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## Government by Referendum

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# Schwarzenegger Chooses Demagoguery To Impose Shultz's Fascist Agenda

by Harley Schlanger

On Sept. 18, 2003, as the campaign to recall Gov. Gray Davis was heating up, Arnold Schwarzenegger appeared at the California State Railway Museum, to establish his credentials as a "reformer." The site was chosen to make the link between Schwarzenegger and Hiram Johnson, who was elected governor as a reform candidate in 1910. Johnson won by campaigning against the leading special interest of his day, the Southern Pacific Company. It was under his guidance that the state Constitution was amended to allow voters to govern through "direct democracy," using the tools of: recall, to remove corrupt politicians; initiative, to pass legislation directly by yes or no vote; and referendum, to repeal legislation by direct vote.

Schwarzenegger's handlers arranged this appearance to convince voters that he was a reformer who would fight for the "people" against the "special interests," in the tradition of the Progressive movement, which had elected Johnson in 1910. The former Hollywood star played his role to the hilt: "The special interests in those days ran over people," he said, reading from a "Reforminator" script. "Hiram Johnson stopped them. That's why I wanted to come here."

Throughout the campaign, he returned repeatedly to that script. I must "Terminate Davis," he would growl at rallies, because he is a captive of special interests. I am not part of the system, he would lie; I am an outsider, who owes nothing to the special interests which have failed in Sacramento. To reform this system, you need an outsider who can't be bought; I have enough money, so no one can buy me!

After spending millions of dollars to win the election—the bulk of which came from corporate cartels with a vested interest in cutting taxes and eliminating government spending for health care, education, and human services—Schwarzenegger went on to denounce educators who insisted that he deliver funds he had promised to the schools, as being part of the "special interests" he claimed the voters had elected him to defeat. The demand from nurses that he fulfill his pledge to reduce the patient-to-nurse ratio was rejected by him as another example of a "special interest." They don't like me, he said, mockingly, because "I am always kicking their butts."

Yet, despite his best efforts to get support for his "reforms" from legislators by alternating between schmooze-

feasts with them, and denouncing them in menacing action-hero tantrums, he began 2005 with little progress in his first year in office.

### Arnie's Cowardly Reforms

With the state debt growing, after he convinced voters to pass an initiative to borrow \$15 billion to pay for old debt, and the budget deficit widening, there was more of the same from the Governor, who seems to have never met an excuse he would not use. The debt: That's the fault of Davis, he snarled. He blamed the legislature for the deepening budget deficit, especially the Democrats, whom he slandered as "girlie men," "evil," and "addicts."

To address the budget crisis, he has chosen to place an initiative on the ballot which would establish a mechanism for automatic, across-the-board budget cuts, whenever revenue falls below budgeted expenditures. If it passes, the main areas subject to cuts will be education, health and human services, and infrastructure improvements, and legislators will have no recourse to restore funding.

To cut spending further on education, he is pushing an initiative for "merit pay," a vaguely defined plan which is supposed to weed out "bad" teachers, while rewarding "good" ones. Whether teachers are "bad" or "good" will be determined by students' scores on standardized tests, which is, in reality, no basis for judging teachers. Further, he has refused to specify how the state would pay for merit raises for the "good" teachers!

A third reform is the special favorite of his chief controller, George Shultz, who wishes to privatize the public employee pension system of the state for the same reason he coordinated the privatization of the retirement system in Chile under Gen. Augusto Pinochet's fascist military dictatorship: to divert the funds from public management, into the hands of Wall Street speculators. Despite the efficient and competent management which has characterized the handling of the state retirement systems in California, Arnie insists that the state shift to private, individual 401(k) plans for those employees hired after 2007, and is backing petitioning to put this policy on the ballot for a vote.



*Gov. Arnold Schwarzenegger's "rule by referendum" castrates the Legislative branch, replacing the republican core of American government with so-called "direct democracy."*

Finally, when his efforts to elect more Republicans to the legislature failed, in November 2004—not one Republican he backed defeated an incumbent Democrat—he demanded an initiative on the ballot to have a Tom DeLay-style redistricting, arguing that it would make elections “more competitive.”

As his poll numbers have begun dropping, as the power of celebrity seems to be wearing thin, the Governor has launched increasingly demagogic attacks on unions and public employees, such as firefighters and policemen, accusing them of standing in the way of the “will of the people.” The unions, he bellowed, “want to stop progress, and we have to stop that, create a balance. They’re beating up on businesses and chasing everyone away from the state.”

### **An Echo of Hitler**

As *EIR* has asserted, the script from which Governor Schwarzenegger is reading bears more than a passing resemblance to that given to Adolf Hitler by his economic czar, Hjalmar Schacht. The designation of Arnie as “Hitler on Steroids” is not based only on his admission of his great admiration for Hitler and his “leadership principle,” the *Führer Prinzip*, the myth of the popular leader who uses his superior strength and will to fight against the powerful on behalf of the people. It should be noted that long before Arnie dubbed himself the “People’s Governor,” Goebbels had proclaimed Hitler the “People’s Chancellor.”

Nor is it simply that, in his zeal to act on behalf of the real special interests—the pharmaceutical firms, real estate speculators, and the corporate cartels which control the banks, investment houses, entertainment, and telecommuni-

cations sectors—Arnie is terminating programs which benefit the poor, the elderly, the sick and disabled, treating them as parasites and “useless eaters” who are expendable, exactly as Hitler did on behalf of the cartels which put him in power. In his State-of-the-State address in January 2005, Schwarzenegger acknowledged that he knows “there are lives behind the numbers” in the budget cuts, but that he must be “fiscally responsible,” i.e., sacrifice those lives to pay off the debts.

In the article following, Steve Douglas shows that Arnie’s preference for the tools of so-called direct democracy, the recall, initiative, and referendum, is an echo of Hitler’s use of plebiscites to provide a popular cover for his imposition of anti-democratic policies, the aim of which is to obliterate the process of legislative

deliberation. Schwarzenegger’s assaults on the legislature and his effort to circumvent the give-and-take of the legislative process mirrors Hitler’s attacks on the Weimar parliamentary system, and his contempt for the political parties in Germany in the 1920s and early 1930s.

But before the use of the plebiscite by Hitler, there was another tradition of “direct democracy” which provides a model for Schwarzenegger’s anti-republican predilections, that of Gov. Hiram Johnson and the Progressive movement.

### **Hiram Johnson: A Treasonous Tradition**

Johnson was part of the Lincoln-Roosevelt League, committed to fighting against the political power of the Southern Pacific Company. The SP truly was a “special interest.” Its robber baron owners used their money and near-monopoly control of rail transport and land to determine who could do business in the state. From 1880 until 1910, virtually every governor and a majority of the members of the legislature were either on the payroll of the SP, or recipients of bribes from its lobbyists. No legislation could be passed unless it had been approved by SP officials. Under their direction, more than three-fourths of the public lands in the state was in the hands of the SP and allied corporations and land speculators.

Johnson was elected on a platform of breaking the control of the SP over the state. His campaign motto was that this election was one between “the great moral masses [and] the corrupt but powerful few.” In his inauguration address on Jan. 3, 1911, he proclaimed that his first duty as governor was “to eliminate every private interest from the government,



Teddy Roosevelt (left) and California's Hiram Johnson. Johnson ran for Vice President with Roosevelt on the Bull Moose ticket in 1912. Elected governor of California in 1910, Johnson championed the government by plebiscite which was later adopted by both Adolf Hitler and Arnold Schwarzenegger.

to make the public service of the state responsive solely to the people.”

He continued: “How best can we arm the people to protect themselves hereafter?” The initiative, referendum, and recall, he said, “do give the electorate the power of action when desired, and they do place in the hands of the people the means by which they may protect themselves.”

On Oct. 10, 1911, California voters passed 20 constitutional reforms, including recall, initiative, and referendum. In 1914, six initiatives were approved by voters and, from 1911 to 1978, a total of 42 initiatives were passed.

However, most of the positive changes which occurred while Johnson served as governor were not the result of ballot initiatives, but came through the legislative process. These included utility and railroad regulation, tough wage and hour laws for working people, workers' compensation, pensions for teachers, and free textbooks for children.

In other words, the system worked, without resort to the measures of so-called direct democracy. It was within the electoral process that the power of the SP was derailed, through a political mobilization which elected legislators who rejected the concentration of power in the hands of a small group of oligarchs. Johnson should have known this was possible—after all, he and the anti-SP majority were elected in the general election, by the voters.

Why, then, did he and his fellow Progressives insist on pushing through recall, initiative, and referendum?

California historian Kevin Starr offers some insight into this process in his book *Inventing the Dream: California Through the Progressive Era*. The members of the Lincoln-Roosevelt League were not civic-minded republicans out to rescue the state from a bona fide special interest. They were “Tory reformers, Teddy Roosevelt Republicans to a man.” Included among them were land speculators, who objected to the monopoly control of the SP, though not the right to make fortunes through speculation. Starr summarizes their outlook as one which was “abhorrent of both the corporate oligarchy and labor unions, forward-looking and reform-minded, yet at the same time nostalgic for the lost myth of American self-reliance and individualism.”

Progressivism, Starr writes, drew its strength “from the native-born Protestant Republicans of the Southland. . . .”

Johnson, the great hero of the Progressives, ran for Vice President with Teddy Roosevelt on the Bull Moose ticket in 1912, ensuring the election of the Nashville Agrarian Democrat Woodrow Wilson as President. Johnson shared with Wilson a nostalgia for the Confederacy, as both were great admirers and promoters of D.W. Griffith's racist paean to the Ku Klux Klan, the film *The Birth of a Nation*.

One of the initiatives which did pass, with Governor Johnson's full support, was a 1920 initiative which strengthened the Alien Land Law, denying ownership of land to Japanese and other Asian immigrants.

Johnson ended his career as a U.S. Senator from California; he was one of the leading opponents of Franklin Roosevelt's New Deal.

## The Constitutional Alternative

Since 1978, forty initiatives have been approved by the voters of California. The argument for them, as in the case of those backed by Schwarzenegger, has generally been that the legislative process no longer works, and the only way to break the gridlock is to let the “people” decide.

This tradition of “hyper-populism,” as Peter Schrag, editorial columnist for the *Sacramento Bee*, calls it, has produced a series of disastrous initiatives which became the law. These include anti-tax initiatives, such as Proposition 13, which limited property taxes and is a major part of the reason for inadequate funding of public education today; term limits, a major cause of legislative problems due to inexperience among elected representatives; restrictive, even racist, anti-immigra-

tion policies, such as Proposition 187, which passed in 1994, but was struck down by the courts (Prop. 187 was pushed by former Gov. Pete Wilson, whose former staffers run Schwarzenegger's day-to-day operations. Arnie acknowledged that he remains a supporter of Prop. 187); and judge-proof sentencing, such as the three-strike law, passed through an appeal to hysteria over law-and-order issues.

The increase in the number of initiatives, Schrag writes in his thoughtful book *Paradise Lost*, means that "many are of such consequence that the real policy decisions are now being made in the plebiscitary process and not in the halls of the legislature or the office of the governor." This confirms the fear expressed in a *New York Times* editorial written on Oct. 18, 1911, just after the passage of the constitutional reforms pushed by Johnson. Titled "Anti-Democracy in California," the editors wrote that initiative pretends to give greater right to the voters," but actually "deprives them of the opportunity effectively and intelligently to use their powers." Though designed to counteract the power of political machines, they note that "the strength of the machines lies in the inattention and indifference of the voters."

Thus, a confused, frightened and irresponsible electorate can be manipulated, by a well-financed campaign backed by a popular figure, who can effectively play on their confusion and fears, to pass legislation which actually goes against their best interests and the General Welfare.

The Founding Fathers of our nation understood this danger, and therefore made it very difficult to amend our Federal Constitution. Their opposition to direct democracy is made clear by James Madison (Publius), in the *Federalist Papers*, Number 49, in which he presents the argument for a republican form of government.

Madison warns that "executive power might be in the hands of a peculiar favorite of the people" (such as Arnie), which could lead to an outcome determined not by the "true merits of the question." Instead, the public decision "would be pronounced by the very men who had been agents in, or opponents of, the measures to which the decision would relate. The *passions*, therefore, not the *reason*, of the public would sit in judgment. But it is the reason, alone, of the public, that ought to control and regulate the government. The passions ought to be controlled and regulated by the government."

Madison would see right through the populist fascist fraud that Arnold Schwarzenegger is, as Governor of California. The would-be Terminator of our republican, constitutional system must be stopped, while there is still time. The daily deployment of the LaRouche Youth Movement in the state is mobilizing the population to recognize the danger of Schwarzenegger's attempted end-run around the institutions of republican democracy, and challenging citizens to stand up against the real special interests, i.e., those allied with Shultz, which stand behind Arnie's attempted fascist coup.

## Referendum: Hitler's 'Democratic' Weapon To Forge Dictatorship

by Steve Douglas

Arnold Schwarzenegger's professed admiration for Adolf Hitler has assumed many manifestations since he became the "Governator" of California. One such is his brutal bullying of the state legislature; he clearly has little or no more regard for it, as a body of representative government, than Hitler had for the German Reichstag (parliament). Another such expression is Schwarzenegger's use of the referendum, as a way of bypassing that uncooperative legislature (see accompanying article). Arnold's populist, fascist, demagogic rants against "special interests" and "big government," together with his claim to represent the true interests of the "people," are very reminiscent of Hitler's carefully crafted polemics against "political insiders" and "self-serving political hacks" that put their petty interests above the interests of the people and the nation, which were directed at an increasingly economically and psychologically desperate German population between 1930 and 1933. Indeed, in the last 18 months before he was finally installed as Chancellor on Jan. 30, 1933, as his Nazi Party was making ever greater gains at the polls, Hitler sounded more like a 21st-Century Cheney-Bush neo-conservative than a 20th-Century gutter-scum anti-Semite intent upon mass murder and global war: He promoted "family values," "moral renewal," "military greatness," and "peace through strength," even as he bitterly attacked the Versailles Treaty, the League of Nations, and terrorists/Communists that threatened Germany's way of life, and "the politicians" who were too absorbed in their own special interests to address the needs of the nation.

Hitler was particularly harsh in his attacks on the Social Democratic Party (SPD) which was the largest party in Germany during most of the Weimar Republic, and the Catholic Center Party, which was frequently aligned with it. He denounced the Center Party's "political bosses" as "cowardly hypocrites" who operated under the "camouflage of Christianity," as they "poisoned and contaminated" the morals of the people. His 1932 election poster exhorted: "Catholics, save your Church! Christians, rescue the Christian idea of God! Smash the (Weimar/Versailles) System! Smash the Center Party, the Social Democracy, and thereby Bolshevism!" What righteous language from a Christian-hating, agnostic anti-Semite!