Old news: Like most other major state programs, California's public universities and colleges are up against devastating budget cuts in the coming year, and probably longer. Those cuts will drive up fees, force larger classes and eliminate courses, services and programs.

What's new is the increasing certainty among a growing number of people that the funding compacts the universities made with Gov. Arnold Schwarzenegger during the last fiscal crisis put them on a long-term downward trajectory that will continue to erode quality, limit access and permanently damage what for decades was the nation's premier system of public higher education.

In the view of one of those people, professor Stanton Glantz, a researcher at the UC medical school in San Francisco and former chair of UC's faculty Committee on Planning and Budget, the compacts were "a giant political blunder."

The agreements promised long-term fiscal stability in return for short-term cuts. In fact, they cut UC's base funding in the expectation that the university would make up the difference in student fees and private contributions. But Glantz says the gap is too great: "You can't fundraise your way out of it."

The only alternative, absent more state funding, would be enormous fee increases.

Glantz says the question for the governor and the Legislature is, "Do you want to have a UC, meaning a high-quality institution?"

So far, he says, "The de-facto decision is no."

Berkeley, UCLA and maybe UC San Diego will survive, "but the rest of the system will fall apart."

A couple of recent UC faculty reports document the story. One pleads with the administration and regents to, in Glantz's view, "put the discussion on a reasonable factual basis" and get past their fear of crossing the governor.

The point was reinforced last week by a report from the independent Campaign for College Opportunity, which found California's public higher education institutions – both universities and community colleges – have "still not recovered from the cuts ... earlier in this decade."
Bill Hauck, a trustee of the California State University system, warned that this year's proposed cuts, coming on top of the hits of past years, will have a "dramatic impact" that will force the system to turn students away. The numbers, he said, "keep getting worse."

But the more fundamental point is that the compacts, which the systems agreed to, are in fact autopilot formulas for an indefinite freeze in real-dollar funding of university budgets, even as enrollment pressure and costs continue to rise.

What hardly anyone is discussing, either among the regents or the trustees – nor was it mentioned at a briefing by the Campaign for College Opportunity last week – is the need to increase state revenues to bring taxes at least to the rates they were in 2003.

The governor continues to perpetuate the belief that California's real budgetary problem is excessive spending, not inadequate revenues, a belief that's a core mantra of the state GOP and Grover Norquist's "starve the beast" theology.

To do that the governor uses a chart – probably his favorite – showing spending is climbing more steeply than revenues. But as the recent UC "Cuts Report" (universityofcalifornia.edu/senate/reports/cuts.report.04.08.pdf) points out, "the chart has a number of flaws: is not corrected for inflation, for population growth, for growth in any agency's client base or legal mandate, or for the great variation in growth among different agencies."

More important, the chart omits the fact that $6 billion a year – far and away the biggest part of that alleged spending increase – is in fact the result of Schwarzenegger's cut in the vehicle license fee. Because he rolled back that fee by two-thirds, the state has had to backfill to local governments the money the levy would have raised. Were it not for the car tax cut, the state would probably have no need to cut any spending, either for K-12 schools or higher education or anything else.

And that's not counting the corporate tax loopholes that the Legislature handed out in the past decade and that, in tax reformer Lenny Goldberg's immortal words, make the tax code like a roach motel: Once the loopholes creep in, they never come out.

California's motorists had been paying the VLF for decades. It wasn't until state Sen. Tom McClintock, who's now running for Congress to replace Rep. John Doolittle in the 4th District, made it an issue, did anyone think of it as evil.

So when Glantz says that the state made a de-facto decision about maintaining a great public university system, and that decision is negative, it's not too much of a stretch to put the car tax cut in the lineup of likely suspects.

But so far, there's still far too much silence from the universities' leaders on the choices: quality schools, colleges and parks in a state to which productive and creative people are attracted, or the no-new-tax mantra and life on the cheap.