

State budget cuts in US produce widespread suffering

Hiram Lee
15 April 2009

New reports have begun to reveal the ways in which the economic crisis has led to further hardships for poor and working class people across the United States. To cope with extreme shortfalls in their budgets, state governments have begun to dismantle essential social programs, placing the burden of the economic crisis squarely on the shoulders of workers.

The Center on Budget and Policy Priorities (CBPP) reported last month that 47 states are facing budget shortfalls. The CBPP has called it “a fiscal crisis of historic proportions.”

The CBPP has estimated that “Combined budget gaps for the remainder of the current fiscal year and the next two years are estimated to total more than \$350 billion.” (<http://www.cbpp.org/cms/index.cfm?fa=view&id=1283>)

Investigating the extent to which the economic crisis and its impact on state budgets has forced new hardships on the most vulnerable members of the population, the CBPP has reported that “At least 40 states have cut a range of services, including those aimed at some of their most vulnerable residents.”

The list of cuts is staggering, The CBPP writes that “At least 18 states have enacted or implemented cuts that will affect low-income families’ eligibility for health insurance or reduce their access to health care; at least 18 states and Washington, D.C. are cutting medical, rehabilitative, home care, or other services needed by low-income people who are elderly or have disabilities; at least 21 states are cutting K-12 and early education; and at least 28 states have implemented cuts to public colleges and universities. Also, at least 37 states and Washington, D.C. have proposed or implemented cuts to their state workforce.”

The decision by so many states to reduce their

workforces was cited in a recent report by the *New York Times*. In an April 12 article entitled, “State Cuts Delay US Benefits, Official Says,” the *Times* focuses on state workers who oversee disability claims.

In an effort to balance budgets, state governments have started laying off state workers, including those responsible for evaluating and approving disability claims. Social Security Commissioner Michael J. Astrue acknowledged that the decision to lay off state workers responsible for disability claims was “completely illogical,” pointing out that states ultimately do not save any money. The federal government, he said, reimburses states for the cost of any disability benefits paid out as well as the salaries of those workers overseeing such decisions. The decision to dismiss workers in this field is particularly destructive due to a recent increase in requests for disability benefits.

In spite of such warnings as those made by Commissioner Astrue, the *New York Times* reports, five states—California, Connecticut, Maryland, Massachusetts and Oregon—have gone through with plans to lay off state disability workers while 10 more states are making plans to do the same.

Another report in the *Times* highlights the calamity faced by those in Arizona. In an April 11 article, entitled “States Slashing Social Programs for Vulnerable,” the chief of the Arizona Department of Economic Security, Linda J. Blessing, tells the *Times*, “There’s no question that we’re getting short-term savings that will result in greater long-term human and financial costs.”

Arizona has seen drastic cuts in social programs. The cuts have made it nearly impossible for programs devoted to children’s welfare, family counseling, transportation for the disabled, home-health care and

many more to function. All of the cuts come at a time when the growth of mass unemployment guarantees a greater need for those very programs.

Leaders in state government continually point to federal stimulus money as a means of coping with such difficulties. However, the funding guaranteed by the federal government is woefully inadequate for confronting the crisis at hand. The CBPP estimates that only 40 percent of the shortfall in state budgets across the US could be filled by federal aid.

Things could not be more clear. While no expense can be spared to bail out the Wall Street elite and financial speculators who have contributed to the crisis currently leading the world into an economic catastrophe, the working class is being forced to accept the most drastic assaults on their living standards and basic necessities.



To contact the WSWWS and the
Socialist Equality Party visit:

wsws.org/contact