium Tower. From 1998 to 2002, he was the fifth husband of the novelist Danielle Steel. He said that they still speak regularly, and it was a series of attacks on Steel in the local press that prompted Perkins, who formerly sat* on the board of the News Corporation, to compose his letter.

Perkins's net worth has been estimated at eight billion dollars. Usually, he has a sense of humor about his superrich perspective. ("Rupert Murdoch—I talked to him the other day—he says, 'Tom! I'll help ya. We'll raise the money. We'll buy the Chronicle.' I said, 'Rupert! If we bought the Chronicle and ran it the way we would like to, we wouldn't have any readers.'") But he was set off by the hostility directed at San Francisco's élite, and the nation's. "The top one per cent pays about forty per cent of the entire U.S. government tax," he said: surely the rich aren't falling down on the job. Instead, he blames the city's problems on social and monetary policy set by Washington—low interest rates and the recent Keynesian interlude. In Perkins's eyes, San Francisco's tech boom is the result of these policies. The venture market is a risky, low-return investment environment, but it's currently the only option available for reasonable returns. If interest rates rise once more, wealth will settle into other spaces.

After a while, Perkins finished the espresso he was drinking, and his assistant brought him a can of lemon San Pellegrino. "I would like to show you a couple of things you've probably never seen before," he told me, rising slowly. An orchestral arrangement of "Clair de Lune" was playing

softly in the background. Perkins led me to the window, where a typewriter-like device rested. Next to it lay a booklet titled “Begleitbuch für den Schlüssel M.” This was a Nazi manual.

“You’ve heard of the Enigma machine?” Perkins asked, leaning over the contraption. “I kind of searched the world to get it. And it’s working. I restored it. This gadget almost cost England the war.” He picked up a framed photograph of Alan Turing, the British cryptanalyst who finally worked out the Enigma’s code. “It’s theoretically unbreakable,” Perkins explained. “If I were to write a short message—let’s say twenty words—in a language you haven’t identified, on a subject you have no idea about, you could give it to the N.S.A., and they couldn’t figure it out.” He looked again, admiringly, at the photograph, the guy who solved what seemed unsolvable.

Perkins considers Ron Conway a friend, and admires the pro-business policies that Conway and Sf.Citi have pushed through. He also admires the country of Australia, which he believes approaches the freewheeling, entrepreneurial bliss of Northern California at the time he arrived, in 1957. “I was twenty-two, twenty-three,” he explained. “I lived in Sausalito, which back then had a functioning whorehouse—one of the last ones in the Bay Area. It was a loose town where anything went, and I loved it. San Francisco was that way. It was artistic, outrageous. The gays had a lot to do with that.” Perkins had brought his forehead to rest on his fingertips and closed his eyes, smiling. “I knew writers and artists. North Beach. The Beats. The jazz. It’s still a great city, but I think it was better then.”

I asked Perkins whether he saw a way to preserve communities of writers and artists in town. He sighed and thought for several long moments. “I don’t see how,” he said at last.

One day, Tiny helped lead a protest on the front steps of the San Francisco Hall of Justice. It targeted real-estate speculators who have repeatedly evicted senior tenants—an act, she argued, that was tantamount to elder abuse, and thus prosecutable by the District Attorney. Tiny stood with a bullhorn before a cluster of reporters. “These are dangerous criminals that are walking the streets!” she shouted, of the speculators. “How is it that poor black and brown people are incessantly profiled, harassed, and incarcerated for far less than the homicide and eviction of disabled elders?”

Luis J. Rodriguez, a Los Angeles resident who was then running for governor of California as a grass-roots independent, announced a promise to “use all the executive, constitutional, and persuasive powers of the office to insure housing for every single man, woman, and child.” Mesha Irizarry, an older woman in a velour tracksuit, talked about the death of her son, by police brutality, and an eviction that had the effect of “ripping my soul away again.” Activists on the stairs held handmade signs. One said, “Stop the War on the Poor.” Another:

NO ONE OWNS

Mama Earth!

DEVIL-OPERS

ARE

Criminals.

When the program ended, Benito Santiago stopped drumming on his dumbeck so that the protesters could begin a prayer song. After that, they went inside the Hall of Justice, through the snaking metal-detector line, and then packed themselves into elevators that hissed up to the District Attorney's reception counter on the third floor.

"We're filing charges of elder abuse," Tiny told the woman there.

The woman, a chief assistant named Sharon Woo, looked at Tiny, and then at the crowd, with the expression of somebody whose dinner guests have arrived twenty-five minutes early. "So—in order to do that, you need to start the investigation with the police department," she said. They should try the Special Victims Unit first, on the fifth floor; the District Attorney could follow up, based on the officers' findings.

Anthony Prince, a lawyer serving as Luis Rodriguez's campaign manager, pushed his way to the front. "Isn't it true that the District Attorney's Office can initiate its own investigation?" he asked.

"We could, potentially, but—"

"The dimensions of what is being alleged here are such that the District Attorney's Office needs to undertake the original investigation into these allegations," Prince said.

Woo said that she'd look into it and disappeared. After a while, Erin McElroy worked her way to the front. She opened her laptop, and she and Tiny copied data onto filing forms. The crowd grew restless.

Finally, Woo returned. "I am going to accept what you're giving me right now," she said. Then they could set up a meeting to go over their concerns in a week or so. Tiny agreed and retreated to the hallway, where she gathered all the other activists around her for a précis of the situation and another session of earth prayer.

"Silicon Valley hasn't really known how to describe its political ideology," a thirty-one-year-old entrepreneur named Joe Green told me a few weeks ago. "You have strains of libertarianism, strains of progressivism, pretty universally socially liberal." Green had asked me to meet him in the food court of the San Francisco International Airport, which represented a nice schedule optimization: he was about to catch a flight to Washington, D.C., for meetings with members of Congress. He has run a series of politically oriented startups, most recently NationBuilder, which created just-add-water Web sites for technologically challenged politicians and organizations. Since 2013, he has led an advocacy group, FWD.us, with the goal of harnessing tech's influence and money to champion political causes. The organization was founded under the aegis of Mark Zuckerberg and represents a range of tech power; its founding partners include John Doerr, Bill Gates, and Sean Parker, as well as Ron Conway.

Green is friendly and fast-talking, with a mop of curly brown hair. He made a little grimace after each sip of coffee, as if still trying to acclimate to the taste. "What I realized along the way," he went on, "was that there actually was an ideology"—a mixture of causes, playing to the tech industry's appetite for highly trained experts, that he's taken to calling "the knowledge-economy agenda." He focussed on two issues, immigration reform and education reform, that the entire

industry could rally around, and has managed to inspire political sentiments where previously there seemed to be none. “If there’s anything that reflects the spirit of the Valley, it’s having a meritocracy, and the idea that anyone should be able to rise up through the system,” Green said.

The FWD.us Web site, like HandUp.us, features micro-narratives—a selection of affecting first-person stories from immigrants who have been blocked by current policy from contributing to American greatness. Green has won support from politicians on both the left and the right, in large part by harnessing the tech community’s wealth and power to help them win elections and thus advance their own careers. “Most members of Congress I have met are really well motivated, but they are within a system,” Green told me. “It’s not about flying a bunch of C.E.O.s in and trying to persuade members of Congress on the policy. It’s about, district by district, trying to see, Can we change the risk-reward calculus for these members, around their reëlections?”

FWD.us spent five million dollars on television and radio advertising in the run-up to last year’s Senate immigration bill. It employs lobbyists in Washington. To apply pressure on Congress through less elite channels, it set up Selfies for Reform, a letter-writing program with a techie twist. Green told me, “You can take a selfie, type in why you care about immigration, sign it with your finger, and then we will mail it as a postcard to your member of Congress. They get a postcard with a constituent photograph on it. We’ve gotten celebrities like Jared Leto, Adrian Grenier, and Chris Tucker.”

He went on, “My best summary of the difference in world view between tech and politics is that, in tech, you start with the question of why not, and in D.C. you start with the question of why. Look, we’re not going to deny how the system works. Let’s try to bring our innovative approach and see: Can we make this more efficient? Can we make this more open?”

Does a society that regards efficiency and advancement as its civic goal have any true investment in the mechanisms of representative public life? The West Coast radicalism of the twentieth century arose from the revelation that, in moments of extreme frustration or injustice, power could be claimed and wrongs could be corrected by exiting the system. What started with the dropout hippies and the direct-action campaigns of the sixties reverberates both in the protests of tech’s critics and in the work-arounds, hacks, and philanthropic deliverances of tech itself. The privatized mechanisms of San Francisco politics, with its warring stories of personal good will and subjective transcendence, are the fruits of that heroic nonconformism carried forward. The two groups may not share objectives, yet they’re joined by an escape from public political process that has intensified into local doctrine. The truly radical move in the Bay Area would be a return to the messy business of public debate.

This would be tricky, because public process is antithetical to tech culture. It is not fast. It is unruly and can be dispiriting. There are many people involved, with disparate ideas, and most big decisions are put to public vote—which means more people and ideas. This is the hell of regulatory blockades and referenda and open meetings to which crazy people come to read bizarre complaints off rumpled notebook paper. It is why those hoping for big, swift change, such as Michael Yarne, leave government, and why people who worry about weak responses, such as Erin McElroy, stand before buses. Getting anything done through public process requires convincing many, many individuals of the rightness of your dream. And it demands that you do

that over and over, against a tide of disagreement, settling for half measures rather than no measures. The terms of public process are not personal or romantic but objective; it is language that could have been drawn up, literally, by committee.

And yet, because of that, it is a language shared. “Democracy” and “freedom” aren’t synonyms. Getting from the self-improving pluribus to the self-sovereign unum is an awkward project, and its only hope is a close mooring of language to process. Are we still on the same page? Do you follow? we ask at every turn, always aware that the answer could be no.

This is a political culture that devotees of direct action—whether protesters or app-makers—cannot permanently supplant. At the moment, San Francisco is the Second Temple of the second tech boom. But nothing lasts forever. Quantitative easing, the policy that drove a great deal of wealth into Bay Area tech, is expected to end this fall, and interest rates will likely rise again before long. If the market assessments of observers like Tom Perkins are correct, these changes will cause wealth to flow into lower-risk investments, and the startup economy will finally slow down. A company town will move toward becoming, once more, just a town.

In time, Coyote’s children travelled far from home to raise their own offspring. Soon the population was increasing, and the people did not understand how everyone could be fed. Coyote started thinking about systems that would help sustain a culture that he wouldn’t live to see.

And so he taught people about bows and arrows, which could be used to hunt rabbits. He told them of the acorns they could gather to make bread; when the tide was low they could find abalone and seaweed and mussels. Wild oats made good pinole. If the acorn harvest was bitter, it could be sweetened by being washed out. In barren times, people could gather buckeyes for food.

If they collaborated on these things, they would be protected from the unforeseen. “You have learned,” he told them. “Even though it rains a long time, people will not die of hunger. Now I am getting old. I cannot walk. Alas for me.” He lay against the earth. “Now I go.” ♦

*An earlier version of this article stated that Perkins is on the board of the News Corporation; he resigned in 2011.