Ohio governor proposes massive cuts to social spending

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Ohio Governor John Kasich put forward a two-year budget on Tuesday that aims to make up for an $8 billion deficit by slashing spending on education, health care, and aid to cities.

The draconian budget makes clear the purpose of the anti-worker Senate Bill 5 (SB-5), passed by the senate last week, which strips public workers of collective bargaining rights. The budget cuts will inevitably force schools and cities to cut the wages of teachers and public employees and to impose layoffs. SB-5, which is being debated in the House and is likely to pass, will effectively criminalize any organized working class resistance.

Devastating curtailments of social services and jobs, as well as cuts in pay and benefits, would be imposed dictatorially by officials invested with legal authority to prosecute any workers who attempt to strike.

The two-year budget, which Kasich cynically promotes as "The Jobs Budget," will impose the following draconian cuts:

• Municipal contributions will be cut by 25 percent in fiscal year (FY) 2012, and an additional 25 percent in FY 2013. This will force local governments to reduce services, jobs and pay. The two-year cuts will reduce aid to local governments from $665 million to $339 million.

• With the loss of federal stimulus finds, primary and secondary schools will face a 12.1 percent cut in FY 2012 and additional 7.6 percent in FY 2013. The two-year cut is nearly $1.2 billion.

• Colleges and universities will see an approximate 15 percent cut in revenues over the two years.

• $1.4 billion will be cut from anticipated increases in Medicaid funding, primarily through reductions in payments to hospitals and nursing homes.

The budget also foresees collecting $200 million by privatizing the prison system, in effect converting jails into a for-profit venture.

Since 2008, the Ohio public education system has avoided massive budget cutting by relying on federal stimulus money. With this source exhausted, the state cuts will be a double blow to school districts.

The cuts now facing education are accompanied by state provisions for schools claimed to be failing "to be taken over by teachers and parents." How this would work has not been explained. The budget also lifts the cap on the number of publicly funded, privately controlled charter schools allowed in the state, and makes available resources to fund "school choice"—essentially paying private schools with public funds.

Kasich stated, "We've been tinkering around the edges of education reform since I"ve been in this state. We are not going to put this off any longer."

Referring to the loss of federal stimulus funds, State Budget Director Tim Keen declared, "It was characterized all along as temporary aid, and it would have been prudent to take actions that anticipated that it would no longer be there at some point in the future."

The cuts in Medicaid will have devastating effects. Pete Van Runkle, executive director of the Ohio Health Care Association, told the *Columbus Dispatch* 6,000 nursing home jobs will be lost as a result. "You can't pull out that much without losing jobs—70 percent of our costs are labor—and it's kind of ironic that the governor is saying this is a jobs budget," Van Runkle said.

The Kasich administration asserts that the "tools" have been provided to municipalities and schools to offset loss of revenues, referring to the new anti-worker law being passed in Columbus. The law will give management at all levels power to unilaterally alter

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public employee contracts.

Collective bargaining rights for some 350,000 public school teachers, professors, policemen, firefighters, workers employed by the state's regional councils, and workers hired through private contractors will be banned. Most importantly, they are denied the right to strike, on pain of onerous fines and imprisonment.

Similar anti-worker measures paired with massive austerity budgets have been advanced in Wisconsin, Indiana, and Michigan.

Because Ohio is in the industrial heartland, it has already been hit hard by the economic crisis. Official unemployment in the state has risen to over 11 percent. Entire cities and towns have been thrown into poverty, with people scraping by on low-wage jobs without health care or pensions.

Ohio union leadership has offered no resistance to the budget and the impending passage of the anti-worker legislation. While thousands of workers have demonstrated in protests in front of the Statehouse, the bureaucracy has sought to tie this resistance to the support for the Democratic Party, whose position on the need for massive cuts is essentially no different from the Republicans.

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