

# Florida Governor proposes drastic cuts in social programs

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Florida's Republican governor Rick Scott unveiled plans for a state budget last week that would cut as much as \$5 billion over the current fiscal year from education, pensions for state workers, assistance to the homeless and unemployed, Medicare benefits and other programs that benefit the working class.

The current 2011 budget for the third most populous state in the US is \$70.4 billion, which Scott aims to lower to \$65.9 billion, and then to \$63.3 billion in 2012.

The budget proposal, to be debated in the majority Republican state legislature this week, also includes \$4 billion in tax cuts by 2012, mostly through a \$1.4 billion reduction in property taxes and a 1.5 percent drop in the corporate tax rate. The budget envisions eliminating the corporate tax entirely by 2018. Florida is one of the few states with no personal income tax.

The lion's share of the proposed cuts would come from education. The budget would cut state funding for education by \$3.3 billion, a per-pupil reduction of \$703. This amounts to a 10 percent cut at a time when Florida's public schools consistently rank among the worst in the nation.

The superintendent of one of Florida's largest school districts, Miami-Dade County, told the *Miami Herald* that the cuts represented "the beginning of the demise of our public school system." The district faces a potential \$214 million cut to its \$4 billion budget. Neighboring Broward County expects cuts of up to \$205 million. Both districts, still reeling from hundred-million-dollar cuts from the past three years, expect to lay off large numbers of teachers, bus drivers and custodians.

Teachers and other state employees would be required to contribute five percent of their salaries toward to the Florida Retirement Fund, a measure that amounts to a pay cut.

The budget proposes laying off more than 7,000 employees throughout the state government by

consolidating various state agencies. It also includes a proposal to obtain a federal waiver of some of the state's obligations under Medicaid, which would save \$4 billion by transferring beneficiaries into private managed care programs. This would cut benefits and lower quality of care while lining the pockets of the governors' business partners in the healthcare industry.

Governor Scott, a venture capitalist, made millions as the chief executive of Columbia Hospital Corporation of America, the largest private for-profit health care company in the country. He was forced to resign in 1997 after the company was charged with defrauding Medicare.

Separate legislation would overhaul the state's unemployment system, which Scott advocated last December, shortly after his election. At that time, his transition team issued a blatant and vicious attack on workers in the form of a report on the unemployment system, aimed at closing a \$2 billion deficit. It declared that the unemployed "put little effort into finding a job," and proposed, among other things, that workers receiving unemployment benefits for 12 weeks or more be forced into "community service" or lose benefits.

The legislation would reduce the maximum number of weeks of unemployment benefits from 26 to 20. It would also create additional hurdles to receiving benefits and at the same time make it easier for employers to allege misconduct and deny benefits altogether.

These massive proposed cuts in Florida are only one example of the types of measures that are being carried out throughout the country, by Democratic and Republicans alike. Both big business parties are absolutely committed to resolving the budget deficit by cutting social programs that benefit the working class. Scott's Democratic counterparts in states like California and New York are carrying out similar drastic cuts to education and social services, with the complete support of the trade unions.

Indeed, Scott's election, supported by various "Tea Party" organizations—his budget proposal was delivered to a Tea Party gathering—was one consequence of the right-wing policy of the Democratic Party. The policies of the Obama administration over the past two years, which led to a sharp drop in Democratic Party votes in the 2010 elections, paved the way for the victory of Republican Party candidates in state and local races throughout the country.

At both a national and state level, the entire political establishment is moving sharply to the right. Scott's proposal came the week before Barack Obama himself announced a federal budget proposal that cuts more than \$1 trillion in federal spending, almost entirely from programs that benefit the working class and poorest sections of society. While enacting cuts at the federal level, the Obama administration is encouraging even deeper cuts in state and local government services by refusing any federal aid.

The universal claim is that there is "no alternative" but to enact cuts, that there is simply no money for essential social programs. In fact, Florida is among the most unequal of US states, ranking fourth (behind California, New York, and Texas) in the number of individuals on the Forbes 400 list of wealthiest Americans.

Included among Florida's 26 representatives on the list last year were Micky Arison, chairman of the cruise line giant Carnival Corp, with \$4.1 billion; oil investor William Koch—brother of David and Charles Koch, the principal bankrollers of the Tea Party—with \$3.4 billion; energy tycoon Terrence Pegula with \$3 billion; and real estate investors Malcolm Glazer (\$2.6 billion) and Igor Olenicoff (\$2.5 billion).

The combined net wealth of these 26 individuals is \$47.2 billion, nine times the total amount of Scott's proposed budget cuts for next year.



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