Sacramento school district threatens bankruptcy to extort concessions from teachers

Dan Conway 31 January 2019

As school districts in Oakland and Los Angeles, California prepare for new spending cuts in the face of widespread teacher and working class opposition, the Sacramento City Unified School District (SCUSD) in the state's capital is also preparing draconian cuts.

SCUSD officials recently announced they have until November to find \$16 million in cuts to avoid a state takeover. An additional \$16 million in cuts, they said, must be found in advance of the following school year.

The Sacramento City Teachers Association (SCTA), has been in contract negotiations with the district for over a year. Negotiations are currently stalled and although the SCTA is threatening to call a strike by the more than 2,800 Sacramento teachers is has not set a timeline or even called a strike authorization vote. In 2017, a strike was averted after the union reached an agreement providing a paltry 2.5 percent salary increase for teachers each year for three years. The last time teachers struck in Sacramento was in 1989.

To push through the cuts, the district is relying upon the collaboration of the five district unions covering school employees: the SCTA, United Professional Educators (UPE) and the Service Employees International Union (SEIU) Local 1021. "It's going to be very difficult for us to achieve the cost savings we need if not all bargaining partners are at the table," said office of education spokesman Alex Barrios.

The SCTA has countered the district's financial assessments with claims that revenues actually increased by more than \$120 million between the 2013-2014 and 2017-2018 school years. In spite of this, the SCTA has already accepted the district's austerity demands in practice.

In an agreement reached between the SCTA and the

district in December 2017, cuts to teacher health benefits were to be utilized to decrease class size and hire new nurses. According to *The Sacramento Bee*, the SCTA's own proposals estimate the district can save \$12 million each year by redirecting lifetime health benefits for teachers. The union also claims the district's financial woes can be lessened by curbing excessive administrator salaries, pushing for the district to cut principal and school administrator positions from 267 to 190. While this demand is aimed at appeasing angry teachers, the reduction of administrators is often the prelude to further privatization measures.

Meanwhile, the Oakland Education Association (OEA) has accepted as a matter of course the closure of more than 24 public schools or one third of the district's schools. Most if not all would be converted to private charter schools. Oakland already has the second highest number of charters in the country in percentage terms, with more than one third of Oakland students currently attending charter schools. The Fiscal Crisis Management and Assistance Team (FCMAT) assigned to the district is also demanding \$60 million in cuts over the next two years.

The OEA has continued to delay teacher strike action through endless mediation and "fact-finding." The union agrees that cuts must be made but only disagrees with the scale of the cuts and how the interests of the union apparatus will be preserved. Trish Gorham, OEA president in 2017, wrote at the time, "They do have to cut in order to make the \$1.2 million reserve, that's a legal requirement, but that's \$5 or \$6 million, not \$9 million."

The war against teachers and public education are being led by the Democratic Party, which essentially exercises one-party rule in California. Even though the state has the world's fifth largest economy, larger than Britain, state and local Democrats have a strategic plan to starve public schools of funding and to use the resulting crisis to justify the diversion of public resources to privately run charter schools, undermining the democratic right to free, quality public education for all children.

In 2003, the Sacramento board of education decided to close Sacramento High School—the second oldest public school west of the Mississippi—and hand over the campus to the St. Hope charter school founded by former professional basketball player Kevin Johnson. A Democrat, Johnson later became Sacramento mayor in 2008 and three years later he married Michelle Rhee, Washington, DC school chancellor and notorious enemy of public education. In 2010, Rhee presided over the termination of 241 teachers in a single day after they had had received "poor" performance evaluations.

The powerful corporate and financial forces seeking to privatize education have been emboldened by the collusion of the unions, including last week's betrayal of the six-day strike by teachers in Los Angeles, the nation's second largest school district.

Most recently, the SCTA has praised the United Teachers Los Angeles (UTLA), which deliberately isolated 33,000 LA teachers from educators throughout the state and then rammed through an agreement that ignored teachers' most critical demands for substantial improvements in pay and school funding, reduced class sizes and a halt to the expansion of charters.

This underscores the need for Sacramento teachers and school workers to form their own rank-and-file committees, independent of the unions and the Democratic party. These committees would establish links between Sacramento teachers and educators in Oakland, Los Angeles and other cities to prepare a statewide strike action to defend public education.

Such committees would also reach out to link up their struggles with teachers and all workers across the US and internationally. Teachers held protests earlier this week in Virginia, and West Virginia and Oklahoma educators are considering resuming strikes to beat back new attacks on public education, including the impending introduction of a bill that would establish charter schools in West Virginia for the first time. This movement, moreover, is part of an international wave with teachers strikes in southern India, Berlin and other locations.

While the state school authorities claim there is no money for schools, endless resources are being handed to the corporate and financial elite.

Earlier this week, Pacific Gas & Electric, found responsible for a series of wildfires that ravaged Northern California over the past several years, announced it was filing for bankruptcy protection. In exchange for not being found liable for more than \$30 billion in damages caused by its poorly maintained power lines, PG&E executives and shareholders would be able to keep their multi-million-dollar salaries, dividends and other corporate perks. Costs associated with the bankruptcy will instead largely be passed on to consumers in the form of sharp rate hikes despite the fact that hundreds of thousands of these were already victims of the company's practices during the wildfires.

The company would also not be under any obligation to modernize its electric grid which eventually will only lead to more fires. The bankruptcy filing is expected to be approved with the full support of the legislature and Democratic Governor Gavin Newsom. State subsidies for PG&E are also expected, likely in the tens or even hundreds of millions of dollars. The state had previously bailed out the utility giant after its 2001 bankruptcy proceedings.



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