

# Privatization: A Very Short Introduction

## What We've Accomplished...

Coordinated “Days of Action” in September 2009, November 2009, and March 2010 – which included walkouts, marches, building occupations, and strikes by students, faculty, and staff throughout the UC and CSU systems – **led to (temporary) restoration of state funding for higher education.** The 2010-11 budget restored \$199 million in funding to the UC system and made \$51.3 million in funding available for an additional 5,121 UC students that had not been previously funded.<sup>1</sup> **This restoration in funding was directly attributed to the campus uprisings** that followed the \$637 million cuts of the budget of 2009-2010: **“Those protests on the U.C. campuses were the tipping point,”** the governor’s chief of staff, Susan Kennedy, said in an interview.<sup>2</sup>

After **80 students staged a 24-hour occupation** of the Anthropology Library on October 9, 2009 **Saturday library hours were restored** throughout the campus.

Students, faculty, and staff have staged **major protests at Regents’ meetings** at UCSF and at UCLA. At these meetings we have not just challenged fee hikes but have made clear that this is a crisis of priorities, not just of revenue. We have demanded **cuts to the wages of top administrators, reduction in bond-based construction spending, and use of the University’s unrestricted funds** (currently left unused despite a “financial emergency”) rather than the evisceration of the university’s core educational mission.

## ...What’s Next

**Join in the fight to solve California’s revenue crisis!** – California is the *only* state in the country without an oil extraction tax. Our Local has endorsed a ballot measure (Proposition 1481) to **begin taxing oil extraction** and direct that revenue to K-12 and higher education and is involved in developing a broad coalition of California public sector union to **make the banks and corporations pay for their crisis.**

Union members are also involved in coalitions to overturn Proposition 13 – which restricts the state legislature from raising taxes on the wealthy and caps both residential and commercial property taxes.

Our union has decided to **organize Mass Actions Nov 9<sup>th</sup> and 10<sup>th</sup>** and to protest the next Regents’ Meeting on **November 15-17** in San Francisco. Be there!

**Fight backdoor cuts to departmental budgets!** – Since our first contract, UC Berkeley’s Campus Budget Office has guaranteed funding to cover the fee remissions and health benefits of GSIs, Readers and Tutors. However, last semester Chancellor Birgeneau implemented a plan that passes off the costs of fee remissions and health benefits to units *without guaranteeing to cover increases in fees and health care costs.* **Our collective grievance challenges** this attempt to de-fund teaching by cutting departmental budgets.<sup>3</sup>

**Educate your students and yourself!** – As instructors, we are in a position to share information about the ongoing evisceration of public education in California with our students – and to ask them how the tuition hikes and cuts have affected their ability to complete a college degree at Berkeley.

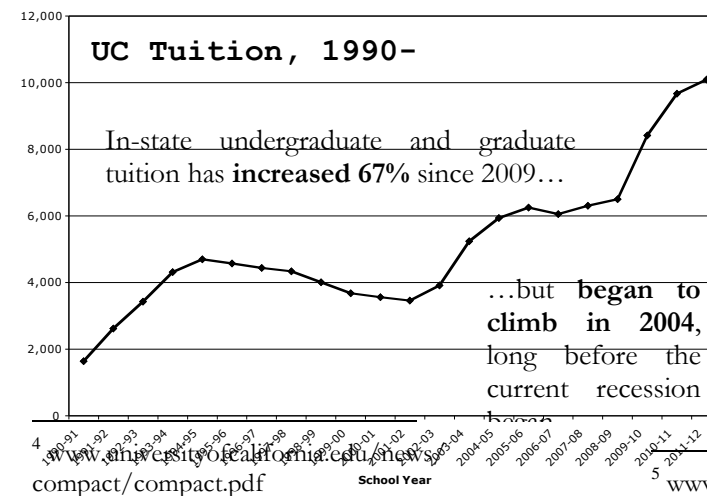
To get involved, email:  
[berkeley@uaw2865.org](mailto:berkeley@uaw2865.org)

## The State

**The 2011-2012 Budget cut \$650 million each from the UC and CSU systems.** Both systems’ budgets will be cut an additional **\$200 million each** if state revenue falls short of predictions. This is in addition to a **20% cut in state funding for the UC system in 2009** (a 3% cut in the total UC budget). Governor Schwarzenegger and representatives of UC and CSU also **signed a compact in 2004 committing both university systems to privatization, including increased student fees** as a long-term substitution for public state funding: “In order to help maintain quality and enhance academic and research programs, *UC will continue to seek additional private resources* and maximize other fund sources available to the University to *support basic programs.* CSU will do the same in order to enhance the quality of its academic programs.”<sup>4</sup>

## The University

While the Regents, UC President Yudof, and



executives at the statewide and campus level have blamed recent cuts on reduced state funding, the Regents’ and UCOP’s choices regarding spending and tuition over the last ten years **have prioritized executive pay over educational quality and public access.** Cuts have fallen disproportionately on students and low-wage workers; reduction in state funding has provided cover for a longer-term privatization of the UC system.

The UC is undergoing a transformation from its mission as a public university to provide quality, tuition-free education to all Californians to a private university model, which only high-income families can afford. Californians from working- and middle-class families and from communities of color are forced out or denied access to the UC, while those who stay are more and more in debt due to student loans.

**Since 2009 tuition has increased 67%,** and the Regents want to approve a **new 81% fee hike for the next 4 years.** In **2004,** tuition was less than **\$4,000,** now it is more than **\$12,000,** in **2016** it will be of **\$22,000.** We need to stop that!

The percentage of spaces reserved for out-of-state undergraduates has been **doubled to 26%.** **Nonresident tuition is \$36,000/year,** excluding poor students and decreasing the availability of a UC education for in-state students.

Higher tuition means more student loans – which can **never be discharged** – even in bankruptcy. Student loan debt now exceeds credit card debt in the U.S.<sup>5</sup>

From 1997-2007 the **student body grew 39%** and the **faculty grew 24%** - and the number of **managers grew 118%.**

<sup>1</sup> Donna Hemmilla, UCOP, 10/8/2010

<sup>2</sup> New York Times, 1/6/2010

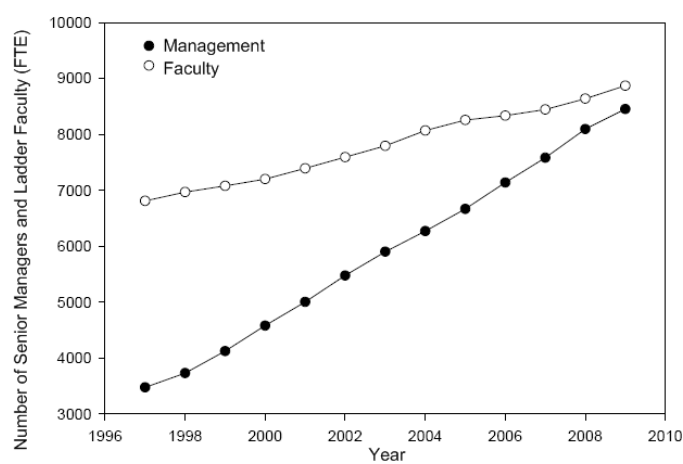
<sup>3</sup> “UC Berkeley Benefit Decentralization:

Summary of Campus Input.” Campus Budget Office. April 5, 2011. Pg. 2.

The ratio between management and faculty is now **nearly 1:1**.

If management had grown at the same rate as faculty between 1997 and 2007, **the UC system could have saved \$800 million** – more than the total cuts in state funding in 2008-10.

In 2006, the average percentage of full-time faculty at public universities (excluding med schools) was **49% of professional employees. At UC that percentage**



### Cuts at Berkeley

**While claiming that cuts to student services, layoffs (662 at UC Berkeley since January 2009), 4-10% pay cuts to low-income workers, and tuition hikes are “necessary,” UC has been spending more on executive pay and bonuses.**

**was 25%.**<sup>6</sup>

High-level administrators make more at the UC than at comparable institutions. (e.g. The Vice Chancellor for Administration and Finance at Berkeley makes \$375,000/yr - 9% more than the median for colleagues at other universities.<sup>7</sup>) President Yudof has justified these salaries by claiming that these individuals are “assets” to the university – unlike the apparently disposable students, teachers, and staff hurt by the cuts.

**An 8% cut in classes campus-wide.** Fewer GSI and Reader positions for graduate students; larger class sizes – which means more work for GSIs and diminished educational experiences for undergraduates; and fewer available classes (often resulting in additional semesters to complete degrees).

**A 20% cut in the business budget of the Office of Research.**

This means: Consolidation of research units into Research Enterprise Services. According to many faculty members, this has eliminated years of institutional knowledge and specialized experience in applying for and managing grants.<sup>8</sup>

### A highly incomplete list of ways in which cuts are affecting graduate students at

- **Diversity and support programs have undergone severe budget cuts**, putting underrepresented students in even more vulnerable position. The **Disabled Students’ Program’s budget has been cut 17%**<sup>9</sup> and the Center for Underrepresented Engineering Students (CUES) has been closed.
- Beginning this fall, **“student parents will no longer be guaranteed that their children will have continual child care services...and subsidized summer child care services will cease to be offered to parents”** at the Early Childhood Education Program, which provides services to undergraduate and graduate student parents as well as faculty.<sup>10</sup>
- **Staff members responsible for graduate student affairs have been laid off** in many departments, including ESPM and Ethnic Studies, increasing bureaucratic hurdles for faculty and graduate students and overburdening remaining staff members.
- **Library budgets have been cut more than \$4 million (18%),** resulting in curtailed hours and collections.<sup>11</sup>
- Departments have been forced to cut basic services **including lab phone access and photocopier budgets** for instructors.
- **Urgent and primary care** visits at the Tang Center **used to be free; they now cost \$30 and \$15 per visit,** respectively, for students with SHIP insurance.
- **Benefits Decentralization** – a new campus-wide policy - eliminates centralized allocation of tuition reimbursement and health care costs for GSIs and Readers. Instead allocations for *all* workers’ benefits (including staff and faculty) will be made to departments – and these allocations are not guaranteed to increase when tuition and healthcare costs increase. The policy likely will force departments to **reduce GSI/TA positions and merge or eliminate 25% time appointments.**

### Fight Back!

Students and workers have **not been silent** in the face of the privatization of the UC and the dismantling of public education. We have demanded more money from the state through progressive taxation and have fought within the UC to **prioritize education** and to **reverse the huge fee hikes** of the last three years. We have demanded that the current administration of the UC by politically appointed Regents be **replaced by a system of democratic and accountable leadership**, and **that students, faculty, and staff are empowered to participate** in decision-making at all levels of the UC system. Students and workers across the UC and in collaboration with other education sectors (CSUs, Community Colleges, K-12 teachers) have come together in order to fight the budget cuts. We have exchanged ideas and plans in mobilizing conferences and we have planned statewide "days of action" for public education.

<sup>6</sup> KeepCaliforniasPromise.org and Charles Schwartz, Prof. Emeritus of Physics, UC Berkeley

<sup>7</sup> San Francisco Chronicle, 1/21/2011

<sup>8</sup> Daily Californian, 7/30/09

<sup>9</sup> Cmte on Student Fees Budget Recs., Spring 2011

<sup>10</sup> Daily Cal, 11/16/10