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From The President: Campus Equity Year

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By Cary Nelson

A crisis, we often say nervously, is also an opportunity. But such opportunities are available to multiple, competing constituencies that may not share the same values, priorities, loyalties, goals, and sense of mission.

Such is the nature of the financial crisis now upon us. In higher education we confront the consequences campus by campus. The pressures vary according to each institution's funding stream.

A private university with a multibillion- dollar endowment may have suffered a substantial loss over the last year but, if it remains fundamentally wealthy, it will have many options available and some basic choices to make. Is its first priority to preserve its programs and retain its staff or to rebuild its endowment? A flagship state university that has seen its reliance on state revenue— as a percentage of its annual budget—decline for years confronts different challenges than does a regional institution still heavily reliant on annual state appropriations. Both may face budget cuts because state tax revenues are down, but the extent of the crisis is quite different. It can be manipulative and misleading to declare a "crisis" when a calm review of priorities is all that is in order.

Less well recognized for some large public institutions is how widely varied the level of reliance on state funding is from program to program. One department, one college, may depend on state funds for 5 percent or less of its budget, while another may get 50 percent or more of its budget from the state. The impact of cuts in state appropriations is not inherently equal. A campuswide conversation, with substantial faculty input, is required before an institution decides how to deal with such differential funding.

The first response to a budget "crisis" is almost always to cancel current and planned faculty searches. That response is perfectly rational, but it also has significant consequences for the job market for new PhDs. Institutions may want to compensate by increasing postdoctoral employment opportunities for their own graduates. Hiring one's own graduates as postdocs costs much less than hiring new tenure-track faculty. Although the overall savings are nonetheless cut by the cost of hiring the postdoc, careers and community responsibility are preserved.

Some institutions are responding to apparent revenue shortfalls by jettisoning contingent faculty. That, too, is relatively easy. Appointments simply are not renewed. But reducing the number of contingent appointments also puts institutions in the paradoxical position of releasing their least expensive faculty at the very moment when funds are short. More troubling still is the fact that some members of this experienced group of faculty will thereby lose their only income and, for those full-time contingent faculty whose institutions provide such benefits, their health care coverage.

Deciding how to deal with financial constraints thus entails fundamental moral and ethical issues. How well institutions deal with them— whether they are even willing to address them—may depend on how staffing and compensation have evolved over the last two generations. An institution that pays its president and its football coach half a million dollars a year or more, an institution that has bought into huge disparities between salaries for humanities and business faculty, or an institution that already pays contingent faculty subminimum wages may be ill-prepared to address the ethics of employment in a "crisis." Nothing is more disingenuous in the context of an amoral salary schedule than an administration's declaration that "we all have to share the pain equally."

As long as the worldwide recession continues, many institutions will face a fundamental choice— whether to exacerbate or ameliorate the problem of unfair pay schedules and working conditions. Should campuses now reap the fruits of gradually enhanced exploitation or take this crisis as an opportunity to address them?

A first step might be to decide that no one earning less than $70,000 will suffer furloughs, payless work days, or salary cuts. Perhaps those faculty and staff members should be the last to face nonrenewal. Depending on the local cost of living, those earning $150,000, $200,000, or more might take temporary salary reductions. Some institutions might be able to survive with fewer administrators. Better that than close departments. Better deferred income than furloughs. Faculty, staff, and administrators should work together to discuss such matters and reach agreement. A crisis can be an opportunity to create a true community where none currently exists.

American Association of University Professors
1133 Nineteenth Street, NW, Suite 200
Washington, DC 20036
Phone: 202-737-5900 | Fax: 202-737-5526