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## Dan Walters: Theatrical budget plays out

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Roy Bell, who was the state's budget director a few decades ago, often referred to the annual unveiling of the governor's fiscal plan as a "dog and pony show."

A more accurate description of Gov. Arnold Schwarzenegger's latest budget pronouncement might be Kabuki theater. He and other actors are following a script that pretends his budget proposal is a serious effort at closing a huge deficit, even though everyone knows that it's just a piece of political theater and that the final budget adopted six or more months hence will likely bear little resemblance.

The governor is proposing deep cuts in state spending, most notably for schools, that not only won't happen, but that he probably doesn't want to happen – while insisting that he won't entertain new taxes.

"We can't tax our way out of the problem," Schwarzenegger declared anew on Monday while touting his budget and his proposal to reform the budget process to a group of elected officials in Tulare County.

The school lobby and its chorus in the Legislature, as well as other interests, are reacting with predictable alarm at the proposed spending cuts, even though they know that Schwarzenegger is probably firing for political effect, rather than making a proposal that he wants enacted, most likely to push anti-tax Republicans and pro-spending Democrats into some sort of compromise on long-term reform.

Three telltale clues to that unspoken motive may be Schwarzenegger's proposing to shut down dozens of state parks, one of the most visible and popular aspects of state government, even though it would save a relatively tiny amount of money, proposing to release more than 20,000 prison inmates, and not proposing to lease the state lottery as a potential source of revenue, as he has in the past.

Schwarzenegger, it would appear, wants to turn up the heat on lawmakers to break their years-long stalemate on basic budget policy, not only on pro-spending Democrats but on anti-crime Republicans who are reacting with predictable alarm about the prison releases. That may be perfectly understandable from a tactical standpoint, but it means that the Capitol must function on the assumption that he's serious, which could mean a lot of wheel-spinning.

The Legislature's budget analyst, Elizabeth Hill, played her designated role in the theatrical production on Monday, issuing a preliminary "overview" of the governor's budget that points out some of its more obvious deficiencies, such as ignoring new

revenue. Hill says that the budget needs "a more balanced solution" that includes revenue from closing tax loopholes or new fees.

Hill's office will generate its exhaustive analysis of the budget by next month, but that, too, will be written on the assumption that Schwarzenegger is being serious, as will the hearings that the Legislature's budget subcommittees will stage, wasting countless hours on discussing what are, in reality, just phantom proposals.

In the meantime, school groups, anti-crime groups, welfare rights groups, health care groups and countless other interests will rev up their lobbying to stave off the deep spending reductions that the governor insists, with a straight face, that he wants to implement. And the state's news media will add to the contrived drama by delving into the effects of the supposed cuts on welfare recipients, schoolchildren, prison inmates, parks patrons and others. They – we – all feel compelled to do it because, after all, the governor insists that he really wants to do it and absolutely will not agree to any new taxes.

The Legislature should call Schwarzenegger's bluff. It should immediately pass his budget exactly as he has presented it and then dare him to either sign it or repudiate it and tell us what he really wants to happen.

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