

STOP THE WARS AND FIGHT THE CSU EDUCATION CUTBACKS

Federal Government Cuts Back States to Support Wars

Nearly a quarter of what states and local governments spend comes from the federal government. Long before the current crisis, the federal government was taking money away from the states and directing it toward the Iraq and Afghanistan wars. From the start of the Iraq war in 2003 up to 2008, US military spending per year increased \$128 billion (in 2008 dollars). Over the same period grants per year to states and local government fell over \$44 billion. From 2004 through 2008, state and local governments received a total of about \$136 billion less than they would have if funding had remained at 2003 levels. California's share of this decrease was about \$16 billion over that 5-year period.

Federal Stimulus Funds and the CSU Cutbacks

In 2009 the federal government gave the states \$48 billion in stimulus money, about \$8 billion to California. A small amount of stimulus funds might be available for the California budget for one more year, but however large it is, the total federal stimulus funds will be much smaller than the \$16 billion that the feds sucked out California from 2003-2008. The CSU got a boost from stimulus funds of about \$640 million for the 2009/10 budget, but it won't be there next year. CSU administrators have been told that this year's cutbacks are largely permanent. California's bosses have decided that the universities will be smaller and more expensive for students. Adjusted for inflation, California state support per student for the CSU has been reduced from \$11,075 in 1998/9 to \$4,669 in 2009/10 (in 2009 dollars), while student fees have been constantly raised. UC President Yudof told students that "the state has stopped building the highways to higher education, and they've started building toll roads" (*Sacramento Bee*, 9/17/09).

Classrooms, Prisons, or Corporate Tax Cuts?

Economic recessions occur in the capitalist system about every eight years, some mild and some severe. Although the current crisis is the biggest in many decades, every recession causes a budget crisis in California. This is not simply because there is less money, but also because of how the state spends its money. The 2009/10 California budget keeps the more than \$2 billion per year in tax cuts for corporations that were passed last September and February. Almost all the benefit from these tax breaks goes to 200 or so big corporations. The legislature also refused to enact a tax on oil companies that would have yielded another \$1 billion per year.

California's politicians have made budget crunches worse by a huge spending on prisons. The prison population has increased about 75% since 1990, three times faster than the adult population, and prison funding has increased much faster than higher education, costing about \$49,000 per year per prisoner. This huge increase is not a response to any "crime wave," but is a policy of locking up a big group of low-income people, mainly Blacks and Latinos, rather than providing jobs and rehabilitation. California spends more on prisons than any other state, with \$9.9 billion budgeted for 2009/10, compared with \$12 billion for higher education, and \$7.4 billion is to be spent on new prisons over the next few years. California prisons are vastly overcrowded, and under federal court order to reduce population and improve medical care. If current policies continue, California will soon spend more on prisons than on all of higher education.

Federal Government Military Spending Dwarfs Bailout and Stimulus Funds

Year	2008	2009
U. S. Military Spending	\$ 740 bil	\$ 763 bil
Bank and Auto Company Bailouts	\$ 350 bil	\$ 380 bil
Stimulus package	none	\$ 150 bil

SDSU Forum on War and Peace