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*Political news, analysis, commentary cheap shots, gossip and more about California and beyond.*

# **BASEBALL & BUDGETS**

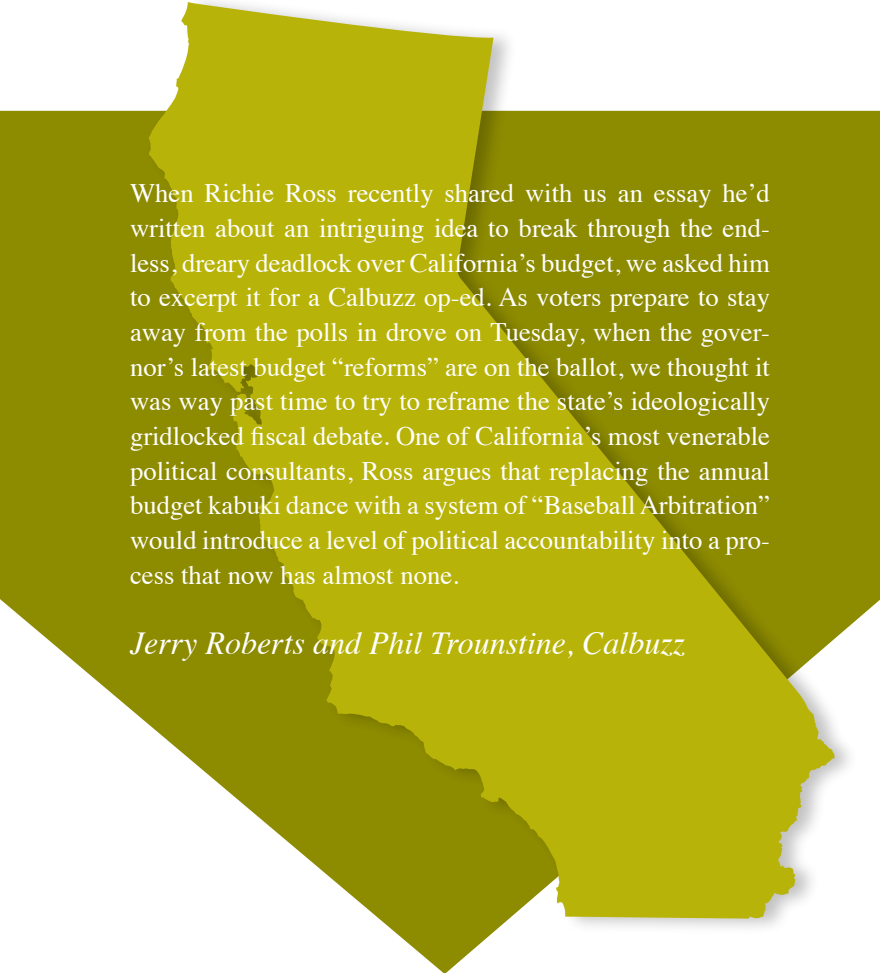
*America's Pastime  
and California's  
Way-Past Time*

*An Essay By  
Richie Ross*

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# HOW BASEBALL OFFERS A SOLUTION TO CALIFORNIA'S BUDGET MESS

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When Richie Ross recently shared with us an essay he'd written about an intriguing idea to break through the endless, dreary deadlock over California's budget, we asked him to excerpt it for a Calbuzz op-ed. As voters prepare to stay away from the polls in droves on Tuesday, when the governor's latest budget "reforms" are on the ballot, we thought it was way past time to try to reframe the state's ideologically gridlocked fiscal debate. One of California's most venerable political consultants, Ross argues that replacing the annual budget kabuki dance with a system of "Baseball Arbitration" would introduce a level of political accountability into a process that now has almost none.

*Jerry Roberts and Phil Trounstine, Calbuzz*

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## "REFORM" – THE MYTH

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Reform has somehow become the catch-all political virtue. I'm not so sure. Webster's defines virtue as "moral excellence and righteousness."

*If we reform "things", then we don't have to change ourselves. And changing ourselves is closer to a real virtue.*

If we "reform" campaigns by limiting the behavior of someone else, we don't have to deal with our own limited involvement.

If we "reform" reapportionment, we can avoid the reality that we have segregated ourselves into the gated and ungated, North Fresno and South, East LA and the Westside, the North Bay and South Central.

If we "reform" primary elections, we will magically elect moderates and never confront the fact that humans do have strong beliefs.

If we "reform" partisanship, we can pretend we want to live in peace just not with someone on welfare next door.

If we "reform" the budget, then we can pretend that opposing taxes and opposing cuts are consistent positions.

*What is amazing after 35 years in politics and government is that no matter how many times "reform" fails, it remains a virtue...*

Campaign finance "reform" gave us unfettered independent expenditures that put words into candidates' mouths.

Reapportionment "reform" gave political scientists something to argue about for 40 years. Now, it will be interesting to see how a Commission draws the lines that will produce Republican districts in the Bay Area or Democratic ones in the Orange County.

They must already know Reapportionment reform won't change general elections, so they've shifted to "Open Primaries"... but the Open Primary they put on the ballot says politicians don't have to list their party affiliation under their name. So candidates can pretend to be anyone they want... They'll still know each voter's party affiliation and can target chameleon messages to voters. But voters won't know the party affiliation of politicians to target them back.

And in 2007, when the Governor worked on health care reform did anyone ask voters how they ranked the dozen or so major "reform" elements?

The "reform" that came out on top in the polls was "you can keep your health insurance just the way you have it." Or as I put it "this reform won't apply to you if you don't want it to."

That's my way of asking that whatever you call this idea, please don't call it "reform."

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# THE STATE BUDGET: ACCOUNTABILITY-FREE

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It's always late, always criticized, always a crisis... but always unclear what any of that means for those involved.

The final budget deal always seems to be Democrats getting to spend money for one more year and Republicans getting some permanent tax break for someone, so that there will be less to spend the next year.

No matter how big or bad the budget crisis news gets, there really isn't much real public interest. Not many letters or phone calls or demonstrations. The public is content to give the politicians lousy poll numbers and not much more. Everyone gets re-elected. And then we do it all over again.

*Over the last 40 years, the voting middle class has systematically removed itself from day-to-day dependence on the state's budget.*

The bonds that finance the infrastructure the middle class builds and uses must be paid back no matter what. The gas tax goes straight to freeway maintenance and construction.

Traffic tickets pay for the CHP. Universities have the power to raise fees. The DMV operates on fees we pay. Teachers have raised their salaries from among the lowest in the nation to what they should be by passing Proposition 98 guaranteeing schools 40% of the General Fund.

And we always use firefighters in budget battle TV ads, but 95% of them get paid out of local government budgets.

*Who is left vulnerable to the annual state budget process? Kids in school, bad guys in prison, sick people in bed or on the streets. Mostly, Californians who can't vote.*

There's no political consequence to posturing and debating endlessly a budget "crisis" that is unimportant to voters. I don't think there is such a thing as a moderate politician or a moderate human being for that matter. But I do think we can moderate our behavior. And we can do that by creating consequences - to getting our way and not getting our way.

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# BASEBALL ARBITRATION: AN ELEGANT SOLUTION

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I didn't appreciate baseball arbitration until I experienced it.

In his Indian Gaming Compacts, Governor Schwarzenegger added a "baseball arbitration" dispute process to use whenever an Indian Tribe and a local government couldn't resolve differences in negotiating an "Intergovernmental Service Agreement" to mitigate the impacts a casino could have on local government services.

In the case of the Buena Vista Rancheria and Amador County, the sides were so far apart in 2006 that the County Supervisors put an advisory measure on the ballot and 80% of the voters opposed the Tribe's casino no matter what they offered to local government.

The "negotiations" went on for 3 years until the Tribe triggered the arbitration provision in the Compact. Baseball arbitration.

*Unlike most arbitrations, in which a neutral finder of fact weighs the two sides, looks for middle ground, then crafts a solution to impose on the parties, baseball's version is an all-or-nothing proposition.*

The arbitrator looks at the final position of each side and chooses one.

Each side only knows its own final position, not the other. One side's position is chosen in its entirety... the other is rejected.

The results in the Buena Vista Rancheria - Amador County dispute were fascinating - after all, I get paid to fight with people. Even though I believed the Tribe was right and the County was wrong, I found myself looking for ways to help the Tribe moderate its position to enhance its appeal to the arbitrator (and avoid a final position that could end up losing everything).

Reacting as wisely as she could based on best guesses about what the County's final position might look like, Tribal Chairwoman Rhonda Morningstar Pope knew that winning in baseball arbitration meant giving up some strongly felt positions in order to achieve successful deal from a County Board of Supervisors that didn't want a deal at all.

In the end, the Tribe guessed right. Their final position never had to be arbitrated at all. The County accepted it. *No one won. No one lost. Both sides moderated their positions and behavior.*

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# SO HERE'S HOW THE IDEA WOULD WORK STEP-BY-STEP...

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## 1 *Institute a two-year budget process*

The idea's been around for a long time.  
It's used in a number of other states.  
Seems to work fine.

## 2 *Start the Fiscal Year on December 1*

There's nothing magical about the current July 1 start.  
The Feds start in October. A lot of businesses start in January.  
So let's move the state's to December 1 of the even-numbered years.

## 3 *Make Republicans and Democrats Write a Complete Budget*

Right now, Republicans hang on to the 2/3rds majority requirement because they say it's the only way they can be relevant. But they never have written a complete budget plan, they just potshot the Democrats' plan. That's an accountability-free zone.

And Democrats tell their groups how they wish they could raise the taxes to save programs but the Republicans won't let them.

## 4 *Put Both Budgets go on the General Election Ballot - Baseball Arbitration Style*

Neither needs a majority. The one with the most votes wins. Voters and the "winners" will live with the outcome for two years.

If we like the budget we had, we'll reward them with re-election and another budget. If they sold us on a turkey, we'll punish them at the polls and probably give the other side's budget a chance.

Prediction: Republican politicians will have to moderate their political position and pledges because they might win their "all-cuts" budget battle and risk getting wiped out at the polls when they stand for re-election.

And Democrats will finally have to face

the fact that voters may not want to cut but sure as heck won't want to raise every tax that every interest group asks for.

I think both parties would find themselves modifying their positions on budgets because a political "victory" in one-year might mean election losses the next.

Consequences will moderate behavior. Voters will have to live with their decisions. And so will both parties.

A budget process with consequences. Consequences of rejection now if you are extreme or rejection later if you get what you want now...

That just might work. It's worth a try.

