

I'm sitting at the Cow Palace in a very good seat, the premium section, near the middle, just 2 rows back. To get this seat I woke up early and got here before 6AM thinking that would be early enough. But there was already a line that stretched to the end of the parking lot and folded back. I stood in line all morning. There are about 12,000 of us seated here and many more waiting outside. But this is not a show we've come to see. No game, no performers, there is nothing here to watch.

This is a Home Save Event held by the Neighborhood Assistance Corporation of America. All of us are in danger of losing our homes and are here to seek mortgage assistance. The stage floor hosts about 200 NACA volunteers dubbed "counselors," all dressed in yellow T-shirts, each with a desk and computer. We are all waiting for a turn to speak with one of them.



The crowd is mostly black or Hispanic. These people are certainly not wealthy, yet not quite poor either. All own their own home and most have jobs. To my left is a black man who works as a janitor for a major corporation. His hours have been cut. He's been able to get some more work with his brother, who owns a painting business, but the wages are spotty. To my right a black woman with 3 jobs, an elementary school teacher during the day, a waitress during the evenings, and she does day care on weekends. She has 3 children of her own and I'm amazed she's able to handle all that.

Then there's me. One of the very few white guys here. Although everyone is polite I feel very out of place. These people seem not my class. I have a college degree and work as a professional in information technology for a very highly respected university. I've made a good track record and have money saved in the bank. I feel I should be above all this.

Yet with the University of California salary cuts and furloughs I qualify for the same federal aid programs the rest of us are here for. And I need some help.

The NACA volunteers will call us down, row by row, in strict order and then send us to see a counselor. There they will take some information about our financial situation and look over papers we've been asked to bring: bank statements, tax returns, W2, etc. Then they will recommend which of a myriad of programs we should apply for, discuss strategies for negotiating with the bank, and send us on to step two: a face to face meeting with an employee of the bank that holds our mortgage. All the major banks have representatives here and we've been assured that these representatives have the authority to change the terms of our mortgages.

Despite the crowd, the desperation, and the lack of discipline that usually comes with an all volunteer organization, the event is well organized and the place is strangely calm. Everyone here respects the other's place in line, puts up with unruly children, and tries to make the best of this situation. All that can be done is to wait your turn. Hoping for a solution helps keep the peace.

A young Hispanic woman steps up on the platform and takes the microphone. She tells us that Chace Manhattan just reduced her mortgage from 8.75% to 4.5% and forgave all past due late fees. She breaks down in joyous tears while most of the crowd cheers and applauds. Then she repeats her message in Spanish and the rest of the crowd joins the applause.

My story started in late 2003 when I bought a house in Santa Cruz. I'd been working for UCSC for ten years and saved for this purchase. Real estate prices in this town are so crazy a single guy like me could not afford even a one bedroom condo. So I decided to buy big, a 5 bedroom house, and rent out the other bedrooms to students. Writing a check for \$81,000 down payment was no problem and banks then were too glad to give me a "no documentation required" loan with wild guesses filled in as future rental income.

For the first 3 years it worked well. I had no trouble finding tenants, earned enough to make payments with some left over for home improvement projects I did myself. Then the adjustable interest rate jacked to 8.5% and I put all home improvements on hold, cut out spending on fun things like movies, and canceled the cell phone. Still I was able to make all payments on time.

But then came the UC salary reduction program. Supposed to be temporary, although no one believes that, 7% of my salary was cut. Simple math: take home salary plus rental income minus mortgage payment minus taxes is now negative. This is not a problem that can be solved by "cutting back" somewhere else. There is no where else to cut. Just eating food drains my savings account. I'd watched my savings steadily decline and estimated I had about 17 months left.

It's early afternoon now and the crowd is starting to feel annoyed. A NACA volunteer takes the megaphone and leads us in a chant:

Everywhere we go-o.

People want to know-o.

Who we are?

We are NACA.

The mighty mighty NACA.

After a few choruses we all seem to be breathing easier.

In theory this should be simple to solve. Just sell the house. Only problem is that the house value has declined since purchase and is not sufficient to pay off the mortgage. So selling would not only wipe out the investment of the last 7 years of my life but also possibly leave me with unpaid debt. And even though current market interest rates are much lower I can't just refinance for two reasons. One, not enough equity for an 80% loan to pay off the old one. And two, banks will no longer consider rental income from shared housing without heavily discounting it.

So I wait my turn at Cow Palace. A young couple with a small boy take the microphone and announce that Wachovia has turned down their application and will instead proceed to foreclose on their house in 60 days. No emotional tears this time, just contained rage. 12,000 people boo a man in a suit wearing a Wachovia badge. I can't believe how a major corporation would allow its image to be so badly damaged over one house that can't be worth that much.

That's what bothers me. It's just a numbers game. Those who bought long enough ago to have some equity will lose it. Those with no equity, euphemistically called "upside down," might get a break. But only if the bank thinks they'll make less money by foreclosing. None of us had any control of the market forces that determine our equity position and now our fate.

A volunteer at NACA announces they need a Cantonese translator. Someone from the crowd comes down and moves to the head of the line in trade.

I just don't feel very good about myself any more. In the past I've bought Subway gift cards and given them to homeless people. I used to donate to causes I believed in. I've dropped \$100 anonymously into the jar at ACLU, never told anyone I did it, and just felt warm inside for doing the right thing. I was a paying member of Sierra Club and Green Peace. I donated to political campaigns of candidates I trusted. Now I can't do any of that. The Republicans are winning. By cutting the funding for education they are starving resources from those smart enough to oppose them.

It's now after 9PM, the day is winding down, and finally my turn to speak to a counselor is here. Those that arrived at Cow Place after 7AM have all been told to come back tomorrow.

Steve was his name, a heavy set black man who looked very tired after a very long day. Still he diligently looked over my papers. "University of California? You a college professor?" he asked disdainfully. "No I work on the staff there," hoping to earn some points. "Damn we're getting everybody here," is all he said back.

He told me what I'd feared and didn't want to hear. I don't qualify for the Obama Home Save program because my loan balance is too high. And no, they weren't making exceptions. But he had good news: Bank of America (my lender) had some other internal programs that they might offer. He gave me their details and what they were looking for to qualify. But the bank representatives have all gone home so I'll have to come back tomorrow to speak with them. He assured me the line will be shorter.

The banks have gone home but the NACA volunteers haven't. They will work past midnight to see all the remaining people in Cow Palace. Then they do it all again for 4 more days. Then next week they repeat it in Los Angeles. Then Phoenix, Denver...

The next day I went back to meet with Bank of America. The lines were indeed shorter and I was grateful for Steve's referral to the right person and the insider jargon he'd taught me. Unfortunately it was not quite so simple because Bank of America has sold my loan to another bank and doesn't have authority to negotiate directly. So an application process has started that is supposed to take 6-8 weeks. I can't finish this story since that process is still ongoing, now 7 months later.

I'm going to win this. I don't know how exactly but I'm certainly not going to fail without a fight. It's already been announced that next April will bring a 4-10% reduction in take home pay because of changes to pension funding. So the cuts are not going away and might get worse. An increase in rent I charge to students is probably likely, further shifting the cost onto students that are least able to afford it. But that alone can't solve it. Maintenance and repairs to the house will not happen, further devaluing it. Maybe someday I'll have so little equity I can get a break. It just annoys me because it would be so easy for Bank of America simply to reduce the interest rate. Payments would then be affordable, I could keep the house and maintain it, the payments will be made as agreed, everybody wins. Nobody in this economy is earning 8.5%. Why should investment banks be allowed that despite the cost to all of us?

To Make a Virtue of Necessity

As a retired faculty member with deep affection for the UCSC that once existed and for the one that now exists, I joined the advisory board for Shakespeare Santa Cruz (SSC) three years ago. Little did I know that Hamlet's "To be or not to be" would characterize our recurring existential nightmare for the first two years of my board tenure. As a result of the university's budget crisis, SSC's almost three decades of professional theater came very close to its final curtain fall. We faced "going dark," as my theater colleagues referred to what could have been our demise.

But something quite remarkable happened to transform "If you have tears to shed, prepare to shed them now" into "O brave new world, that has such people in't!" That transformation, I'd suggest, holds a mirror up to our community, on and off campus, and has reminded me that collectively we value art enough to sacrifice a great deal to sustain its presence where we live and work. In a truly memorable way, the budget crisis became an opportunity for our audiences, members of the campus and surrounding communities, to take a stand on the irreplaceable value of live theater to nurture our imaginations in each other's presence and to enhance our lives. Moreover, the unprecedented outpouring of financial and moral support that kept SSC open captured people's attention across the country, inspiring other theater companies to launch similar efforts. Some of us felt real pride in Santa Cruz and UCSC's coming down on the side of celebrating creativity and artistry despite California's numbing preoccupation with its deflated economy.

At the risk of sounding Pollyannaish, I want to identify something extraordinarily positive that has emerged from UCSC's budget crisis. In the case of Shakespeare Santa Cruz, the economic retrenchment has forced campus leadership to reflect publicly on how a professional theater company serves the research, teaching and service missions of the university and is not simply a luxury. The funding crisis has provoked many of us in the surrounding community to ask: what are reasonable expectations for a first-rate university when it comes to preserving spaces for public dialogue, aesthetic experience, intellectual stimulation and imaginative encounters with history, language, and cultural legacies? Shakespeare Santa Cruz's struggle to survive in these bleak times awakened a sort of courage to articulate what many of us truly value about being in a university town, beyond the familiar economic engine argument. We insisted, in fact, that the University of California is far more than a creator of jobs and contributor to local economies. Some of us came out of the closet, speaking and writing publicly about why the arts and humanities have key roles to play in institutions of higher education that aspire to serve democracy.

People from all walks of life reflected on what their personal exposure to literature, theater, music, dance, poetry and art contributed to their educations and to their becoming mature, compassionate adults. We heard many stories from parents who couldn't imagine their children missing out on SSC's plays in the Redwood Glen and Mainstage theater, and how the magic of the Winter Holiday show resides in their family memory.

When a large group of scientists on campus expressed their support for SSC to a sympathetic Chancellor, they were refuting C.P. Snow's 1950s prediction that two cultures would keep humanists and scientists from ever communicating with each other. In doing so, they were also keeping alive an interdisciplinary commitment that distinguishes UCSC from many other institutions.

Personally, my experience of joining lawyers, business people, philanthropists, and theater people on the SSC board during this period of economic crisis revealed the value of respectful disagreement, tenacious patience, and comity when negotiations with university administrators required all of these and more. As a writing instructor, I've always felt that for a democracy to thrive people must exercise their capacity to walk in others' shoes if they expect to be persuasive. Our difficult negotiations for the survival of SSC exemplified the value of those aspects of a liberal arts education that place a premium on learning to listen when you disagree, to speak respectfully, and to distinguish assertions from arguments. It was heartening to witness sustained, committed, and often tense discussion that didn't devolve into posturing and violence.

So I offer my experience of the past three years on the SSC Board as part of the story about UCSC and the economic crisis. In focusing on the positive, I may be vulnerable to the charge that I'm naïve, but there are worse things to be called these days. I'm not grateful for the crisis, but I am grateful for the good people who have sustained their integrity during it. And, of course, I'm grateful that SSC will stage *Love's Labor's Lost*, *Othello*, *The Lion in Winter*, and *La Ronde* in its 29th season. Hope to see you there!

The Bigger Picture

If you are a UC Santa Cruz associate, chances are very high you have been touched by the budget cuts. California's own difficulties to make it's state financially stable have rippled into its own education system.

At first I didn't think I would be affected. Since my freshman year I had held a great paying job running a restaurant and had prided myself on paying for my own education. I was working 50 hours a week but still a full-time student. I had easily afforded books, parking permits and tuition. I couldn't see why my life would really be impacted. My grades were high and I still managed to do it all. I imagined myself as the untouchable student.

Reality struck when some of my course offerings began to disappear. I couldn't understand why the UC would cut offerings to one of the most popular majors; computer science. It messed with my degree plan. The day I found this out I made an emergency meeting with my advisor. We hashed out a plan which didn't exactly involve taking the classes I really wanted but she told me it would still strengthen my knowledge of the degree concentration so it wasn't too bothersome. Unfortunately with the combinations of courses, the work load and the times at which taught meant I would have to quit my job. I started to worry about money and took a trip to the financial aid office.

After filling in the forms with the help of my parents I was offered \$25,000 in student loans. It was half of my previous salary. It didn't bother me so much when I told myself I wouldn't make be happy to run a restaurant for the rest of my life. It was a necessary step to my future happiness. So with that thought I cut out luxuries like dinners out and designer bags and set out to live on a budget. I calculated that it would be cheaper to live in housing closer to Santa Cruz rather than the cost of gas from my commute. Searching on craigslist I found a roommate who seemed compatible and we moved into a modest studio apartment by the beach.

My budget made it impossible to have the things I had previously valued. There was no room for the cost of video games and movies which entertained me when I was tired from studying. Instead I discovered long bike rides along the beautiful West Cliff drive, the community volleyball games on the beach, the spirit of the downtown area and the thrill rides of the Boardwalk, thanks to free tickets from my neighbor who worked there as a technician.

It was not only cash flow and decreased course offerings which affected my life, it was also getting to campus. The UCSC Transportation and Parking Services department, also known as TAPS, seemed to have granted parking permits to many more students than in previous years and it became harder to get a space in the lot. My \$400 permit was worthless since UCSC had given them to so many people. In a sense TAPS had devalued permits by giving out so many, perhaps to close the budget gaps. I started to take the bus to campus in the early mornings to avoid the midmorning crammed services. I decided I would wait until my classes had started at the Science and Engineering Library, but when I tried to pull open the doors I found that they were shut. Library hours had been slashed and I would have to find somewhere else to wait. Luckily some computer labs are never closed.

I was dismayed to find that I could no longer connect remotely to the windows virtual labs. The virtual labs offered programs I needed for certain assignments through a remote login

to a windows machine. This meant that I could no longer do some of my homework from home. ITS state on their website “[We are] evaluating the options (within the context of the current budget climate) for offering a similar service at production level in the near future.” It has been 9 months. Though it doesn’t seem too dire that I should have to stay on campus for an extra couple of hours it actually has a rather large impact. With programs such as MATLAB the university only buys about 50 licenses. This means that only 50 people can have the program open at any time. That means if there is a section or a class which uses MATLAB I can either attempt to snipe a license before the class starts and have a student not able to do their work, or I will have to schedule homework at a time when the classes which use the program do not meet, which is usually late evening. Of course I do the latter. It is not uncommon for me to spend 17 hours a day on campus when I have needed to use MATLAB.

Last month I noticed again the decreased class offerings. I was shocked. It was slim pickings for a major which continues to thrive in other Universities. I immediately emailed and called my advisor to set up an emergency meeting. Again we hashed it out. The course offerings chart was so bare that I would have to appeal to have a class be considered in my concentration in order to graduate on time. I would also lose two classes I was excited to take. This made me decide to become more proactive with what I wanted to learn. I bought books and challenged myself to create programs designed around a problem. Currently I am working on an iPhone application with a friend which will show you how to solve a Rubik’s Cube. I wouldn’t let UCSC’s problems dictate what I could and could not learn.

I am still a little sore about the \$50,000 of debt I will leave with but I am optimistic about my ability to pay it off after school. I will have a very valuable degree and likely work in Silicon Valley where software engineering jobs are always plentiful and fruitful. I can live modestly and pay it off within a matter of years.

Though the budget cuts have impacted life around campus and made things a little more difficult for me, the value of a UC Santa Cruz education should not be ignored. It was easy for me to leave my job because an education is an investment in myself which always pays off. Perhaps even if I had \$100,000 of debt I wouldn’t mind so much because the education I will leave with will be invaluable. Many people seem to complain about rising costs but they should look at the bigger picture; the life after graduation and the priceless value of a college degree from a highly ranked institution.

Admittedly the budget cuts have improved my life. They forced me closer to the University. I enjoyed having 30+ employees before I was even 21 but now I am thrilled by the culture and the people who create this unique community. I have made so many friends in my field since quitting work who will surely turn into valuable contacts after graduation.

From what I have learned from being a manager, it seems that when you take something away that people are used to the people will complain, then they deal with it. I once took away the kitchen radio from the cooks because they were constantly playing music too loud and at first they complained, then they just got on with their lives and dealt with it. I will deal with my debt and the gaps in my education because sitting around complaining about something we can’t control is not the way to progress through tough situations. The University aren’t violating my human rights and I can understand from a business perspective that they are doing what is necessary to survive with the least damage possible. It must be heartbreaking to have let

go so many staff, which I can understand as I have terminated a few people. These times aren't easy but we will persevere.

Would I recommend UC Santa Cruz to future perspective students based on my experience? Most likely I would. I would have to tell them to be resilient, strong and proactive with their educational needs. You don't just have your education handed to you; it's something you work very hard towards. Recessions don't last forever and neither will this budget crisis. My advice would be to plan as much as possible but be prepared if things don't go your way.