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Editorial: Schwarzenegger ready to rumble?

A little more than a year into what may become a cameo role as governor of California, Arnold Schwarzenegger is a little more realistic, a little more fed up and, we hope, finally willing to fight rather than talk.

California needs to change. The state is broke and broken. Schwarzenegger knows it. He was elected on a populist wave that threatened to engulf the Capitol. He unveiled some controversial ideas, then backed off, preferring conciliation to confrontation. Instead of following through on his promises to be the people's governor, he became a politician, beholden to the special interests he likes to criticize.

After a year of banging his head against the wall, Schwarzenegger sounded emboldened yet fatigued Wednesday, ready to fight for the changes he thinks are needed.

He laid out an agenda that is certain to upset a lot of people. This year, knowing how Sacramento works, he says he's unwilling to bend. We'll see.

Sounding like a hardened veteran after just one year of the budget wars, Schwarzenegger said with stunning accuracy: "We all know what's going to happen. The special interests will run TV ads calling me cruel and heartless. They will organize protests out in front of the Capitol. They will try to say I don't understand the consequences of these decisions. Let me tell you something. I am well aware there are lives behind these numbers. But I have a responsibility for the fiscal health of this state and for the honesty of its finances."

Schwarzenegger outlined a multipronged approach to cut expenses, uttering the often-repeated Republican mantra: "We don't have a revenue problem. We have a spending problem."

Said Schwarzenegger: "Last year, we had \$78 billion of revenues coming in. The great news is that this year, we have \$83 billion coming in, over \$5 billion more than last year. Now that's terrific news. However, various budget formulas require us to spend \$10 billion more. Now do the math. Our revenue increases by more than \$5 billion but our spending increases by over \$10 billion. We don't have a revenue problem. We have a spending problem. The way the formulas work, we will never catch up."

His cost-cutting ideas almost immediately ruffled the feathers of government employees, Democratic state legislators, teachers unions, prison guards unions, political appointees

and others. Schwarzenegger said he doesn't care, that if California wants to become fiscally healthy again, it will swallow his medicine now.

Schwarzenegger said if lawmakers don't act, he will take the issues to the voters through referendums this summer. That upsets the legislators to no end, who accuse Schwarzenegger of an "end run" around them. But legislators have been so intractable in their ways, they deserve it.

So the stage is set. Either the lawmakers get to work and come up with some real solutions, or Schwarzenegger will take the decision-making process out of their hands. This won't be resolved easily, but it will be enlightening and entertaining to watch.

It's a bold move by Schwarzenegger. If he wins this battle, he'll be seen as a champion of reform along the lines of Hiram Johnson and Pat Brown. If he loses, he'll likely abandon politics and choose not to run for re-election next year, saying he couldn't break up the political food fight.