

Bad Actor Arnie Takes on New 'Post-Partisan' Con Man Role

by Harley Schlanger

It's a new year, so it must be time for a new role for the bad actor playing the Governor of California.

Arnold Schwarzenegger's "bold new vision for California," as one pundit described the plans the governor unveiled in his State of the State address and his "universal health care" proposal in early January, is nothing but a new con job designed to disarm and disorient Democrats, while winning him fresh approval from confused voters.

However, when one digs beneath the surface, it becomes clear that, once again, the "new" Arnie is nothing but the same old snake-oil salesman, peddling the wares of that team of fascists, George P. Shultz and Felix Rohatyn, who share a commitment to obliterating the role of the state and Federal governments in defending the general welfare.

Arnie was selected to be "governator" of California because Shultz and Rohatyn agreed with former Gov. Pete Wilson that he "had the stomach" to impose the kind of murderous austerity on Californians that their previous puppet, the late General Pinochet, had rammed down the throats of the people of Chile, through a military coup and dictatorship, run by Shultz and Rohatyn.

Upon seizing the governorship through a recall election—aided by the bankrupting of the state by Enron's deregulation of electricity—Schwarzenegger pushed a "reform" agenda which was drafted by the corporate cartels allied with the Shultz-Rohatyn team. This agenda would have dramatically weakened the power of the legislature to protect the population from looting by the bankers, insurance companies, drug companies, HMOs, energy firms, and other conglomerates which contributed to his campaigns. (In his three-plus years in office, the governor has raised nearly \$200 million, much of which has come from these cartels).

The problem for Shultz and Rohatyn was that, despite Arnie's best efforts to manipulate the population and intimidate the legislature and other political opponents, he failed to push through his reforms. Thwarted by the state legislature in 2004, he tried to circumvent them in 2005, using a series of ballot initiatives, the gist of which was to concentrate power over the budget in his hands. He lost again, as a coalition of those he was attacking as "special interests"—dubbed by one of his advisors as the "coalition of the pissed off"—joined with the growing forces of the LaRouche Youth Movement, to mobilize the voters to defeat every initiative he backed.

The Reinvention of Schwarzenegger

As 2006 arrived, the Schwarzenegger Project was disintegrating. His poll numbers dived, rivaling those of President Bush, in the low 30% range. He became a target of mockery, as reporters who once had been dazzled by his celebrity, suddenly recognized that he was nothing but an over-the-hill actor with a bad script.

Enter Shultz and Rohatyn, with a new script. Overnight, the deflated monster was resuscitated. Buoyed by a one-time flow of funds into the state coffers, largely of tax revenue from real estate speculation and the upward turn of the stock market, he passed out state money to those he had been slandering, thereby weakening the force of their opposition.

Next, Schwarzenegger presented a proposal for infrastructure spending, to be funded by a massive increase in state debt. Now it was the Democrats who were left speechless, outflanked by a new scam put together by Shultz and Rohatyn. The actual infrastructure proposals were inadequate to address the real needs of the state, and the future budget shortfalls would mean that the state would be forced both to raise funds by selling off the projects to private firms tied to Shultz and Rohatyn—the so-called Public-Private Partnerships—while slashing further spending on social services to pay the debts incurred. The Democrats acquiesced, as key party leaders joined Arnie to push this, fearful that they would be attacked for opposing infrastructure development if they opposed this boondoggle.

As a result, the Shultz-Rohatyn bonds were passed in November 2006, and Schwarzenegger was reelected by a large margin. He again touted himself as the "People's Governor."

The Health Care Scam of 2007

The so-called "comprehensive health care plan" Schwarzenegger presented in tandem with his State of the State message is one which only insurance executives can love. In keeping with his renewed effort to present himself as a man of the people, Schwarzenegger said, on Jan. 8, when he unveiled the plan, that he is concerned about the rising cost of health care, and the 6.5 million Californians with no coverage.

"We pay higher deductibles, higher cost for treatment, higher premiums, and higher co-pays. Prices for health care and insurance are rising twice as fast as inflation, twice as fast



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California Governor Schwarzenegger, the snake-oil salesman working for George Shultz and Felix Rohatyn.

as wages. That is a terrible drain on everyone and it is a drain on our economy.”

As was the case in his argument for his infrastructure bonds, there is no question there is a severe crisis in health care in California (as there is nationally). One of every five residents of the state is uninsured; insurance premiums are up 55% in the last five years; and 50% of the hospitals in the state are operating in the red. Further, lack of funds has resulted in the closing of many hospitals and clinics in urban areas, while those which remain open are overcrowded and short-staffed.

To address this, the legislature passed a health care bill in 2006 introduced by State Senator Sheila Kuehl. Schwarzenegger vetoed it.

Now, however, in his new incarnation as a self-proclaimed “post-partisan centrist,” he has become the champion of affordable health care. His proposal, which would mandate that everyone must have health insurance, has a \$12 billion price tag, of which he expects the Federal government to pay \$5.5 billion! For those who cannot afford insurance, his proposal would create a pool funded by a payroll tax of 4% on employers which do not offer insurance; a 2% tax on doctors’ revenues; and a 4% tax on hospital revenues.

There are many problems with this proposal. One leading Democrat pointed out that there are two reasons why many people have no health insurance, neither of which is addressed by this plan. First, there is the problem of the unchecked price of insurance. Second, most of the uninsured are working poor, employed in low-wage, service-sector jobs. This source added that Arnie must be delusional if he thinks the Bush Administration will fork over more than \$5 billion to fund health insurance in California.

Doctors are unhappy with the proposal to tax them to create the pool of funds. Dr. Anmol Maha, president of the governing body of the California Medical Association, said that doctors—who are already being stiffed by cutbacks in Federal and state reimbursements—will just end up increasing their fees, to make up the difference. “In the end,” he said,

all this will do is “end up taxing the sick.”

Deborah Burger, President of the California Nurses Association, blasted Arnie’s plan, calling it “little more than a fresh coat of paint on a collapsing house.” She added that it is a “huge gift to the insurance industry,” as there are “no limits on skyrocketing health premiums.” Reporters have pointed out that, with everyone required to purchase insurance, but no regulatory oversight over the kinds of policies issued by insurance companies, the policies sold to those previously uninsured will include a \$5,000 deductible, with up to \$10,000 in out-of-pocket expenses per family, before the policy kicks in.

Further, many employers presently offering insurance will have an incentive to cancel their existing plan. Art Pulaschi, executive secretary-treasurer of the California Labor Federation, told reporters, “This plan requires all Californians to buy health insurance with no guarantee that it will be affordable or that coverage will be adequate. We are concerned that the plan creates an incentive for employers who currently provide health care to drop coverage and instead pay only a minimal tax.”

A quick survey of small businesses taken after Arnie’s speech found that several would support this legislation, preferring to pay a flat 4% payroll tax into the state pool, rather than paying for their existing plans.

‘California Über Alles’?

In addition to this health-care insurance scam—which has the fingerprints of Arnie’s controllers, Shultz and Rohatyn, all over it—the other feature of the new, improved Golem is his touting of his discovery of what he called in his Inauguration address, a “new kind of politics,” a particularly warped version of what Lyndon LaRouche has called the “New Politics,” which emerged leading into the Democratic Congressional sweep of November 2006.

“I saw that people were hungry for a new kind of politics,” he bellowed. “I believe that we have an opportunity to move past partisanship, to move past bipartisanship, to move to post-partisanship.”

In addition to his push for a health-care plan favored by the major insurance companies, another hallmark of his “post-partisan” approach is his adoption of a “Green” agenda. Attacking use of “dirty fuel” and dependence on foreign oil, he called on California “to blaze the way, for the United States, for China and for the rest of the world.” And how will this be accomplished? “I ask you to encourage the free market to overthrow the old order,” he said, showing his true colors as a backer of the fascist Conservative Revolution which flows from the economics of his mentor, the late and unlamented Milton Friedman, a close ally of Shultz and Rohatyn in the imposition of a fascist dictatorship in Chile. “California has the muscle to bring about such change,” he added. “I say use it.”

Were the dictator Pinochet still alive, Arnie’s new wrinkles to the Shultz-Rohatyn fascist looting schemes would, no doubt, bring a smile to his otherwise pinched face.