

Reality of Crash Is Hitting in California

by Harley Schlanger

April 18—Lyndon LaRouche's warning, that civilization is hanging by a thread, and that mankind is rapidly descending into a Dark Age which will depopulate the planet, if the current disastrous economic policy axioms are not decisively rejected, is borne out by a series of reports which appeared in California media in the last several days. These reports demonstrate that the combined effects of Gov. Arnold Schwarzenegger's fascist austerity—in the name of balancing the budget—and the accelerating national economic breakdown, are already taking a deadly toll.

This is most apparent in the disintegration of the social safety net, especially in health care. A leading health-care official, Dr. Andrew P. Wilper, an internal medicine physician, who works for the Veteran's Administration, published a study last year which determined that 25% of uninsured adults have chronic illnesses which are not being managed. This is worsening, as the ranks of the uninsured are swelling, especially with growing unemployment, and the bankruptcies of many medium and small businesses. He told the *Los Angeles Times*, "We know that people will actually die as a result of this downturn. People will die."

The *Times* article, which was headlined, "For poor people, recession can be fatal," reviews the effects of cuts in health care spending by L.A. County. The County public-health system faces a deficit which will reach \$1.2 billion by 2011. The collapse of the government safety net, when combined with the growing number of people who lack health insurance, is placing unbearable pressure on emergency rooms, which have become, for the expanding numbers of poor and uninsured, the health-care choice of last resort. Dr. Howard R. Krauss, president of the L.A. County Medical Association, said that emergency rooms are "already reeling from unpaid

bills and a shrinking number of hospitals." This crisis is forcing many poor people, including those who are among the new poor, due to layoffs, foreclosures, etc., to postpone or skip seeking medical care completely. The results of these decisions, as Dr. Wilper's study showed, are deadly.

Death Sentence for Poor, Disabled

A report in the *Sacramento Bee* April 14 focused on the effects of budget cuts in disability and state welfare benefits. The compromise imposed by the governor includes \$268.7 million in cuts in aid for the aged, blind, and disabled, and \$146.9 million in cuts to welfare, beginning July 1. While this may sound small, in relation to a more than \$40 billion deficit that faced the state, these cuts take away margins that are essential for the survival of those targeted.

For example, the *Bee* article points to a case of a disabled 49-year-old man, who currently receives a monthly check from the state for \$899. From that check, he pays \$675 for rent and utilities, leaving \$224 for everything else. The budget cut, which goes into effect on July 1, will reduce his monthly check by \$20.67. This cut will come out of his already inadequate food and medicine budget.

The article reports on a "training" program set up to advise the poor and disabled on how to survive. The program includes a class on how one can live on \$35/week for food, for 21 meals/week! This class will apparently target the 1.2 million currently receiving disability payments, who will have a 2.3% cut in already below-minimum benefits, and 1.3 million parents and children, who face a 4% cut in welfare benefits.

People in these categories are literally being thrown onto the human scrap heap. Officials report that there is no place to go for those losing their homes. Tent cities are springing up throughout the state, and the mentally ill are being thrown out of overcrowded facilities, onto the streets. Public-health officials have been sounding the alarm that the growing numbers of homeless, combined with the rapid deterioration of public health, create the potential for an explosion of new epidemics, similar to that of the Black Death/bubonic plague, which wiped out one-third of the population of Western Europe, following the collapse of the Lombard banking system in the 1340s. That was the original "New Dark Age."



Creative Commons

Psychiatric patients have been dumped on Skid Row in Los Angeles by hospitals no longer able to care for them, due to draconian budget cuts in California. Is this a harbinger of a “New Dark Age”?

The deeper reality is that nothing Schwarzenegger and the legislature have done will put the state back on its feet, as foreclosures continue to increase; unemployment is over 10% officially and rising; there is a growing water, power, and transportation crisis; and an additional \$8 billion deficit is looming, even after \$40+ billion in cuts and new taxes were imposed to “solve” the budget crisis. A report issued by California controller John Chiang this week makes it clear that this projected \$8 billion deficit could grow. As of April 14, the state has collected \$31,331,346,000 in revenue. This is down by \$4.4 billion from the total collected by this date in 2008—and over \$7 billion lower than the projection made by state officials in their latest budget pact. The gap will likely increase substantially before the current budget year ends, on July 1, 2010.

LaRouche warned, at the time that Schwarzenegger’s pact was ratified, that it wouldn’t last a month. Again, LaRouche was right; and the “experts” advising Schwarzenegger, and the members of the state

legislature have missed, badly, in their calculations, once again. What is even more hair-raising, given this confluence of potentially tragic effects, driving civilization toward a social breakdown, is that California’s elected officials seem to have learned nothing from their failed efforts to “manage” the crisis. With the exception of a handful of local elected officials, who have supported LaRouche’s Homeowners and Bank Protection Act (HBPA), and pushed it through their local governments, most continue to remain trapped in impotent fixed positions, with Democrats calling for more taxes, Republicans for more cuts, and both parties deferring to failed leaders, such as Schwarzenegger and House Speaker Nancy Pelosi.

Meanwhile, as Dr. Wilper cries out, “People will die.”

The destruction and damage done by Schwarzenegger in his famous fictional Hollywood roles as the “Terminator” and “Conan the Barbarian” pale in comparison to the deadly misery he is inflicting as the Governor. Solutions to this crisis exist, beginning with LaRouche’s HBPA. Does the courage exist among elected officials, to go against those Wall Street forces behind Schwarzenegger, such as the fascist George Shultz, or behind Pelosi, such as Shultz’s long-time fascist collaborator, Felix Rohatyn, and implement the LaRouche/FDR policies which can reverse the breakdown? So far, the answer has been a resounding “NO.”

A good starting point for California would be to either recall Schwarzenegger, or put him back in his “smoking tent” on the statehouse grounds, and charge money to see him, as one would with a freak show.

The revenue from that will not balance the budget, but the action will at least prevent Arnold from inflicting more damage.