

Governator Demands Sacrifice, Death

by Harley Schlanger

California Gov. Arnold Schwarzenegger's State of the State address Jan. 8 served notice that he is prepared to deliver the Schachtian austerity policies which prompted fascist George Shultz to back him for Governor in 2003.

With a budget deficit of over \$14 billion for fiscal 2008-09, the Governor sent out advanced notice that he has no choice but to present "painful choices." In his speech, he said that Californians must "face our budget demons," adding that, in two days, he would "submit a budget that is difficult. . . . For several years, we kept the budget wolf from the door . . . but the wolf is back." He told the legislature that he sees "that the consequences of cuts are not just dollars, but people. . . . I mean, talking about fiscal responsibility sounds so cold when you have a representative for AIDS patients or poor children or the elderly sitting across from you. Yet, fiscal responsibility, like compassion, is a *virtue* because it allows the necessary programs in the first place."

In addition to across-the-board cuts of at least 10%, the would-be Mussolini of the once-Golden state will draft a proposed Constitutional amendment to present to the voters, which would impose a spending cap on future budgets. Schwarzenegger already tried that, in 2005, with Proposition 76, which would have given him the power to unilaterally cut spending. This was defeated by a broad coalition of voters, spearheaded by activists from the LaRouche Youth Movement, who called it the "Make Arnie the Dictator Act."

Schwarzenegger's rationale was presented by former Gov. Pete Wilson, in a radio address Jan. 5. Wilson, who collaborated with Shultz to put Arnie in the Governor's office, said that California is suffering from a cyclical downturn; therefore, the state must cut spending. The cuts can be restored when the boom-and-bust cycle turns around—the so-called "pay-as-you-go" system, under which programs are never fully restored.

This whole approach is based on two big lies. First, the budget crisis is not a "California" problem, but part of the global breakdown of the post-Bretton Woods system, for which Arnie's controller, Shultz, was the chief architect, in August 1971. The problem is not that California is "spending too much," as Schwarzenegger argues, but that the post-industrial, deregulated consumer economy—which Shultz helped create—does not produce enough to generate an adequate revenue stream to pay for the minimal services required by the citizens of the state. Massive budget cuts will only worsen the situation.



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Gov. Arnold Schwarzenegger after his State of the State Address on Jan. 8. He and Michael Bloomberg are the "Corporativist Twins," with an austerity policy in the tradition of Hjalmar Schacht.

Second, the intention behind changing the state's Constitution is not to protect the people, but to channel an ever-larger income stream to the corporate cartels that put him in office. These include the banking, financial, and insurance cartels, as well as the pharmaceutical and for-profit health-care interests, which back Shultz's goal of eliminating the government's responsibility to act for the General Welfare, while enhancing the looting capabilities of private interests.

The plans for California include the introduction of Public-Private Partnerships, which would hand state infrastructure over to private firms. Arnie pushed privatization as part of the solution in his address. Shultz's longtime fascist collaborator, Felix Rohatyn, is working the Democratic side, to insure that no serious Democratic alternative emerges to combat Schwarzenegger's brutal cuts, and destruction of government services.

As Lyndon LaRouche has pointed out, the financial/corporate interests working with Shultz in California are the same which are behind the candidacy of New York City Mayor Michael Bloomberg for President, to impose a fascist "solution" on the United States. Bloomberg's mutual admiration society with Schwarzenegger is more than two ego-driven opportunists banding together. They are the Corporativist Twins, front-men masquerading in "post-partisan" guise, to enforce Schachtian fascist policy. In a videotaped introduction of Bloomberg at an Earth Day Conference on May 14, 2007, Schwarzenegger referred to his fellow fascist as "my soul-mate," saying "I salute your vision, I salute your leadership."