

Schwarzenegger Turns California Into Permanent State of Emergency

by Harley Schlanger

Dec. 5—With his Dec. 1 declaration of a “fiscal emergency,” California Gov. Arnold Schwarzenegger has ordered the state legislature into a special emergency session for the second time in two months. Warning that the state will run out of cash by February 2009, he stated, “Without immediate action, our state is headed for a fiscal disaster.” He compared the deteriorating situation in the state to “finding an accident victim on the side of the road that is bleeding to death,” while describing the increasing budget deficit as being “like an avalanche, that it gains momentum.”

With the state debt over \$60 billion, the worst credit rating of the 50 states, unemployment officially at 8.2% and climbing, and a budget deficit now close to \$30 billion for the next 19 months, and growing, as the revenue base continues to implode, Arnie’s doomsday language is appropriate—even though he still sounds like a cartoon character when he delivers it!

However, there is no chance that he will solve the dangerous crisis hitting the state, as he has neither the intention, nor the means to do so. As a puppet of the fascist George Shultz, Schwarzenegger is doing precisely what Shultz, and his longtime Wall Street collaborator and fellow fascist, Felix Rohatyn, put him in the governor’s office to do: to preside over the deconstruction of California. Under his leadership, California has been plunged into a permanent state of emergency!

While playing the Democrats and Republicans in the state legislature against each other in a fool’s chicken game, to see which side will blink first, over the contrived debate of tax increases versus budget cuts, the state is going bankrupt, and is well on the way to being ungovernable.

It is time that responsible leaders in California listen to Lyndon LaRouche, who said last week, that Schwarzenegger has to go. “If he lacks the self-respect to leave

gracefully, then someone has to tell him to get the hell out, while there still is a state of California,” LaRouche said.

The Schwarzenegger Project

It should be clear by now, to those who doubted LaRouche when he warned that Schwarzenegger would be a disaster, that he was right, and they were foolish to believe that Arnie could be a competent governor. He was placed in office in a recall election against Democratic Gov. Gray Davis, who was ousted when he stood up against Enron and its allies, including Vice President Dick Cheney, when they nearly bankrupted the state in 2001, through imposing the deregulation of electricity. This was an integral part of an accelerated drive for so-called free-trade policies, as central to their strategy to transform the U.S. to a “post-industrial society,” in a globalized world.

They used the looting of the state by Cheney’s allies, whom Governor Davis blasted as “the energy pirates,” to oust Davis, bringing in Schwarzenegger in a special election. Arnie campaigned by whipping up an anti-government, anti-tax frenzy, using his big screen persona as a tough guy—the “Governator”—to appeal to voters, whose heads were spinning from sky-high utility rates—rates which were created by the Arnie’s backers—and a growing deficit.

Behind the scenes, Shultz and his allies, including former Gov. Pete Wilson, were praising Schwarzenegger as the man with “the stomach” to impose brutal budget cuts, which were not only unpopular, but unacceptable. Once it became evident that the legislature would not go along with Schwarzenegger’s fascist austerity policies, due to widespread opposition among the citizens, he went to the next phase: dismantling the social safety net, gradually, as the state careened toward bankruptcy, using the growing debt and



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Gov. Arnold Schwarzenegger is predicting doom for California—unless it knuckles under to the fascist austerity demanded by his gurus George Shultz and Felix Rohatyn. Arnie is shown here, signing a call for a special session of the legislature to ram through emergency legislation.

deficits as a pretext for his increasingly unacceptable demands.

At various times, Schwarzenegger has proposed massive cuts in the already inadequate education budget; releasing tens of thousands of “non-violent” prisoners, to save money; “relaxing” labor laws, which mandate overtime pay, while cutting wages for state workers to the Federal minimum wage; making major cuts in Medi-Cal payments, which would drastically reduce the number of doctors who would treat poor and uninsured patients; and reducing or eliminating other state health-insurance programs, in a state where 1.3 million children—12.5%—are uninsured. A total of 6 million of the state’s 38 million residents, lack health insurance.

According to many health-care professionals, the state and local budget cuts in health care, pushed through on his watch, have already led to thousands of preventable deaths.

Green Fascism

Prosperity in California has been based historically on investments in infrastructure, combined with a commitment to scientific and technological progress in industry and agriculture. Franklin Roosevelt’s New Deal policies provided a huge boost to the state’s

economy, and this approach, of government leadership in investment in frontier technologies, turned the state into a world leader in innovation and, as a result, productivity gains.

It is this approach to economics, known as the “American System,” that Shultz and his cronies are out to destroy, to be replaced by a global financial dictatorship under the control of Anglo-Dutch financial interests. It is these interests which Arnie serves as governor, and it is these same interests that he is supporting in his new incarnation as a major advocate of “Green” policies.

Along with his self-proclaimed “soul mate,” New York City Mayor Michael Bloomberg—the wanna-be *Il Duce* of Manhattan—and the megalomaniacal Nashville agrarian Al

Gore, Schwarzenegger has taken the lead in promoting the dismantling of the industrial economy, to be replaced by a feudal, post-industrial society, which could support fewer than 1 billion people worldwide. This has nothing to do with the environment, as any self-respecting scientist could demonstrate, but with protecting the financial power of the Anglo-Dutch financial oligarchs, who have opposed the American System since it was first consolidated under George Washington and his Treasury Secretary Alexander Hamilton.

Schwarzenegger is not the first Green fascist in California politics, but he has become one of the most aggressive. He has been able to get away with this, because of a profound flaw in the Democratic Party leadership in California, typified by House Speaker Nancy Pelosi. Under the direction of Rohatyn, and with the backing of the Kennedy political machine—which Arnie married into—California Democrats have turned their backs on the American System and FDR, embracing instead the anti-science, anti-technology ideology pushed by Schwarzenegger, who preaches this dogma while simultaneously acting to insure gridlock and ungovernability in the state.

His ouster as governor is a necessary precondition for saving the state of California.