

Proposed California budget slashes education

David Brown
21 February 2011

Amid looming budget deficits, school districts across California are preparing to fire teachers, close schools, cut programs, and increase class sizes, to cover reduced state funding. Each school district is required to complete a three-year budget forecast and warn teachers who may be laid off by March 15. Due to uncertainties in the state's budget, however, the districts need to draft multiple budgets to account for different possible levels of state funding.

Like Democratic and Republican governors across the country, Democratic Governor Jerry Brown is trying to force workers to pay for the economic crisis, while corporations make record profits. In Wisconsin these attempts have already led to mass protests, as tens of thousands of workers and students from around the state converged on the state capital, Madison, and staged sit-ins in the state legislature to demonstrate their opposition.

While his Wisconsin counterpart, Governor Scott Walker, has called for an attack on the unions, Brown is pushing the same assault on workers using the trade unions as the tool to enforce the cuts.

His proposed budget involves \$12.5 billion in spending cuts against welfare, child care and higher education, and a regressive tax proposal totaling \$14 billion that is to be voted on in a special election in June. It's not certain at this point that the state legislature will allow the tax proposal onto the ballot, or if California's voters would pass it.

The proposed tax measures are overwhelmingly targeted at the working class and include a 68 percent reduction in the dependent tax credit, a 1 percent increase in state sales tax, and an increase in the vehicle license fee. All of these measures disproportionately affect the poor. When combined with increasing statewide poverty rates and immense cuts to social programs, the state's voters may, quite reasonably, turn down this attempt to make workers pay for the

economic crisis.

It's also entirely possible that the state legislature will impose additional cuts to education or suspend Prop 98 mandatory funding levels during the bargaining to pass a budget. All these possibilities result in a best-case scenario of \$19 per student cut and a worst case of \$1,000 per student cuts, according to an assistant executive director at the California Association of School Business Officials.

In order to cover these contingencies, school districts across the state are preparing to make cuts and layoffs. The superintendent of the Oakland School District says there will be a "significant" number of layoff notices sent out. The same is true in Nevada County where the superintendent of schools, Holly Hermansen, said: "After three years, we've already cut almost all the extras." In Santa Clara and San Mateo counties several new parcel taxes are being proposed to mitigate cuts, but none of the taxes would be enough to actually prevent cuts, according to the *San José Mercury News*.

In the most drastic case, Los Angeles Unified School District (LAUSD) has approved over 7,000 layoff warnings. Not all of those layoffs are expected to occur except in the worst-case scenario, but even in the "best" case layoffs are expected across California due to a \$2.1 billion deferral included in the proposed budget.

Over the past few years, as a gimmick to balance the budget, California has deferred payments to schools from earlier in the year until after the next fiscal year starts in July. This allows the state to reduce the current year's deficit while theoretically maintaining the current level of funding.

With the governor's proposed deferral, the total amount of late payments will rise to \$9.4 billion. A full two-thirds of all scheduled payments between February and June will now be made in July or later according to the state Legislative Analyst's Office (LAO). Although

these deferrals are free for the state, they come at a cost for the schools.

Like the rest of the proposed budget, deferrals hit poor districts the hardest. If school districts don't have sufficient cash reserves they need to borrow money to continue operating until the budgeted dispersal. The extra costs of loan servicing can make a bad situation worse. According to an LAO survey, almost half of California's schools will need to implement additional cuts just to cover the costs of the governor's deferral.

Within the state, the richest Californian, Oracle CEO Larry Ellison, has a net worth of \$27 billion, more than the entire state deficit. Countrywide, the deficits of all 50 states are covered several times over by the TARP bank bailout. The money is there for a budget with no cuts to public education or social spending. But neither the Democrats nor the trade unions advocate a policy of using public resources and the ill-gotten wealth of the financial aristocracy to prevent devastating cuts.

Such a policy can only be fought for through the mass mobilization of working people in struggle against the entire political establishment, including the Democratic Party and the union bureaucracy.

As in Wisconsin, California's unions have taken a politically bankrupt position, accepting the premise of Brown's budget. The question for them now is: which layers of the working class will pay the most for the crisis?

At the LAUSD board meeting where over 7,000 layoff warnings were approved, Deputy Superintendent John Deasy called on unions to "find long-term, sustainable solutions that keep our workforce at full employment," suggesting increased premiums for employee benefits.

United Teachers of Los Angeles (UTLA) president A.J. Duffy responded that the best way to deal with the budget cuts is to cut local administrative expenses and "dig deep into this monster that exists here and wastes money." The president of the local administrators' union, Judy Perez, instead suggested a new parcel tax, once again placing the burden on working families to pay for the deficit.

As for the California Teachers' Association (CTA) union, it simultaneously acknowledged the massive social privileges of the super-rich—whose exorbitant wealth makes any rational solution of social problems impossible—while defending Brown's attacks on the

workers.

The CTA web site notes that the wealthiest families in Californian only pay 7.8 percent of their household income in state taxes while the poorest quintile pay 11.1 percent, that the incomes of corporations and the wealthy have skyrocketed while the income of the poor has declined, and that the bottom half of the nation owns only 2.5 percent of the wealth while the richest 1 percent owns over a third.

All the while, however, the union is actively supporting Brown's regressive tax proposal, which will only exacerbate this inequality. In one paragraph they call it "an honest budget that doesn't continue to kick the can down the road," while claiming: "we cannot ignore the proposed \$2.2 billion deferral." Such verbal gymnastics serve to defend Brown against the teachers and the working class, while the CTA falsely claims to represent teachers.



To contact the WSWs and the
Socialist Equality Party visit:

wsws.org/contact