

Illinois public sector devastated as budget impasse approaches one-year mark

Alexander Fangmann
29 June 2016

Illinois approaches the end of its 2016 fiscal year on June 30 without a state budget, marking the longest any US state has gone without a budget since the Great Depression. Nearly the entire population of the state has been affected in one way or another, through the loss or reduction of state services or from layoffs at agencies that depend upon state funding.

With even more state agencies scheduled to shut down July 1, legislators have been called to the state capital, Springfield, on Wednesday to vote on a stopgap budget deal that would ratify devastating cuts while concealing bipartisan plans for even more comprehensive attacks until after the November elections.

Since July 1, 2015, large areas of state government, including K-12 public education, certain federally mandated social and human services, and state government offices, have operated via a series of judicial orders that kept funding at the levels specified in the previous year's budget. That has not been the case, however, for spending on many kinds of social services, which rely on state disbursements to a wide variety of private social service providers, most of which have received no funding from the state for the past 12 months.

Many of these providers have been forced to close down completely or to shut down specific programs funded by affected budget lines, and thousands of social service workers throughout the state have been laid off. A recent survey of state-funded social service providers conducted by United Way of Illinois suggests that at least 1 million people, or nearly 8 percent of the total state population, have lost access to state services as a result of cutbacks.

Most affected have been agencies involved in housing, senior services, substance abuse, and

childhood education. More than a third of the 429 agencies polled indicated they would have to shut down within six months were they to continue without funding.

Mental health providers have been especially hard hit, and a letter to Illinois Republican Governor Bruce Rauner from Marvin Lindsey, the CEO of the Community Behavioral Healthcare Association, a mental health advocacy group, indicates that 76 percent of community mental health and substance abuse treatment programs have been forced to shut down or reduce services while wait lists have ballooned to as many as 200 people per month, with at least one person on a waiting list having died before receiving needed services.

Public colleges and universities received nothing from the state for 10 months, until a late-April stopgap funding measure was passed, which provided 34 percent of what the Democrats had initially proposed, in itself a 6.5 percent cut from the previous year's level. This did little but allow these institutions to limp through the end of the school year, while nearly all have announced some combination of layoffs, early retirement buyout programs, hiring freezes, and elimination of educational programs. Western Illinois University announced earlier this month that it would eliminate undergraduate programs in philosophy, religious studies, women's studies, and African-American studies.

Absent any funding for the next fiscal year, several schools have announced they will have further rounds of layoffs. Chicago State University, the university hardest hit by the lack of funding, laid off a third of its staff, including all non-tenure-track lecturers.

The stopgap budget is being worked out by so-called legislative working groups, under the direction of the

Democratic and Republican leaders, rather than through the traditional legislative institutions, such as the Appropriations Committee, in order to hide their discussions, and the level of cuts, from the working class.

According to meager details released by Senate Republican Minority Leader Christine Radogno, the stopgap budget being contemplated would fund higher education and social services through December of this year, at amounts of \$1 billion and \$600 million, respectively. Neither of those amounts would come close to a fulfillment of funding for the fiscal year ending June 30, let alone the new one beginning July 1, ensuring that cuts will become broader and deeper.

Debate continues over the funding for K-12 public schools, with Democrats, including Chicago Mayor Rahm Emanuel, seeking a change in state funding formulas in order to provide Chicago Public Schools (CPS) with additional budget allocations, while Republicans, including Governor Rauner, have intransigently opposed what they refer to as a “bailout” for CPS.

It should be clear, however, that the Democrats are not by any means mounting a genuine defense of public education, with Democrats, from Mayor Rahm Emanuel all the way up to President Obama, having led the attack on teachers and public education. Rather, this dispute, like the larger budget impasse itself, is a conflict within the ruling elite over how best to implement austerity and make the working class pay for the deepening economic crisis.

Rauner, a billionaire and member of the financial aristocracy, is a free-market ideologue casting himself in the mold of Wisconsin Governor Scott Walker, and seeks to prosecute a full-scale assault on the working class. He has repeatedly vetoed budget measures passed by the Democratic-controlled legislature, demanding that they pass parts of his “Turnaround Agenda,” which includes cuts to workers compensation, elimination of prevailing wage requirements in construction contracts, freezes on local property taxes, restrictions on lawsuits against corporations, and drastic curtailment of the subjects allowed for collective bargaining between local governments and unions. Only in exchange for those would he agree not to veto proposals for an increase in the income tax which would allow for a balanced budget without massive reductions in

spending.

These demands are unacceptable to the Democrats, not because they are opposed to attacking the working class, something they have done for years, but because the Turnaround Agenda is aimed at severing the close political relationship between the Democratic Party and the trade unions, which the Democrats rely on heavily to manage the working class and keep it under control in the face of relentless austerity.

Certain sections of the Democratic Party, including House Speaker Michael Madigan, are keenly aware that there is a seething anger throughout the working class over the years of budget cuts and layoffs. Madigan and sections of the business elite, particularly in Chicago, are deeply concerned that Rauner’s agenda threatens to blow up the entire political set-up by igniting a movement of the working class beyond their control.

With the increasing damage to state finances and even to corporate profits from the lack of a state budget, there have been rising calls that Rauner step away from at least some of his demands. A recent statement by the editorial board of *Crain’s Chicago Business* essentially retracted its previous endorsement of him, and called for him to “redefine victory.”

Through a stopgap budget, both parties have agreed to give themselves time to work out the full scale of their plans, which will include further cuts to education, social services, and pensions, as well as an increase in the flat income tax. More importantly, they intend to keep the working class in the dark about these plans until after the November elections.



To contact the WSWWS and the
Socialist Equality Party visit:

wsws.org/contact