

SUNDAY FORUM

Hoping for the '05 version of Schwarzenegger

By Shawn Steel

What will Arnold do now? That is usually a rhetorical question used by news media as a lead-in for a story about second term policy agendas. Here in California, there's nothing rhetorical about it, because no one is sure what Arnold Schwarzenegger will do during his second term as governor — which speaks volumes about our governor. Thought he's served less than a full term, the governor has assumed at least three distinct public personas — the middle-of-the-road populist reformer, then the conservative anti-government reformer, followed by the Republican populist reformer who just won re-election.

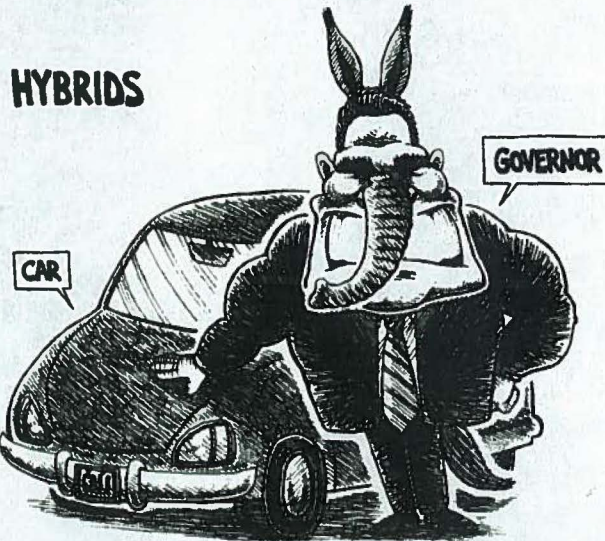
Which of those will be the dominant one in an administration afflicted with MPPS: Multiple Political Personalities Syndrome? Or will a new, fusion personality emerge?

As a conservative, I'm rooting for the re-emergence of Gov. Schwarzenegger circa 2005, who pledged to "blow up the boxes," eliminate the structural deficit and rein in the powerful government unions. After all, those problems haven't gone away, and in the wake of a 16-point re-election victory and the passage of his entire bond package, Schwarzenegger can make a strong case that the infrastructure crisis has been addressed and now is the time to fix the structural defects that keep state government finances in perpetual deficit.

As a co-founder of the Gray Davis recall, I'd be happy with the return of the 2003 populist centrist who kept his promise to repeal the car tax and used his popularity and momentum to muscle legislative Democrats into passing meaningful reform of our job-killing workers' compensation system.

But as a realist, I think it's most likely Schwarzenegger will begin his second term the same way he ended his first: as a hybrid Democratic-Republican. It is in that incarnation that he has enjoyed his greatest success as governor — if by success you mean passing legislation and earning plaudits from the mainstream media and Democratic politicians.

There's no discernible evidence the governor has any interest in building the Republican Party in California or fashioning any kind of permanent, center-right governing coalition. He made little effort to help his fellow statewide GOP candidates, even though he had effectively defeated Phil Angelides weeks before Election



promoting every other GOP statewide candidate (with the glaring exception of Tom McClintock). Wilson's efforts resulted in a GOP near-sweep of the statewide constitutional offices. It's a shame the governor devoted so much energy to campaigning arm-in-arm with Democratic politicians for his massive bond package, and spent so little of his popularity and war chest to elect Republican constitutional officers who could help him in his second term.

The governor has already made it clear that insuring those without health insurance is going to be his top priority going into his second term. Given the political realities in Sacramento and Gov. Schwarzenegger's recent track record, that most likely means expanding the role of government — rather than the free market — in the health care system.

Recently, the governor has shown little reluctance to sign legislation imposing costly new mandates on business — witness, for example, his approval of the greenhouses gases bill and two minimum wage increases. Perhaps that was short-term political dealing. This is sad coming from a man who used to describe himself of a disciple of the late free market philosopher Milton Friedman.

could surprise us.

Arnold endured one of the most profound political beatings ever experienced in California with last year's Big Labor's \$160 million, nine-month media campaign.

He invested over \$7 million of his own money supporting important structural reforms, including ending gerrymandering and permanently controlling state spending. I'll bet he still believes those initiatives are good ideas. And who doesn't believe Arnold isn't still smarting from all those personal attacks that would have criminalized Mother Teresa?

It would be a shame and a waste of a remarkable political comeback and re-election triumph should Arnold drift left. After all, given the left-wing nature of this Legislature, any warm body in the governor's office could expand the size and scope of government. But it would take a leader with vision and determination to fight for the hard-but-necessary reforms without which California government is doomed to fiscal instability and chaos.

We can only hope the governor realizes the way to historical relevance and good government lay down the latter path.