

The Privatization of Public Education? California Teachers Take Another Hit from Politicians

By [Ann Robertson](#) and [Bill Leumer](#)

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With Democratic Governor Jerry Brown in office since 2011 and the Democratic Party winning a supermajority in the state legislature in 2012, one might think that organized labor was secure and riding high. At least, that is the impression organized labor projects during campaign season. But the Democratic politicians have used their supermajority to serve up a cruel bill of fare to working people, who are still trying to digest it.

There are two public retirement systems in California, and with the drop in the return on investments during the Great Recession both became underfunded. Governor Brown first targeted CalPERS (California Public Employees' Retirement System) and managed to push through reforms that included raising the age of retirement and raising the amount public workers contribute to the fund. Unions offered no significant opposition to these concessions.

This year Brown has tackled CalSTRS (California State Teachers' Retirement System), which covers K - 12 and community college teachers. In addition to increasing the amount the state and school districts contribute, he has proposed that teachers pay an additional 2.25 percent of their salary to the retirement fund.

One might think that the California Federation of Teachers (CFT) would have strongly opposed Brown's proposed concessions from teachers, given that it is one of the more "progressive" unions in the state and many of its members are covered by CalSTRS. Quite the contrary: [it wrote](#) Governor Brown, saying it "would like to thank you for proposing a solution to addressing the current unfunded liability of CalSTRS" and merely asked Brown to extend the timeline for the implementation of some of his proposals. CFT explained why it embraced Brown's proposal in this way: "CFT believes that all stakeholders are responsible for solving the CalSTRS unfunded liability."

Superficially and at first glance, one might agree with CFT that Brown's proposal seems fair. All stakeholders should pay. But after taking a step backwards and surveying the entire context, a different conclusion emerges.

For example, a recent study found that in California

"public school teachers' retirement benefits — at least the part taxpayers pay for — are smaller than those of virtually any other type of public employee, despite frequent claims that teachers' pensions are excessive and diverting precious dollars from education and other essential government services." <http://www.nytimes.com/2011/05/06/business/06pension.html?module=Search&mabReward=relbias%3Aw,%5B%3A5%3A%3A12%5D>

Given that teachers' pensions are lower, it is only reasonable that their current salaries should be higher so that they can prepare for this frugal future. Instead, Brown is proposing their salaries be reduced by diverting part of their salaries into the retirement fund. But this salary reduction comes on the heels of previous teacher salary cuts during the Great Recession when teachers were required to take furloughs (unpaid days off) and were denied salary increases to compensate for inflation.

Everyone benefits from public education. Businesses can hire people with the intellectual foundation to become productive workers, thanks to public education. Well-educated people are more likely to get higher paying jobs, pay higher taxes, and are less likely to commit crimes.

But not everyone is in an equal position to help pay for public education. In California inequalities in wealth have soared during the past three decades. The income of the wealthiest 1 percent of Californians grew by 81 percent while the income of the bottom 20 percent dropped by 11.5 percent.

(<http://www.sfgate.com/politics/joegarofoli/article/Californians-back-raising-taxes-on-state-s-wealthy-2377203.php>)

So the wealthy are in a far better position to pay the taxes that underwrite public education and help pay for the pensions of the people who do the hard work of educating. After all, if one "stakeholder," as CFT refers to teachers, has fallen overboard and is clinging desperately to a life jacket while another "stakeholder" (the rich) is lounging on deck with a large collection of life jackets, it would hardly be fair to demand that the stakeholder in the water give up their life jacket. Brown's retirement proposal is basically asking those who are threatened with drowning to give up their life jacket while those comfortably situated on the deck are not asked to give up anything.

And the tax structure in California basically follows this same logic, thanks to aggressive lobbying on the part of the rich and the corporations. Shockingly, California's lowest-income families pay state and local taxes at a higher rate than the very wealthy. The poorest people pay at a rate of 11.1 percent. The top 1 percent pays at a rate at a rate of 7.8 percent, lower than any other income bracket. The wealthier people are, the lower their tax rates. (The California Budget Project; http://www.cbp.org/pdfs/2011/110412_Who_Pays_Taxes.pdf)

Corporate taxes have followed a similar logic. Between the 1980s and 2003, for example, corporate taxes declined by a third. [http://www.nytimes.com/2003/07/16/business/business-tax-shelters-a-drain-on-states-finances-study-says.html?module=Search&mabReward=relbias%3Ar,%5B"RI%3A5","RI%3A12"%5D](http://www.nytimes.com/2003/07/16/business/business-tax-shelters-a-drain-on-states-finances-study-says.html?module=Search&mabReward=relbias%3Ar,%5B)

None of these trends should be surprising. They simply reflect the power of money. [The San Francisco Chronicle reported:](#)

"In a state with nearly 38 million people, few have more influence than the [top 100 donors](#) to California campaigns - a powerful club that has contributed overwhelmingly to Democrats and spent \$1.25 billion to influence voters over the past dozen years. These big spenders represent a tiny fraction of the hundreds of thousands of individuals and groups that donated to California campaigns from 2001 through 2011. But they supplied about one-third of the \$3.67 billion given to state campaigns during that time, campaign records

show. With a few exceptions, these campaign elites have gotten their money's worth, according to California Watch's analysis of campaign data from state finance records and the nonpartisan National Institute on Money in State Politics, which tracks the influence of campaign money on state elections."

All of this leads to the question why all "stakeholders" should take responsibility for underwriting the retirement fund, as CFT has argued, when some stakeholders (the rich and the corporations) are not paying anywhere near their fair share of taxes and when teachers have already suffered financially from the Great Recession, caused by reckless and lawless bankers and the politicians who do their bidding?

CFT knows full well how unjust the tax structure is in California and, to its credit, has led the campaign to raise the slogan of taxing the rich. It is not operating from a position of ignorance. However, it seems to operate from a position of cynicism. Despite Governor Brown's anti-union record, CFT has endorsed him for re-election in 2014. And despite the Obama administration's attack on public schools by promoting charter schools, merit pay, and the evaluation of teachers on the basis of students' standardized tests scores, CFT's parent affiliate, the American Federation of Teachers (AFT), endorsed him for re-election. At best, the CFT and AFT will get a few crumbs tossed their way while their members continue to suffer a declining standard of living.

In other words, in response to a class war, where corporations and the rich are championing privatizing public education, reducing wages of workers, dismantling pensions, shredding the social safety net, cutting Social Security, avoiding single-payer health care, loosening environmental restrictions, and preventing federal and state governments from creating jobs — all programs that working people want defended or implemented — CFT, AFT and unions in general are allying themselves with Democratic Party politicians who are linked to the corporations that are spearheading these attacks. With this kind of battle strategy, there can be little wonder why unions are in a steady decline and why union members are so uninvolved with their own unions.

The Chicago Teachers Union proved that there is a winning strategy available, if unions would only take advantage of it. They acted independently of the Democrats and Republicans in order to unambiguously defend both their members and public education, and they actually took on Democratic mayor Rahm Emanuel, who was privatizing dozens of schools and refusing to pay teachers adequately. The Chicago Teachers Union mobilized their members, they solidified alliances with the community and won a majority of the public to their cause, they held huge mass rallies — tens of thousands participated — as a way of reaching out to the public about their grievances, and they organized a successful strike. But they could only do this because they put the members of the union in charge and kept them informed at all times of all important developments.

This strategy stands in stark contrast to how most unions operate: they only give the most vague reports to their members and focus exclusively on electing Democrats to office or weighing in on legislative measures. When rallies are organized, they bring out a few hundred or a few thousand at best. They are not seriously pursuing massive demonstrations but merely give the appearance they are fighting. After all, the last thing the Democratic Party wants are massive demonstrations that they don't control. This approach amounts to unions subordinating the interests of their members to the interests of the politicians, and the Democrats are quick to punish unions who fail to toe the line.

As working people lose more and more ground while the rich get ever richer, they will eventually reach an explosive point where they have been pushed too far. Unions have the choice of continuing to elect sell-out, dead-end corporate politicians. Or they can create a real, politically independent grassroots movement, forging alliances between unions and the community, as the Chicago Teachers Union did, and build the necessary powerbase to counter the corporations and their politicians. Only such a grassroots movement, which aims at uniting all working people, will be capable of successfully confronting the class war that has been waged against them by the corporations and their politicians. The pressure is mounting on unions to adopt a new strategy and launch an all-out defense of their members.

Ann Robertson is a Lecturer at San Francisco State University and a member of the California Faculty Association.

Bill Leumer is a member of the International Brotherhood of Teamsters, Local 853 (ret.). Both are writers for Workers Action and may be reached at sanfrancisco@workerscompass.org.

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Articles by: [Ann Robertson](#)
and [Bill Leumer](#)

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