Dan Walters: Brown, Whitman offer no direction on budget

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While Gov. Arnold Schwarzenegger and legislators wrestle with the latest version of the state's perpetual budget mess, the two people who aspire to succeed him seven months hence aren't offering voters any direction on how they'd close the income-outgo deficit.

How Jerry Brown or Meg Whitman would resolve the state's fiscal crisis is not merely an academic question. There's about a 99.9 percent chance that when one of them receives the keys to the governor's Capitol suite, the budget problem will be at least as big as it is now – and will probably be bigger.

The state's economy remains moribund, with sky-high unemployment and only indirect clues that recovery is on the horizon. Even if recovery begins later this year, it will be slow and, at least initially, jobless.

That means, most likely, that state revenue will continue to fall billions of dollars short of financing the state's spending commitments, not to mention more billions of dollars short of paying off the direct and indirect loans the state has taken out to finance its past deficits.

Even more ominously, some temporary taxes enacted last year are scheduled to be phased out next year, creating another hole of $10 billion or so in the revenue stream.

A sluggish economy and the temporary taxes' expiration have led the Legislature's budget analyst, Mac Taylor, to suggest deficits in the range of $20 billion per year are on tap for at least several more years.

Sooner or later, one assumes, Democrat Brown and Republican Whitman will be compelled, perhaps at one of their debates, to get specific on the budget. But they're obviously in no rush.

Whitman has offered what she says is a plan for fiscal recovery, but it involves an impossible-to-achieve massive layoff of state workers and economy-stimulating tax cuts that would not even come close to closing a $20 billion gap.

After winning the Democratic nomination, former two-term governor Brown told reporters, "I am going to be an independent servant of this state, and I will do whatever it takes to get this
budget aligned with the revenue." But a few days ago, in response to a question about the budget, Brown replied (facetiously, he said later), "It's very difficult, and I have a plan. I'll tell you after the election."

The disclaimer doesn't alter the fact that Brown so far is offering nothing but good intentions while Whitman is giving us pie-in-the-sky sloganeering about shrinking government while channeling supply-side guru Art Laffer.

It would appear that neither wants to alienate voters by describing, in realistic terms, the tradeoffs involved in ending California's long fiscal nightmare. They don't want to tell spending lobbies about spending cuts, and they don't want to tell recession-wrecked voters about raising their taxes.

Trust me, each is pleading. Why should we?