California Forward, the state's newest political reform group, chose an apt moment to launch its ambitious crusade to overhaul a dysfunctional state government – as the Capitol's politicians were demonstrating anew their inability to confront the horrific budget crisis and as a new poll was reflecting a rising level of disdain for their antics among voters.

Were the Capitol a functional institution, its denizens would be ardently exploring ways to close the state's growing budget deficit. Instead, they have reverted to a dismally familiar pattern of pointing fingers of blame, drawing lines in the ideological sand and staging cheap media stunts.

Democrats have been staging phony "debates" on tax increases and phony "hearings" on spending cuts. Meanwhile, Republicans have been blasting away at the Democrats for squandering years of revenue increases and ignoring their own role of demanding unaffordable tax cuts. And both are paying the price in declining public esteem.

A new statewide poll by the Public Policy Institute of California (PPIC) found that approval ratings for Gov. Arnold Schwarzenegger and legislators of both parties have been dropping as fast as the housing market, with the governor once again below 50 percent and the Legislature an even more embarrassing 30 percent.

Californians expect better. The PPIC poll found that a strong majority of Californians – over 80 percent – are worried about the chronic deficit and Schwarzenegger's semi-serious proposals to close it with sharp spending cuts, especially in schools. And while Californians are more supportive of spending cuts than new taxes, 42 percent of them want to solve the problem with a combination of reductions and new revenues.

That's a fairly strong vote of confidence, conceptually at least, in the alternate budget that Legislative Analyst Elizabeth Hill has proposed but that has received almost no outward support among her employers, who have continued to cleave into two warring ideological camps, neither of which is legally capable of passing a budget on its own.

Nor is Schwarzenegger covering himself with glory as the budget problem worsens. He offered up his cuts-only budget in January, coupled with what he said would be long-term budget reform, but has since been all over the map. One day he's being a
tough guy on spending, and the next he's saying he's open to closing tax loopholes or extending the sales tax to services.

The net effect is to leave everyone confused on what he really wants out of the budget this year – other than to have the problem go away so that it won't plague his final years in office. But that's not the kind of decisive leadership Californians expect from their governor, as voters demonstrated in 2003 when they tossed out Gray Davis because of his mishandling of the budget and elected Schwarzenegger on his pledge to end "crazy deficit spending."

It's this kind of endemic dysfunction that California Forward wants to repair with a series of structural and systemic changes, beginning with passage of a Schwarzenegger-backed ballot measure that would overhaul the way legislative districts are drawn and, presumably, bring more moderates and pragmatists into the Capitol.

"The mission is to make sure that governing in this town is more important than winning," said California Forward Co-Chairman Leon Panetta, a former congressman and White House chief of staff. "This will be challenging. We don't underestimate the challenges we face."

Nor should they, because the interests who prefer a dysfunctional status quo are powerful and the problems, especially budget problems, are growing more acute. No one would be surprised if the projected deficit doesn't grow by another couple of billion dollars as the economy continues to soften.