ENSURE STIMULUS FUNDS REACH THE CSU SYSTEM

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California Progress Report
By LTAIZ MUG
President, California Faculty Association

The faculty in the California State University are deeply concerned about the rapid decline in the ability of our nation’s largest four-year university system to deliver higher education to all eligible students.

Our public university system is staggering from deep cuts to state funding already made this year, last year, and earlier this decade.

Now we are threatened with still more cuts by a new state budget that makes millions of dollars for public higher education contingent on federal “stimulus” money coming into the state.

Our concern is elevated by decisions made on the 23 CSU campuses to eliminate classes, lay off teachers and student-services personnel, and turn away students.

This threatens an immediate negative economic impact through more unemployed people and falling economic activity in the many communities with a CSU campus.

The morale among students and teachers is at an all-time low, at the very moment when the nation desperately needs to build an educated workforce that can help the nation prosper in the twenty-first century economy.

If we don’t act now, we will not have the option to rebuild later. Higher education is not something that starts and stops like a faucet; the impact of decisions being made now will be with us for a long time.

We agree with numerous statements made at the federal level that the money must be used effectively to guarantee it creates jobs, keeps people in jobs, and gets the nation’s economy moving.
It is with greatest urgency that the California Faculty Association calls on state and federal government to ensure that part of the American Recovery and Reinvestment Act funds provided to the state of California be used to help our California State University, the largest four-year system of higher education in the United States.

We cannot exaggerate the precarious situation in which our California State University finds itself.

As in at least 21 other states in the nation, California has been slashing funding to its state university system, reducing the number of students admitted, raising tuition, eliminating classes, forcing too many students into too few classes, and laying off faculty and student-services staff.

These cuts are precisely the reverse of a stimulus to the economy. During periods of economic recession, workers seek to return to college for retraining and students who are able to stay in school during the downturn reduce joblessness. Cuts of this kind of will have long-term consequences for the economic future of countless students and our state as a whole.

Moreover, jobs are at stake both on and off campus. The immediate economic multiplier effect on the communities surrounding each of our 23 CSU campuses is more than $4 for every $1 spent by government. The CSU sustains over 207,000 jobs in California and its direct spending generates a total impact of $13.6 billion in the state’s economy.

Once we destroy our system of public higher education it will simply not be possible to restore or rebuild it later. Americans need broad access to public higher education right now and in the long-term in order to achieve the innovative, human capital economy that is the only option for real progress and affluence.

**RECOMMENDED USES OF ECONOMIC RECOVERY AND REINVESTMENT FUNDING**

If used wisely, funds invested in the CSU at this critical moment in history will have a wide-reaching impact and stimulate the economies of all regions of the state where CSU campuses are located – in rural communities and urban areas alike. The ripple effect of investment in higher education will have a positive impact on local businesses that serve the CSU community on a day-to-day basis – from corner restaurants and bookstores to vendors with service contracts – as well as on key industries that rely on the university graduates. In rural areas where CSU campuses are key employers and major drivers of the regional economy, the economic health of the public university is absolutely critical to the economic recovery of the entire region.

To have the strongest impact, these funds must be used effectively.

**PROTECT JOBS:** Economic Recovery funding can have an immediate impact on jobs on the CSU’s 23 campuses right now. Jobs for teachers, librarians, counselors, coaches,
student-service workers, groundskeepers, construction and maintenance workers are all hanging in the balance. An infusion of funds will prevent layoffs of these workers.

**PRESERVE CLASSES NEEDED FOR STUDENTS TO GRADUATE:** Economic Recovery funding can be used to restore classes that are slated for cuts. These classes are necessary for students already in school to fulfill requirements for their majors and make progress towards graduation.

**SUPPORT PROGRAMS CRITICAL TO THE EXPANSION OF A GREEN ECONOMY:** Expand access for students in programs like engineering, agricultural sciences, environmental science, and planning that are preparing students for high-skill jobs integral to the green economy.

**UPDATE LABORATORIES:** Economic Recovery money could be used to update lab spaces for science, nursing, and engineering programs that are lacking critical equipment like microscopes.

**RESTORE LIBRARY ACQUISITIONS:** CSU Library shelves, both physical and virtual, have grown thinner and thinner with budget cuts over the past few years. Economic Recovery money could be used to cancel the planned spending cuts and restore acquisitions. Institutional purchasing such as this has a ripple effect on multiple industries and spreads benefits across the entire country.

**REPAIR CLASSROOMS:** On some CSU campuses, classrooms and building facilities are in a severe state of disrepair because of long-deferred maintenance caused by budget cuts. Economic Recovery money would create jobs and stimulate purchasing to repair desks, whiteboards, computer labs, lavatories, floors, roofs, and so on.

**FINANCIAL AID**

A large part of the financial aid component of the American Recovery and Reinvestment Act must be used to keep the more than 430,000 CSU students in school and to expand opportunity, particularly to the CSU’s large constituency of first-generation students and working students.

If students now in college dropout, they will add to the already strained job market. Likewise, the thousands who do not gain access to a college or university but would have done so before the crisis will add competition for a shrinking number of jobs.

If these students, who otherwise will drop out, instead complete their degrees, they will enter the economy better prepared to play their role as part of a 21st century “innovation generation.” We need these budding nurses, teachers, engineers, biologists, chemists, entrepreneurs, and computer scientists, in addition to so many others in other disciplines. They will have better jobs, pay more in taxes, be healthier, participate more constructively in their communities, depend much less on social services, and prosper in general.
California and the nation need to keep our public state universities above water and expand access, now more than ever. In addition to mitigating unemployment by relieving pressure on the job market, investing in universities will ensure that graduates enter the market with appropriate skills and training so that they are prepared for jobs in sectors that will not thrive without college educated workers. Direct student financial aid, such as the Pell Grant Program, is an excellent way to do this. Our students need and deserve more grants and better terms on loans.

But we have an immediate need to keep teachers in the classrooms right now.

Beyond that we need new policies for public higher education updated for the 21st Century challenges. The vision for higher education has been blurred by economic crisis, and even before the crisis, by long-term laissez faire policies that overlook the severe damage being done by short-term planning and budgeting.

*Lillian Taiz is a professor of history at California State University, Los Angeles and President of the California Faculty Association.*
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