

The federal government's bailout parade wasn't enough to save California this week. In a move that drew praise from some conservative quarters, President Obama refused to send federal aid to the Golden State.

California had asked the Treasury Department to help with its \$24 billion deficit. But rather than open the U.S. treasury to ailing states, Obama and Treasury Secretary Timothy Geithner decided California must first get its budget in order before relying on a federal bailout. Reacting to the news at this week's Bloggers Briefing at The Heritage Foundation, Rep. John Campbell (R-CA), said bluntly: "The train wreck that is the state of California didn't take a great fortune teller to see."

Bailing out California would only reinforce its current practice of poor budgeting and put the state deeper in debt after new programs are implemented but funding has dissipated.

"It's happened before because California has these huge revenue spikes because of the way the tax system is designed" Campbell explain. "The government always spends up to the spikes, and when the spike drops off there's no revenue to pay for this enormous new government growth. It has happened four times in the last 20 years and it will happen five times in the next 20 years if there isn't a fundamental change."

In testimony to Congress, Geithner said, "A lot of the burden is going to be on them [California] to lay out a path that gets their deficits down to the point where they're going to be able to fund themselves comfortably."

Still, there remains much concern about how California's mess could foreshadow what's to come in Washington.

Based on the current prescriptions of the Obama administration, Campbell tells his friends in D.C.: "If you want to see what Washington will look like two years from now, look at Sacramento today. The decisions being made here are similar to the decisions made in Sacramento a few years ago."