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Time Has Come to Take Responsibility

By P. JACOB YADEGAR

EVERY year for the past decade, we have been providing a snapshot of what we think the economy has in store for Angelenos. The good news is that the crisis is over and things appear to be stabilizing. We have a new governor who many believe is the cause of some of the most significant problems we face as a result of his policies implemented from his initial term as governor more than 25 years ago. Others think he may be the only one who can fix the very difficult issues we face in California, especially in Los Angeles.

The current budget deficit is a direct result of our inability to control spending. Spending cuts are difficult and very unpopular, but they are effective.

Unemployment rates will continue to stay stubbornly high as our current business climate deteriorates and we become less and less friendly to businesses. Increased taxes, unnecessary rules and regulations, and a tax-and-spend agenda will continue to be business as usual.

Seeking change

As long as we continue to elect leaders who have these values, we can't expect any real change to take place. Tax revenue to the city and state continues to decline as businesses leave, property prices continue to drop and productivity remains weak. Far fewer new businesses and industries are opening in our great state, causing an extended period of slow economic growth and continued high unemployment.

At some point we will be forced to realize that our current method of continued deficits will run our city and state into the ground. Both Gov. Jerry Brown and Mayor Antonio Villaraigosa will have tremendous difficulty attracting the much needed funds unless they go against what's popular and make the difficult decisions to cut back on the social services and entitlements that are draining our state.

The current budget deficit is a direct result of our inability to control spending. Spending cuts are difficult and very unpopular, but they are effective in controlling our spiraling deficit, which may eventually bankrupt the city and the state.

Simply put, if we continue to spend more than we make, our credit will run dry. When that day comes, we will end up paying a far greater price than fixing the current problem.

For the last 20 years, we have seen incredible growth and prosperity. Most of the residents have seen a much better quality of living. We must start thinking about our future and the future of our children. It's time for all of us to tighten our belts and stop this irrational behavior of kicking our problems down the road. Responsible government will not happen without responsible citizens.

P. Jacob Yadegar is founder and chief executive of Empyrean Funding, an L.A.-based mortgage company specializing in commercial and residential mortgages.

▶ LETTER

Tripping Up L.A.

A year ago, the city started replacing parking meters on Hollywood Boulevard with electronic payment kiosks.

City workers visited each parking space four separate times: to remove the meter heads, to paint the space numbers, to install the kiosks and to convert some of the old poles into bike racks. Yet today the rest of the old individual meter poles, sans heads, remain – both an eyesore and a pedestrian lawsuit waiting to happen. Removing the old poles – someday – will mean a fifth city trip to the same location. Imagine the fuel waste (and extra emissions) from all these separate trips to the same place.

All these separate trips likely were required because different city workers were responsible for each step. Job preservation wins out over efficiency every time in the world of Los Angeles and its public-sector unions.

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