

## POLITICAL PERSUASION

# State Of The State

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As Gov. M. Jodi Rell prepares to deliver opening remarks to the General Assembly, the state of the state is precarious. Balancing the budget for the next two years will be the unavoidable top priority. The scale of the problem is so big it will be next to impossible to consider any other major issue, although there will probably be attempts.



The work begins with a projected two-year deficit of more than \$6 billion and few options to close the gap. Basically, there are two directions on the table: spending cuts and tax increases. Neither is attractive and both will be resisted for obvious political reasons. The third option, the much talked about reinvention of government, is unlikely because of the magnitude of the task.

A true reinvention would require state services to be stripped to the bone. It would require the elimination of certain state agencies and their personnel, a restructuring of the health care system, a redefinition of the approach to economic development and a fundamental change in the financial relationship between state and local government. Any one of these issues would normally be too big to handle in one session. Even in the face of deep crisis, it seems unlikely they can all be addressed.

### **Compromise Likely**

The likely outcome of the coming session is a compromise between spending cuts and tax increases along with a side agreement that says, "We will take this two-year budget cycle one year at a time with the hope that next year will be better."

It's also likely that the session will roll past its June adjournment date since both sides will play chicken with that deadline as a way to ensure the best deal.

Other considerations make this year's state of the state less than ideal. The governor is half way through her first full term and must decide in the coming months whether to run for re-election. Historically, approval ratings for governors are tied closely to the state's economic situation. When things are good, they ride high. When they're in the tank, the governor is in there as well. To stop her approval ratings (a measure of her re-election prospects) from sliding, Gov. Rell has

to find a way to look as if she is in charge while avoiding blame for unpopular decisions. The effort began with her move to force the Legislature to make cuts in a November special session.

Since her 2007 proposal to raise income taxes to pay for a massive increase in education spending, Rell has made a special effort to strike the pose of a fiscal conservative. That position may be at direct odds with the new leadership of the House of Representatives.

### **Collision Course**

House Speaker Chris Donovan, D-Meriden, and Majority Leader Denise Merrill, D-Mansfield, are considered to be on the left side of their caucus. They believe government should play a major role in improving people's lives and that often means spending more money, putting Rell and the Democratic-controlled Legislature on a collision course.

There has been lots of talk leading up to this session about the "extraordinary" times we find ourselves in and the need for leadership, but beyond that general observation, there is no evidence as of yet that any of the state's political players are prepared to offer an innovative plan to get us on track. Instead, we are witnessing the usual rhythm of budget negotiations draped in bigger numbers. There's no vision in Mudville. The business as usual of Connecticut politics may stand in the way of the sweeping change needed to improve the state of the state.

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