

Hysteria in the Shultz Camp: The Incredible Shrinking Governor

by Harley Schlanger

In the time it takes to read this article, the popularity of California Governor Arnold Schwarzenegger may have dropped another point or two!

With his announcement on June 13 that there will be a special election on Nov. 8 to vote on his “reform” agenda, it became clear that Arnie’s string-pullers, headed by arch-fascist George Pratt Shultz, are prepared to go all the way to transform the state into a low-wage, deregulated, post-industrial looting ground, to benefit the financial and corporate interests which funded his election in the 2003 recall campaign.

This means that Schwarzenegger, on behalf of this gang of not-so-bright thieves, will be ramping up the volume in his drive to centralize power in his hands, so that he may proceed to cut county and municipal budgets, and slash funds to education, health care, the poor, and the elderly. He will escalate his efforts to demonize labor unions—especially those that represent teachers, nurses, and public workers, such as policemen and firefighters—while claiming that he is doing this for the “people.”

After all, he is the self-proclaimed “People’s Governor,” a perhaps unintentional nod to one of his early heroes, Adolf Hitler, who was dubbed the “People’s Chancellor” by Josef Goebbels.

Arnie’s Support Crumbling

The release of the Field Poll on June 21 shows that, after Schwarzenegger’s announcement of the special election, support for him is collapsing. According to the poll, 53% of registered voters in California do not approve of his performance, while 37% say they approve. This is a drop of 18% since February.

As for the special election, 52% of those polled say they oppose the election, with 37% in support of it. When told that the election will cost between \$45 million and \$80 million, support falls to 28%, with 61% opposed to Arnie’s decision to hold a special election.

The poll also found that 42% oppose a state spending cap, and 46% oppose his redistricting initiatives. After widespread coverage of Californians’ disapproval of the has-been Terminator, a somewhat “chastened” and “subdued” Arnie, according to local press, spoke at a Sacramento press conference seeking compromise with legislators whom he has otherwise

called various forms of low-life.

This comes as no surprise to anyone closely watching the Schwarzenegger regime. As opposition to the Shultz agenda he is championing has intensified, he tells tightly prescreened audiences at selected diners and shopping malls that he is standing up for them, against the “special interests.” He throws out to these audiences the free-market, anti-government bromides of Shultz and the neo-con ideologues to these audiences, and seems convinced that all is going well.

Schwarzenegger’s nasty jibes and vituperative insults against his opponents in the unions and the legislature still play well when he speaks to the corporate elite at \$20,000 per plate fund-raising events, and among fawning media hacks, who are hoping for an invitation to smoke a cigar with the aging Hollywood mumbler. But among those who work for a living, and are being clobbered by increasing costs in housing, insurance, health care, utilities, and college tuition, because of Arnie’s dedicated service to those corporate elite, bemusement over having a clowning caricature as Governor is being replaced by anger.

The anger was there mid-June, when Arnie’s attempt to give a commencement address at Santa Monica college was interrupted repeatedly by boos and catcalls, with both professors and students joining the crowd in demonstrating their opposition to his policies. When a group of LaRouche Youth Movement (LYM) members interrupted his address by singing the canon “Enron Arnie,” with the closing refrain “Arnie is a Nazi,” he stood at the podium, a frozen smile on his reddening face, trying to pretend that everything is “fantastic.”

“He is in a fantasy world,” one leading Democrat said. “He thinks he is on a movie set, and all he has to do is follow the script, and the people will idolize him.” Recent statements from Arnie confirm this assessment. He told ABC’s “Good Morning America” show that his term in office has been like a movie script. “It’s now in the middle of the big struggle,” the delusional one-time muscleman said. “First Act, I have to stop the bleeding and turn the economy around. Second Act is reform. Third Act, then, is the rebuilding of California.”

Reform, or Reform School?

The alleged plan to rebuild California, which Schwarzenegger says is the intent of his initiatives, has nothing to do



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California Gov. Arnold Schwarzenegger (center), with some of his "special interests," has seen his already falling popularity plummet since he announced a special election, at the behest of his controllers, George Pratt Shultz chief among them, to turn the state into a deregulated, post-industrial looting ground.

with rebuilding the state. Rather, he is a Golem, created by Milton Friedman and George Shultz, assigned the task of dismantling the institutions which were created to build up the state in the first place.

Shultz, who is the leading figure among Arnie's controllers, has a long record of imposing policies to destroy the ability of government's to protect the general welfare of its people. His "Chicago School" economics is little more than a modern form of feudal looting. Through advocacy of privatization and deregulation of basic services, under the slogan of "freeing the market from interference of the state," the Shultz gang has wrought havoc on the world economy. The impending hedge fund blowout, combined with the unwinding of trillions of dollars of derivative contracts, threaten to bring down the major banks. And the speculative orgy, which began with Shultz's actions in August 1971, to end the Bretton Woods financial system set up by President Franklin Roosevelt, has run its course, and the last bubbles it has pumped up are about to pop.

Fearful that saner forces would intervene to bring back regulation, and permanently shut down criminal looting operations, such as those which allowed Enron to wreck the California economy, through "gaming the market" and accounting fraud, the Shultz gang launched the "Schwarzenegger project" for the same reason they backed the incompetent former Governor of Texas for President: to finish the job of destroying government as a republican agency, through which citizens protect themselves and the future from greedy, power-mad oligarchs like Shultz.

The so-called economic reforms pushed by Shultz through his puppet Bush, with a thuggish hand from Lynne Cheney's Dick, are virtually identical to those Schwarzenegger is attempting to ram through in California. His effort to

privatize the public employees' pension fund has the same father as Bush's defeated plan for Social Security privatization. Both are products of Shultz and the Chicago School. Both would divert retirement funds away from employees into Wall Street investment funds, as was done in Chile, where Shultz first introduced this model, under the guns of the fascist military dictatorship of Gen. Augusto Pinochet.

But Shultz miscalculated. He believed that what was imposed by a dictatorship in Chile would be adopted happily by confused and deluded Americans. The defeat of both Bush and Schwarzenegger on this effort was catalyzed by the effort of Lyndon LaRouche and the LYM, with nearly 1 million pamphlets distributed, which exposed Shultz's dirty hand behind the attempt of Bush and Arnie to loot retirement funds.

Lyndon LaRouche has stated that the initiatives which Schwarzenegger has placed on the ballot in November are more of the same, part of a blatant attempt to divert an income stream from the poorest and most needy in California, to pour some money into the coffers of a financial system which is about to blow. Arnie is not interested in "reform," LaRouche said, only in stealing for his controllers. The best thing for him would be to send him to "reform school."

Arnie's collapse in the polls is a good sign that Californians are beginning to awake from the stupor which was caused by the combined effects of the Enron-sponsored, deregulation-induced looting of the state, and the recall election, which placed the ambitious actor with the mentality of a juvenile prankster in the office of Governor. In the four-and-a-half months leading up to the special election, Californians will have the opportunity to end Shultz's dangerous experiment, as a defeat of the initiatives in November may convince the once-invincible action figure that he has no future in politics.