HIGHER EDUCATION LABOR LABOR STRIKES

Columbia Has the Chance to Expose the Lie of Austerity

The seventh-largest property owner in NYC needs to use its wealth to protect its vulnerable workers, not punish them.

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Columbia President Lee Bollinger.

On April 24, hundreds of graduate workers at Columbia University from over 20 departments went on strike in response to the university's failure to provide adequate support to the thousands of workers in financially precarious situations now facing unemployment and possible loss of housing due to Covid-19. The strikers are demanding immediate and unconditional financial relief for all graduate workers, visa extensions for international students, and a rent freeze for those living in university-owned housing. Columbia has largely ignored these requests.

Why should anyone outside of Columbia care about the outcome of this strike? Because Columbia University is a powerful and wealthy institution whose actions set important precedents for other universities and New York City at large. Thus far, Columbia has toed an all-too-familiar line: Economic crisis requires austerity. Columbia University, like the immensely wealthy class that it belongs to and largely perpetuates, has money to spare. Equitable redistribution is possible.

The graduate workers currently on strike are doing something more than fighting for a modicum of security for themselves: They are holding a powerful and wealthy institution accountable during a time of social crisis. What successful collective action in the face of austerity can accomplish goes beyond immediate demands. It is a demonstration that resources do, in fact, exist, and can be redistributed to those at the bottom rather than hoarded at the top.

Just as the depth of the social and economic crisis set off by Covid-19 is partly the result of policies that favor wealth concentration to the detriment of social spending, so too is the dire financial situation of graduate students and contingent faculty the result of long-standing university policy. While Columbia's endowment has grown by 87 percent since 2009, the size of the faculty has increased by only 20 percent and graduate stipends have increased by 3 percent yearly (or less). In other words, payouts from the endowment for operating costs like budgets and salaries do not ebb and flow as a natural result of market fluctuations; they are a product of decisions made by the trustees and a whole host of financial advisers.

To demand that Columbia shift its budgetary priorities in the midst of a pandemic is to demand that an institution with considerable financial and cultural capital stop endorsing the notion that universities have no choice but to trim budgets by revoking funding for the academic labor that contributes most directly to its purpose as an institution of higher learning. In addition to being tightfisted with its graduate students (who teach courses as primary instructors, do the majority of grading, hold office hours, lead discussion sections as TAs, and do important and monetizable research across departments), Columbia seems almost eager to punish its full-time faculty in response to the pandemic. Department budgets are being slashed by 25 percent, faculty lines are being cut and hiring freezes implemented. Billionaire universities have a vast array of options to manage their finances compared to the university workers they hire. Yet the cuts they routinely suggest fall squarely on the shoulders of workers and students.

If Columbia continues to behave in this manner, it won't only affect its own, relatively well-off student body. It implicitly endorses similar cuts being proposed by the City University of New York system and public universities nationwide. If the Ivies can't afford it, how can CUNY be expected to?

Columbia boasts immense wealth, vast real estate holdings, and an ability to withstand financial downturns and market volatility. The university's own financial reporting indicates robust financial health and flexibility. While it is true that the pandemic has placed certain of the university's sources of revenue under considerable strain, the nearly $11 billion endowment remains largely intact. According to Columbia's own 2019 financial statement, the university has $814 million in cash on hand and $3.7 billion in resources that can be used for unexpected costs. Indeed, Columbia "has various sources of internal liquidity at its disposal, including cash, cash equivalents, marketable debt and equity securities, and lines of credit." The purpose of these funds is precisely to ensure the continuous operation of the university independently of the market.

Some may be concerned that meeting the demands of the graduate workers would shift costs onto other campus workers. Should such a displacement of cost from one worker to another happen, it would not be because of real budgetary constraints but a choice by the university to play musical chairs with its most vulnerable workers rather than disturb its central coffers and executive salaries.

As a landlord university, Columbia has an opportunity to make a bold statement about the importance of housing security. Freezing rent for tenants in university-owned housing has broad relevance for New York City residents. Columbia is the seventh-largest property owner in all of New York City in terms of buildings alone (New York University, in spite of its reputation, owns less local real estate). If you include its non-address real-estate holdings, it is second only to New York City itself. Because it is a nonprofit institution, it pays property taxes on a fraction of these holdings. If Columbia forgave rent for its tenants, it would show that rent suspension is a possibility for landlords with extensive holdings.

Billionaire universities, like billionaire banks and billionaire corporations, are asking their communities to participate in a "shared sacrifice" for the financial well-being of the institution. In a statement on the impact of the pandemic, Harvard's president Larry Bacow announced that "we have responsibilities to our faculty and staff, but we will need to engage in shared sacrifice as we work through very real financial challenges." In a more equivocal email to the Columbia community, Bollinger suggested that the coming semester would require "creative" solutions. In truth it is the jobs and well-being of workers and students that are being sacrificed while the guardians of endowments are receiving robust protection.

The money is there. This is apparent to the most casual observer from the expensive real estate development in Manhattanville; the exorbitant fees paid to Manhattan's most expensive union-busting law firm, Proskauer Rose; and the bloated paychecks of top university administrators. In 2016 University President Lee C. Bollinger earned a salary just shy of $4 million, while graduate worker earnings hovered around $30,000—if they were lucky enough to be fully funded.

Deceptive accounting is currently playing itself out at the national level, as trillions of dollars are doled out to the wealthiest members of society while the rest of us are told that universal health care is a fiscal impossibility. Victory for striking graduate workers would poke a hole in the logic of austerity at large.

Already, Columbia has had to admit that it was essentially lying when it claimed that it couldn't afford to support its graduate students financially. The threat of the current strike magically produced $1,500 for every PhD student in years one through seven.

It is true that the relative precarity of life for graduate student workers is not comparable to the devastating poverty faced by too many Americans. But the austerity logic of Columbia's administration is being replicated across society to the detriment of truly poor and unprotected citizens.

If workers don't organize and win concrete concessions that expose the lie of this manufactured and highly selective austerity, the official position—"this can't be done because there is no money"—will gain rhetorical power with real material effects. Showing that this is not the case empowers the people who create a university's real value, namely its teachers, researchers, and students, to exert control over its agenda in the future.

Forcing an institution like Columbia to admit that it is possible to provide support to its community does not solve immediate problems for those outside of the university, but it sets an important precedent for redistribution. And it provides an actually existing example of the democratic governance of wealth that can, and hopefully will, be replicated nationwide.

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