

An Issue Around which to Organize?
Budget deficits and the shrinking of the public sphere!

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Two months ago, Governor Arnold Schwarzenegger announced his plan to make 10 percent cuts to every department in the state. This set off a furious debate in the state capitol. Democrats want to cut spending but also raise taxes. Republicans want to cut spending only. And in spite of being in the minority, the Republicans have veto power over any budget proposal because the state constitution requires that a two-thirds majority pass budgets.

The state budget deficit is around \$16 billion dollars. The liberal legislative analyst proposes to cut spending but also “raise taxes” by eliminating tax breaks such as the dependent child tax credits as well as raising fees such as state college tuition. According to one definition, there are tax breaks worth \$50 billion a year. There is much said about cutting tax breaks such as those for poultry litter but very little is being said about reversing the commercial corporate real estate tax give-away that was part of 1978’s Proposition 13.

Corporations 20 years ago paid 14% of our state tax income but today they pay only 7%. If the richest 5% paid the same tax rate that the poorest 20% pay in California there would be a substantial surplus in our budget . . .
(<http://www.votcamejo.com/issues/budget.html>).

All the talk of “keeping within our financial means,” “tightening our belts” and “making do in tough economic times” is intended to keep the debate inside the box of cutting Medicaid spending and raising tobacco taxes. Outside the box are corporate CEOs and the corporation’s shareholders who believe they have earned the right to never have to tighten their belts. And what appalls me is that most people agree with them. The working poor and middle class support tax cuts for the rich. Why? They hope to be rich someday and benefit from the regressive tax system we have now. That’s the American Dream, to get rich (regardless of its affect on others).

We have federal, state and municipal budget deficits that threaten to undermine further an already fragile and undermanned public service sector (transportation, levees, schools, hospitals, parks, housing, food, environment, energy, etc.). Schwarzenegger announces 10 percent cuts for everyone. Why isn’t “everyone” marching on Sacramento to protest this latest attempt to be penny-wise and pound-foolish? Nurses, teachers, cops and firefighters successfully banded together in 2005 to soundly defeat state propositions that would have stripped basic worker protections and placed organized labor at a disadvantage to other political groups. Where is that coalition today when there is an attack on public service greater than the one in 2005?

I suspect that there are multiple reasons. Obama has tapped into one—people feel hopeless. Another reason is, in 2005, the four state propositions that provoked such a successful collective response were very specific attacks on four of the only groups that were already organized. A ten percent cut across the board is not so specific. Many hope they will be spared, again thinking as individuals and not collectively. There is an important lesson here. When people are organized ahead of time (e.g., unions), they can fight back effectively. Veterans of the Civil Rights Movement argue that there are three kinds of power—money power, violence power and people power. People power only exists when vast numbers of people act collectively. Money and violence prevail in the absence of people power. This situation will not change until we, the people, start creating organizations IN ADVANCE of any challenges we want to face down.