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## STRUCTURAL ADJUSTMENT AT HOME

*Jesse McGowan*

“They don’t want to educate us. They want us to work in the sweatshops,”<sup>1</sup> Liana told us in a soft and direct tone from her chair in front of a room full of students, professors, and community members. In early 2000, the twenty-year-old Liberal Arts student arrived in San Luis Obispo to raise money for her classmates back home in Mexico who were busy occupying various campus buildings at UNAM (Universidad Nacional Autónoma de México) to protest recent fee increases. Liana spoke of their resistance to the government’s privatization efforts, describing huge demonstrations and civil disobedience in the face of mass arrests and beatings by federal police.

Notably, Liana explained their struggle in the context of an aggressive drive by outside interests like the International Monetary Fund (IMF) and World Bank to turn Mexico into a playground for foreign multinational companies. In their case, the World Bank had conditioned loans to Mexico on structural adjustment programs to limit government spending on basic services like healthcare and education. Liana observed that the corporate interests driving such policy have a stake in limiting access to higher education in Mexico. A larger surplus of young, unskilled workers cuts labor costs and increases profits for companies like Guess Jeans and Nike. But students like Liana would rather risk police beatings than to give up their only hope of transcending a grueling lifetime of industrial slavery.

Today, structural adjustments are happening at home. Public higher education in California is facing privatization efforts in the form of severe tuition increases. Recently, the University of California system raised tuition 25% while the California State University system (CSU) increased tuition 30% on top of a recent 10%<sup>2</sup> (Cal Poly actually

voted for its own college-based increase two years ago). csu chancellor Charles Reed, who incidentally pushed for more increases, recently commented on the size of the state cuts prompting the tuition hike, saying, "If you combine the budgets of San Diego State and Cal Poly Pomona that's what they're taking out of the system."<sup>3</sup>

Increased financial aid and loans may mitigate but will not prevent lost opportunities for the next generation of college-aged youths. The csu's decades-old promise to provide access for every available "top third" student has been shattered. According to a recent article in the *San Francisco Chronicle*, the csu system will be unable to admit 29,000 mostly community college transfers this spring and could turn away 100,000 students next year.<sup>4</sup>

Despite pervasive talk about the terrible budget crises, privatizing schemes are never inevitable. As is true in Mexico, structural adjustment in California represents a deliberate shift in spending priorities that has been accelerated during a bad budget year. But instead of the IMF and World Bank limiting spending on higher education, we have California's addiction to prison growth. Instead of the sweatshop, we have prison for many youths in California's lower-income communities. This expanding prison system necessitates university privatization by swallowing precious public funds and literally taking away that class of people who have the most interest in keeping the system public and affordable. The struggle to stop prison growth and save public higher education becomes the same fight.

Over the last few decades, California has increasingly prioritized prison growth over education. In 1990, Corrections accounted for 5.75% of the general fund budget while higher education (the csu and uc systems) accounted for 14.61%.<sup>5</sup> In the 2003-04 general fund budget, Corrections jumped to 9% or \$5.3 billion, while higher education dropped to 1.6%. Today, there are about 160,000 inmates housed in 33 facilities across the state.

In the 1990's, California's rapidly expanding economy and tax base delayed the effects that enormous prison expenditures inflicted upon education and other basic services. The pie was bigger for everyone. However, yesterday's shift to prioritize prison growth is producing grave consequences today in light of a \$34 billion dollar shortfall and impending cuts to the csu (as much 20%).<sup>6</sup>

Although many factors contributed to California's shift toward prison spending over the last twenty years, an increase in crime was not one of them. Tough-on-crime laws like Three Strikes and the emerging influence of the California Correctional Peace Officers Association (CCPOA) have been driving forces. Both factors encourage prison spending for reasons separate from the standard goals of deterrence and protecting society: Politicians use tough-on-crime laws to build a "law and order" image to win elections, and the CCPOA makes enormous campaign contributions for higher salaries

and increased job security. The point here is that increased prison spending was never necessary. In recent years we have begun to see movement in the opposite direction. In 2000, Californians passed proposition 36, which offers many nonviolent drug offenders treatment over incarceration with substantial long-term savings to the state.

Further reforms could free up desperately needed resources for higher education. For example, amending the Three Strikes law would save millions. Unlike other states that have passed the law, California's version does not require that the third strike be violent. As a result, about 3,350 nonviolent offenders are currently serving 25 and sometimes 50 years to life in state prisons. Requiring that the third strike be violent would save at least \$84 million a year.<sup>7</sup> According to California Assemblyman Mark Leno, about 10,000 nonviolent offenders could be released without jeopardizing public safety. He recently told *The Oakland Tribune*, "Every month of early release...would save the state \$21 million...a quarter billion dollars a year."<sup>8</sup>

Today's unfortunate drive toward privatizing public higher education in California through steep tuition increases is a direct result of skewed spending priorities. While many decision makers like Chancellor Reed of the CSU system are content with shifting costs to students and thereby closing the doors to thousands of young people, few are willing to address the root cause of the problem. For example, State Senator Gloria Romero is almost alone in her calls to address California's irrational spending priorities. She recently told *The Oakland Tribune*, "Maintaining the prison status quo while cutting funding for essential social programs such as education chips away at the future of law and order in California."<sup>9</sup>

Ultimately, the fight to keep higher education public and accessible in California will be up to those directly threatened by the system's closing doors. For this, young people, with fervent dreams of transcending their seemingly pre-assigned roles, need to organize against structural adjustment at home. These youths can find allies both in pro-education groups like faculty unions and anti-prison growth groups like Critical Resistance. And they can gain inspiration from their peers in Mexico. ☺

## Notes

1. Liana (last name unknown) spoke at a lecture, "UNAM Student Strike," hosted by MEChA and the Progressive Student Alliance at Meadow Park Recreation Center, San Luis Obispo, CA, January 2000.
2. Selingo, Jeffrey, "California's Public Universities Adopt Steep Tuition Increases," *The Chronicle of Higher Education*, 25 July 2003, 20.
3. Ibid.
4. Staff Report, "State Universities Expect Grim Year; 20% Cut Could Turn Away 100,000 Students" *San Francisco Chronicle* 17 September 2003, Bay Area Section A21.

5. For the 1990 general fund budget: Davis, Gray, Controller, "Annual Report of the State of California, Budget Basis" 30 June 1990, A20. For the 2003-04 general fund budget: State of California, Department of Finance, Budget Documents, "Governor's Budget Highlights" 2003-04 <[http://www.dof.ca.gov/HTML/BUD\\_DOCS/Bud\\_link.htm](http://www.dof.ca.gov/HTML/BUD_DOCS/Bud_link.htm)>.
6. Staff report.
7. The amount is based on a conservative estimate of a \$25,000 yearly cost per inmate. For the number of nonviolent Three Strikes offenders: Campbell, Duncan, "Three Strikes and You're Out. Human Rights, US-Style" *Guardian of London* 26 January 2002, 6.
8. Richman, Josh, "Activists: Put Prison Funding in Schools," *The Oakland Tribune*, 5 July 2003, Local and Regional Section.
9. *Ibid.*