

Savage cuts in Wisconsin budget

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The Wisconsin biennial budget is expected to go into effect on July 1 after it receives a final signature from Governor Scott Walker. The budget, drawn up by the Joint Finance Committee, contains almost all of the savage cuts originally proposed by the Republican governor in February. The Assembly approved the bill in a marathon session June 14 and two days later it got the backing of the state Senate.

The budget will impose huge spending cuts over the next two years, including some \$500 million from the state Medicaid program (Badger Care), and more than \$1 billion from kindergarten through 12th grade education and the University of Wisconsin system. It also includes a 30 percent reduction in funding to technical schools, \$56 million from income tax credits for low-income workers and cuts to Family Care and Planned Parenthood.

The \$66 billion budget plan—which includes generous tax breaks to corporations—is expected to close most of the \$3.6 billion deficit over the next two years, according to supporters of the legislation.

The plan goes hand in hand with Walker's "Budget Repair Bill," the passage of which was sanctioned earlier this month by the state Supreme Court, that strips public employees of workplace rights, limits contract negotiations to wages and virtually illegalizes strikes or any other forms of collective resistance by public employees. These are the "tools," Walker says, which school districts and local municipalities need to implement layoffs, wage and benefit cuts and other measures necessary to deal with sharply reduced budgets.

The cuts to health care will have deadly consequences. Over one million state residents depend on the jointly federal and state funded Badger Care program. Low-income recipients will face increasingly restricted access to care due to higher premiums, more expensive co-pays, and the closure of health centers in the state. In a particularly anti-democratic section of the budget, the legislature exempts the public from hearings held by the Department of Health Services for the rest of Walker's term in office.

The cuts in health care are particularly alarming in a state that was one of the first to make family planning a permanent part of Medicaid. Amanda Harrington of Planned Parenthood—an institution that has roots in Milwaukee dating back to 1935—said the budget puts in serious jeopardy Medicaid coverage for 57,000 women and several thousand men. Many

will lose access to family planning, reproductive health treatment, cancer screening and medical exams after the budget is implemented.

"Many of the patients have nowhere else to go but Planned Parenthood," Harrington told the WSW. "In eight out of nine counties where they are closing centers, there is no other women's health care provider that can meet the needs of uninsured women. Our centers meet the needs of 73,000 women; there are men and women who are screened for cancers and other diseases and their lives are saved as a result."

Prior to the planned closings, Planned Parenthood had 28 centers throughout the state. "It's incredibly frustrating for patients," Harrington went on, "there is an outpouring of support for Planned Parenthood. Yet, despite people coming forward, meeting with representatives, and writing letters, it's disturbing that these politicians' decisions are trumping men and women's right to access basic health care. They are taking away money for public transit, public education, and health care but giving giant increases to corporations or private construction companies. It's a dramatic departure for the state, which over the last decade has had a core value of expanding health care."

In education, the situation is just as bad. In the state capital, the Madison School Board has approved a preliminary budget that will reduce spending by almost \$25 million for the district. The deficit will be made up by increased employee pension contributions—averaging \$2,750 for the year—and layoffs and other cuts.

Cities throughout the state have been preparing for the cuts or have already implemented them. Kayla, a recent graduate of Mt. Horeb High School just west of Madison, told the WSW about some of the cuts at her school. "Our music program just held a benefit concert to try to raise money to cover some of the losses. They are planning on cutting around half a million dollars. My mom, who works at the Department of Transportation, just found out she's going to lose \$400 every month with the increased payments for health care and her pension. She's a single mother with four kids—all with mouths to feed."

The University of Wisconsin college system will lose \$250 million and face increased privatization. As a result students will be hit with sharp increases in tuition, pricing many out of school.

UW Madison was originally to be separated from the rest of the UW system in a plan that would profoundly change the school. Ex-Chancellor of UW Madison, Biddy Martin, was the main proponent of the plan, which would have cut \$125 million in funding from that school alone—leading to a massive firing of state workers and an assault on pension and health care benefits.

The plan was eventually shot down, but the \$250 million reduction is maintained and the cuts will be spread throughout the 26 schools. In a statement Tuesday, Richard Wells, the chancellor of UW Oshkosh, said he “greatly appreciated the Governor’s understanding that all UW system institutions need these freedoms and management flexibilities to provide the citizens of Wisconsin the best possible education in challenging economic times. The state’s business community agrees.”

These “flexibilities” will result in wage cuts, losses in benefits, decreased workers rights, and layoffs for thousands of teachers, school support staff, and other employees. The plan will also open up the universities to companies that will be able to plunder the institutions for profit.

Governor Walker has proclaimed throughout his tenure that Wisconsin needs to be “Open for Business” and has claimed that deregulation, corporate tax cuts and privatization schemes would create jobs. These measures, which are part of a broader campaign by both Democrats and Republicans on the federal and state levels around the country, will do nothing to relieve the conditions of mass unemployment, home foreclosures and poverty that afflict Wisconsin and every other state.

The corporations and the wealthy, however, will reap a windfall. Based on a *Chief Executive* magazine survey of 500 CEOs, Wisconsin made one of the largest jumps in history, from 41st last year to 24th this year, for the best place to do business. The ratings were based on taxes and regulation, quality of the living environment and work force, and other factors that interest corporate executives.

Walker’s new anti-worker law strips the state’s 300,000 public employees of collective bargaining rights and empowers the governor to declare a state of emergency and fire any public worker engaged in strikes, sit-ins or other struggles. It also forces workers to contribute 5.8 percent of their salaries to cover their pension, as well as at least 12.6 percent of their pay for health-care premiums.

From mid-February to mid-March the state was the site of massive working class protests against this attack and the governor’s plans to destroy public education and other vital social services. From the beginning, however, the unions, including the Wisconsin Education Association Council and Wisconsin State Employees Union, pledged their support for imposing the de facto wage cut on their members and implementing other social spending cuts. All they asked in return was that the labor apparatus be allowed to retain their position as junior partners in the attacks and continue to collect union dues from workers’ dwindling paychecks.

The unions exploited the three-month delay while the bill faced challenges in court to sign scores of contract extensions with school districts and municipalities. These deals imposed virtually all of Walker’s demands while preserving the system of dues collection—something that will be eliminated under the new law once a contract expires.

In the city of Madison, Democratic Mayor Paul Soglin praised the unions, telling the *Wisconsin Journal* he is “very flexible with the role they want to play.” The city of Madison calculates a \$20 million shortfall for next year and plans to cut services and delay projects throughout the city.

Mary Bell, the president of Wisconsin Education Association Council (WEAC), has repeatedly stated that the unions support budget cutting but that they only want to retain their “seat at the table.” She reiterated this at a conference in Minneapolis, Minnesota last weekend, saying, “What we knew from the start was that it wasn’t really about a budget, it wasn’t about numbers. When we gave the monetary concessions in pensions and health care—which was the second week of this activity—well, they still had to have the collective bargaining changes.”

The position of the unions—that they supported without question the necessity of cutting the wages and benefits of workers in order to balance the budget—made a farce out of their claim to be defending collective bargaining rights.

Allied with the Democrats—who boasted that they had carried out the deepest cuts in state history prior to Walker with the support of the unions—officials from WEAC, AFSCME and other unions smothered and betrayed the mass movement in March, paving the way for the imposition of Walker’s budget plan. Their support for Walker’s austerity measures was underscored by the fact that the unions did everything they could to prevent the reemergence of mass protests as the vote on the budget approached last week.

Instead the unions are engaged in a campaign to recall Republicans and elect Democrats, including Obama in the 2012 election. They are doing this solely to defend the institutional interests of the labor apparatus, while abandoning the working class to the bipartisan attack on their jobs, living standards and social rights.

This points to the fact that a resurgence of opposition is only possible by breaking with these rotten organizations and building a mass political movement of the working class to fight for a socialist alternative to budget cuts and other attacks.



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