

California ballot propositions: Voters reject identity politics, but app-based delivery giants buy protection

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In a significant popular vote against the politics of racial identity, California voters on November 3 rejected Proposition 16 by nearly 3 million votes or 57.1 percent. The measure, if passed, would have repealed the state's Proposition 209, which banned so-called affirmative action policies in 1996.

Specifically, Proposition 209 amended the state constitution, preventing the state from discriminating or giving preferential treatment “on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting.” This prevents public colleges and universities in California from considering race and ethnicity in admissions decisions, as well as employment decisions in educational and other public institutions.

For decades, the Democratic Party, its affiliated media organizations, as well as the pseudo left organizations, have promoted affirmative action policies as a means of dividing the working class—ostensibly with an eye to social justice, but actually to benefit a privileged section of the upper middle class. They have long slandered California voters, claiming that approval of Proposition 209 in 1996 was an indication of the right-wing political orientation of the majority of voters and the working class in particular.

Significantly, in 1996, Proposition 209 had been passed by a 54.55 percent margin, while the effort to repeal it this year was defeated by an even wider margin. This means that, despite the continuous, intensive, and extremely extensive promotion of identity politics over decades, which has reached an extraordinary fever pitch within the past year in particular, affirmative action policies appear to be even less popular now than they were 24 years ago.

The defeat of the campaign to repeal Proposition 209 via Proposition 16 in 2020 becomes all the more striking upon comparison of campaign finance contributions for and against the measure. Total contributions to committees for and against the repeal measure amounted to \$20.9 million and \$1.5 million, respectively, a ratio of about 13.9 to 1.

Vice President-elect Kamala Harris endorsed the pro-affirmative action campaign in California in 2020, as did California Governor Gavin Newsom, Vermont Senator Bernie

Sanders, and most of the rest of the political, corporate, and media establishment in California. It also received large campaign donations from numerous trade unions, insurance companies, various organizations of the ACLU, PG&E Corporation, and Facebook's Mark Zuckerberg, as well as a remarkable \$5.5 million contributed by millionaire lawyer M. Quinn Delaney.

The fact of heavily lopsided campaign financing and endorsements combined with very consistent voter results suggests the conclusion that California voters were able to distinguish between overt appeals to racism—they repudiated President Trump by more than four million votes—and the fake “anti-racism” of affirmative action, which actually splits the working class along racial lines.

Voters were moved by deeper democratic and egalitarian concerns. This result is consistent with exit poll data on the presidential election, which demonstrate that socioeconomic concerns, as opposed to identity politics, have proven to be of decisive significance for masses of voters throughout the United States.

The other most significant California ballot measure was Proposition 22, which maintained the “independent contractor” classification for workers at mobile phone application-based ride share and delivery services, including Uber, Lyft, DoorDash, and Instacart drivers. Those four companies themselves were the primary sponsors of the measure, contributing to the total of \$190.2 million received by committees formed to support the measure. Committees opposing the measure received only \$16.7 million, or less than one-tenth, primarily from labor unions, including SEIU and Teamsters.

Funding for the “Yes on Proposition 22” campaign totaled \$205 million, making it by far the most expensive California ballot measure since 1999, the earliest year for which consistent data is available on the state government website. The massively funded campaign was based on the proposition of the “big lie”: voters were told over and over again that the purpose of Proposition 22 was to safeguard the conditions of gig workers, when its real aim was to maintain their current semi-

slavery as supposedly independent businessmen.

Proposition 22 maintains the regressive distinction between independent contractors and corporate employees and is part of a decades-long assault on working conditions. The line which was put forward by the rideshare and gig companies with the record funding amounted to a series of threats—that if the measure was defeated tens of thousands of driver jobs would be eliminated, drivers would lose their flexibility to work when they chose, and costs would skyrocket for customers. Taken as a whole, the heavily funded “Yes on Prop 22” campaign by the giant corporations argued that if the proposition failed it would put thousands out of work.

By classifying workers as independent contractors, giant corporate employers avoid such obligations as payment of the payroll tax, Social Security and Medicare tax contributions on workers’ behalf, coverage of other employment benefits such as health insurance policies and contributions to privately managed retirement accounts, paid vacations and sick leave, as well as miscellaneous tax reporting and withholding requirements.

Actual employees and former employees may receive paid family and medical leave, unemployment insurance, and workers’ compensation (i.e., for injuries and illnesses sustained by workers while on the job). Except for the payroll tax, all the items listed above are the individual responsibility of an independent contractor. Thus, a \$15 hourly wage paid to an employee is not equivalent to the same hourly rate paid to an independent contractor.

The fight by employers to relieve themselves of obligations has been pursued and contested in California and beyond. As early as June 2015, the California Labor Commission ruled in favor of an Uber driver who argued that the company had misclassified her as an independent contractor. In May 2019, Uber settled for \$20 million a federal class action lawsuit filed by 13,600 drivers whom the company had also mis-classified (i.e., a minuscule \$1,500 per driver). None of the settlements obligated the company to re-classify the drivers as employees.

In September 2019, Governor Newsom signed into law Assembly Bill 5 (AB5), which considerably extended requirements to employers regarding employee classification. At the time, Uber, Lyft, and DoorDash declared that they would put up \$30 million each in support of the ballot initiative, which later became Proposition 22, to overturn AB5. In May 2020, California Attorney General Xavier Becerra sued Uber and Lyft over driver mis-classification. The companies, in response, threatened to shut down their operations entirely in the state.

Against the efforts of the state government, an appeals court stayed a preliminary court injunction requiring the companies to classify drivers as employees before the litigation was over. That is, the appellate court effectively acceded to the companies’ pressure and allowed them to continue to pay drivers in California as independent contractors.

On October 22, less than two weeks before election day, the

California Court of Appeals ruled against Uber and Lyft—but gave them 30 days to comply. The success of Proposition 22 has mooted the issue: henceforth, California app-based ride share and delivery drivers are to remain classified as independent contractors.

One survey of California voters by *Capitol Weekly* found that 40 percent of “yes” voters thought they were supporting gig workers’ ability to earn a living wage. A 21-year old university student Mars Sailors, told the *Washington Post* that he voted yes on Prop 22 “after receiving a slew of text messages on the measure, many touting health-care benefits,” which Sailors said affected his vote believing that it would guarantee drivers health care.

No doubt a contributing factor in the passage of Proposition 22 was the distrust among workers in relation to the unions which campaigned against it. These organizations want to collect dues from Uber, Lyft and other workers, so they can impose even more rotten conditions of work, pay and benefits than those that prevail already. Given the appalling record of the unions regarding their own members, their association with the “No on 22” campaign likely convinced many workers to vote “yes.”

The unions have presented the issue as a struggle for better wages and working conditions for workers but say nothing of the assault on workers with which the unions have collaborated systematically with employers for decades to extract concessions from workers. The trade unions seek employee status for gig workers in order to bring those workers into the unions, collect dues from them, and bring them under the sphere of influence of the Democratic Party.

The myth which has been put forward by the trade unions and the Democratic Party has been that under a Biden administration working conditions would improve. It is telling, however, that Uber’s Chief Legal Officer Tony West is a former Associate Attorney General under Obama and brother-in-law of incoming Vice President Kamala Harris. The app-based giants have also donated heavily to the Democratic Party, with Uber donating \$937,600, Lyft donating \$163,936 to the Biden-Harris campaign in 2020 alone.

Workers must reject the entire framework offered by American capitalist politics, in which they are made to bear the entire burden of the social crisis which the ruling class, in its insatiable and reckless drive for profit, has caused. A successful struggle for the social rights associated with legal employee status must be based on a comprehensive political program that seeks to unite the working class internationally on a socialist basis.



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