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CALIFORNIA FOCUS

It's time for Arnold to get bold

Using initiatives to force reforms is the best use of his political capital



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Two new polls show two-thirds of Californians approve of Gov. Arnold Schwarzenegger's job performance. That's more political capital than any governor in memory has possessed. This extraordinary popularity is based in the public's perception of Schwarzenegger as an agent of change – as someone who is steering California away from insolvency and back to its glory days. The trick is using his political capital to make reality match this perception.

Yes, Schwarzenegger has some strong achieve-

ments his first 10 months in office, such as worker's comp reform and getting a budget without tax hikes.

However, the multibillion-dollar structural deficit is expanding again. Gimmicks and borrowing are no longer options. Schwarzenegger's closing window for performing the emergency surgery state government requires means it is time to live up to his moniker and start terminating agencies and programs.

The governor's recently unveiled California Performance Review (CPR) provides him with a detailed reform blueprint. Its implementa-

tion would dramatically restructure state government and save taxpayers as much as \$32 billion during the next five years.

Arnold doubtless understands implementing the CPR is, politically speaking, a tall order. While even a veteran Schwarzenologist cannot predict what Arnold will do, both logic and the recent shift in the governor's comments suggest he is prepared for a political *Gottterdammerung* – or at least the possibility of one – with the Democratic Legislature and its allied special interests.

Schwarzenegger really doesn't have any choice but to fight for CPR. "Blowing up the boxes" has been his central theme, and letting the CPR die would compromise his ability to govern by making it clear there is no goal for which he is willing to bleed.

In recent months, even we had begun having such doubts. But lately he is talking more like a boxer getting ready for the big fight – baiting the Legislature with threats to reduce them to part-time status. He has mused publicly about condensing the CPR recommendations into a laundry list and qualifying them as initiatives. As governor, he can call a special election and fight it out at the ballot box in a campaign atmosphere in which government restructuring is the sole issue. On one side would be Arnold Schwarzenegger, whom 56 percent of Californians believe acts for the public interest rather than special interests (according to the August Field Poll). On the other side would be Democratic legislators and special interests like the public em-

ployee unions – neither of whom Californians hold in high esteem.

Rhetoric is insufficient. Opponents take threats seriously when they can see your sword. Taking a leaf from his successful worker's comp reform, the governor should immediately qualify a series of initiatives implementing the heart of the CPR recommendations. Our organizations are prepared to qualify such initiatives so opponents of reform can be faced with the consequences of obstructionism.

The still-reverberating recall, the California Performance Review and Schwarzenegger's exceptional political strength present the governor with a once-in-a-generation opportunity to enact reforms that will reverberate positively for decades. He is literally the only California politician with the stature, popularity and ability to hold voter's attention that will be necessary to push the CPR's recommendations into law.

Ronald Reagan had his triumphant showdown with PATCO, the air traffic controllers union. Margaret Thatcher emerged triumphant from the violent miners' strike and broke the power of the national trade unions. These were defining moments for both of these historic leaders, microcosms of their willingness to tame out-of-control government.

Fighting to implement the CPR with a similar disregard for the political costs would be Schwarzenegger's "PATCO moment" and earn him a place alongside Hiram Johnson, Earl Warren, Pat Brown and Ronald Reagan as one of California's truly historic governors.