Vast increase in compensation for US college presidents

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On Monday, the Council on Higher Education provided details of the exorbitant amounts of money that several college presidents are paid annually. A list of the top ten earners in 2010 shows that each had a total income falling between $1.5 million and $3 million per year.

The article reports that between 2004 and 2010, the number of college presidents with pay exceeding $500,000 annually increased more than 300 percent, from 50 to 157. These soaring amounts of pay are collected under growing conditions of mass indebtedness and tuition increases for students.

In 2010, Bob Kerrey, president of The New School, received a $1.2 million retention bonus in addition to $620,000 in deferred compensation on top of his base salary of $602,593. He was the top earner among college presidents in 2010 with $3,047,703, according to the Council on Higher Education.

Kerrey, who held his position for more than a decade, is a war criminal who has admitted to committing atrocities during the Vietnam War. The former senator reported in 2001 that he led a squadron of Navy Seals commandos in a 1969 attack on a Vietnamese village, killing 21 women, children, and elderly men. Nevertheless, until he left the New School in January, 2011, Kerrey held his tenured position and still enjoys a lavish lifestyle.

Other top ten earners of 2010 were Shirley Ann Jackson of Rensselaer Polytechnic Institute with $2,340,441, Mark S. Wrighton of Washington University in St. Louis with $2,268,837, Nicholas S. Zeppos of Vanderbilt University with $2,228,349, and Lee C. Bollinger of Columbia University with $1,932,931.

According to *Forbes*, Washington's Wrighton also serves as a director for Brooks Automaton, Inc., where he earned $181,900 in 2011; a director for Corning, Inc., where he earned $258,248 in 2011; and a director for Cabot Corporation, where he earned $162,510 in 2011.

This data shows the conversion of these school administrators into a layer of elite CEO-type figures as universities increase their relations to sections of big business. Meanwhile, other university and faculty staff members face increasing cuts in pay, more layoffs, and fewer tenured positions.

Administrative pay increases are especially provocative when considered in the context of the soaring student loan debt over the last several years. New generations of young people face financial desperation as they shoulder ever-increasing monthly payments on their loans. One in six Americans have student loans, and 14.4 percent of these loan holders are delinquent, the highest percent of delinquency of any form of debt. This financial servitude will affect all aspects of their lives.

Adding to the mountain of debt, the Obama administration and the Democratic Party have passed measures to cut federal assistance to students that particularly affect low-income adults who are working their way through college. The Consolidated Appropriations Act of 2012 has eliminated the grace period benefit, a six-month period allowed to new graduates when they leave school to solidify their career without making payments. The act also limits the number of years a full-time student can receive a Pell Grant, pushing students to rely more and more upon student loans should they choose to attend graduate school.

The large salaries of administrators at public universities, which are partially funded by state money, become even more questionable under the consideration that the burden of state budget cuts to universities is placed on students in the form of rising tuition and fees. CNN reported on October 24 that since 2007, states have cut the amount of money given to colleges by $15.2 billion, or 17.4 percent. This cut parallels an increase in the number of students by 12 percent. This means that colleges are only receiving $6,600 per student, down from $9,300 five years ago.

While the states have cut this vital financial assistance, the average overall cost of attending college rose 3.8 percent to a record high $22,261 for the 2012-2013 academic year. Public university tuition and fees alone increased 4.8 percent to $8,655, accounting for about half of that increase. Students must increasingly rely on student loans to pay for these cuts and increases.

Spokespeople for these universities offer some defense for their high-salaried presidents. A spokesman for Northeastern University, recently asked by the *Boston Globe* about the $1.1 million salary of college president Joseph E. Aoun in 2009, defended Aoun and pointed to accomplishments such as a $60 million alumni donation and an improved standing in *US News & World Report* ’s annual rankings of universities. A spokesman for Boston University told the same source that Robert A. Brown, whose pay reached $1.1 million in 2010, “is fairly compensated.” Brown’s compensation was considerably higher than his salary because of the housing allowance for the full-assessed value of the five-bedroom Brookline mansion where the president lives.

However, when Suffolk University was attacked for the $1.5 million compensation given to former president David J. Sargent in 2009, a time when the university lost money on investments due to the worldwide economic recession, Sargent’s pay decreased by 65 percent the following year, at the end of which he retired.

During a time when one in five American households have student loan debt, when working class students exhaust themselves to pay for their education in search of a more comfortable lifestyle, and when the federal and state governments increase the difficulty of this task, a parasitic layer of professionals capitalize on opportunities to increase their wealth and luxury at the expense of working class youth. The spokespeople for the universities illustrate that the drive for profit exceeds the desire for an educated society.