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California Voters Fed-Up With Gridlock as Budget Crunch Lingers

SUMMARY

Spencer Michels reports from California, where the government gridlock is compounding concerns about the state's budget.

Transcript

JEFFREY BROWN: And while Washington bemoans the partisan paralysis over the federal deficit, the nation's most populous state is wrestling with similar, perhaps even worse, gridlock.

NewsHour correspondent Spencer Michels has our story.

SPENCER MICHELS: In California, with 37 million people, there's not much doubt that government is failing. Even the head of the state Senate sees it.

SEN. DARRELL STEINBERG, D-Calif.: The people are frustrated because our state government, its structure mostly, doesn't work. It doesn't work the way that people expect it to work.

SPENCER MICHELS: And it may be about to get worse, because revenues are \$700 million below expectations. Under a new compromise budget that was already cut to the bone, additional cuts could be automatically triggered, further threatening state services and universities.

Schools are in bad shape and teachers are being laid off. Prisons, under court order to reduce the inmate population, remain overcrowded. Most attempts at rehabilitation have been eliminated. Health programs for the poor have been cut back.

Fixing those problems should fall to the state legislature and the governor. But, as in Washington, Sacramento is stuck in a pattern of increasingly partisan wrangling -- wrangling the public seems eager to end, but isn't sure how.

Sacramento Bee political columnist Dan Walters has been covering the state capitol for 40 years.

DAN WALTERS, Sacramento Bee: Over the last several decades, California has undergone tremendous growth and change, creating all sorts of very pithy public policy issues, and the legislature seems to be unable to resolve any of those conflicts and just kind of buries itself in trivia.

SPENCER MICHELS: The result, Walters says, is great cynicism about what happens at the state capitol.

MAN: Spend too much time bickering and too much time arguing. They don't get anything done.

WOMAN: I think it's the same as on the national level. If you have got two sides that are, you know, trying the oneupmanship, then it doesn't -- things don't get done.

DAN WALTERS: And it's because of the -- I think, the evident dysfunction of the place, inability to balance the budget and so forth, and, plus, it also reflects just people's general unhappiness with the economy and their -- their lives, I guess, in California these days. And there's always a tendency to blame those in political power when that happens.

SPENCER MICHELS: Citizens, fed up with what they consider governmental paralysis, are organizing to make changes themselves. Some are taking classes, like this one at USC.

MAN: If I can streamline permitting and a little bit of break from environmental regulations, then I'm that much more likely to locate there.

Others are writing books like "California Crackup," proposing constitutional reforms, considering political action. One business group, the Bay Area Council, even started a movement to hold a constitutional convention.

Jim Wunderman led the effort.

JIM WUNDERMAN, Bay Area Council: The issue is, California is hurting. And the state is too good to become mediocre. And so, we have to make some changes. If we're just entering this period of stagnation, we're not going to be able to compete in this global economy. It's for sure.

SPENCER MICHELS: The constitutional convention movement ran out of funds last year and the convention never happened. But the questions it raised remain and are being hotly debated by a public increasingly suspicious of politicians. This gathering in June near Los Angeles, By the People: What's Next California?, produced by MacNeil/Lehrer Productions, brought 400 citizens together to figure out what's wrong with California and how to fix it.

MAN: It may not feel like it right now, but you can vote the bums out of office and you can vote them into office. The ultimate authority lies with the voters.

SPENCER MICHELS: The group was asked to deliberate about several topics, including term limits that force politicians from office after a few years on the job.

WILLIAM RUBINSON, California: To me, term limits says to the American electorate, you're not intelligent enough to pick your people. I don't like the fact -- if I have a good representative in there, a guy that I think is honest and capable, I don't want to be told I can't vote for him again.

SPENCER MICHELS: A full-time vs. a part-time legislature.

WOMAN: I like part-time, because I don't think they're really listening. The ones that are full-time now aren't really listening. I think they're doing part-time already.

SPENCER MICHELS: Proposition 13, the California law that keeps property taxes low and other taxes hard to pass, a law that remains popular, and the initiative process, where citizens or special interests propose laws directly to the voters. Initiatives, a form of direct democracy, drew a lot of favorable comments.

DAVE DAVIES, California: What's gone wrong with the process that we're now at a point of saying, no, we have got to create initiatives to finally go get a vote on this, because our legislators are not voting on it or not bringing it up? What's gone wrong there?

WAYNE SCHRAMM, California: I think the initiative process is important, because I think the people need to have a say in what's going on.

SPENCER MICHELS: The attendees were given background information and then polled by Stanford Professor Jim Fishkin, who zeroed in on whether the initiative

process needs changing. Some Californians have argued it promotes spending without raising revenues and is controlled by special interests. But the conferees liked it.

JIM FISHKIN, Stanford University: They see the initiative as the people's process. They want the legislature to keep its hands off it.

SPENCER MICHELS: Dealing with the troublesome state budget was tough for the attendees. Fishkin found many conference participants bothered by California's requirement that two-thirds of legislators must approve new taxes, which the governor says he needs to balance the budget.

JIM FISHKIN: There was also a concern for governability. There's a feeling that the two-thirds vote threshold for passing any new taxes was paralyzing action. So taxes are the hardest issue, but people were finding new ways of thinking about how to make the system work.

SPENCER MICHELS: Fishkin concluded, "Regardless of party, the people wanted transparency and accountability, and they wanted government to be able to make decisions."

But practical solutions to fix the budget process were off the conference radar screen.

Outsiders are examining California as well, looking for ways to solve its problems that might apply nationally. Paris-born Nicolas Berggruen, a wealthy businessman who is registered to vote in Florida, but deliberately maintains no permanent home, has put up \$20 million to fund a high-powered reform panel called Think Long.

Berggruen wants to finance his own initiative campaign, so Californians can vote on whatever reforms his group proposes.

NICOLAS BERGGRUEN, Berggruen Institute: California is a little ahead of other states, and because of the initiative process, we can actually do something in California that you probably can't do in Washington. If we're able to make reforms here, I think it will be a signal. And California I think is a bellwether for the country. It will have an influence.

SPENCER MICHELS: But in the past, voters, despite their unhappiness with government, have quashed reform proposals. Still, citizens and politicians alike are under more pressure than ever to fix a broken state.

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