

Rutgers University announces hundreds of layoffs, intends to charge students full tuition in the fall

Shuvu Batta
9 July 2020

If you're a faculty member, worker, or student at Rutgers University and are interested in speaking out on these cuts and their effects, please get in touch with us at educators@wsws.org.

On Monday, Rutgers University in New Jersey released its plans for reopening in the fall, which has resulted in most classes being shifted to online learning. The yearly tuition of \$12,230 for in-state students and \$29,012 for out-of-state students remains unchanged. In-person instruction is being limited to select courses in laboratory or field work, clinical instruction, and the arts. On-campus housing will be extremely limited, and large campus events remain suspended.

The announcement follows the university's plans to lay off nearly 1000 workers, which is currently under negotiation with the unions. In June, Rutgers declared a fiscal emergency, citing massive losses in revenue. The declaration allows the university to freeze the planned 3 percent wage increase for its over 21,000 workers, with possibilities of further layoffs.

Rutgers University is one of the most prestigious public universities in the US. It gets most of its revenue from enrollment fees (29 percent); patient care services from Rutgers Health, the clinical arm of the university's medical schools (21 percent); and state appropriations (20 percent).

The outbreak of COVID-19 and its economic impact have led to large projected revenue loss from drops in enrollment, auxiliary spending (housing, dining, etc.) and state aid. After emergency pandemic assistance from the state and federal government alongside sale of property and budget cuts, including layoffs, Rutgers had revised its projected revenue shortfalls from \$200 million to \$58 million. The university is currently drawing on its reserve "slush fund" of \$600 million to compensate for the revenue loss thus far.

The massive growth in unemployment in New Jersey and the shutdown of many businesses has also led to a steep decline in tax revenue, with the state estimating a \$2.7

billion loss this year. The response of the administration of Democratic Governor Phil Murphy has been to announce mass cuts in social services and payments; \$951 million in pension payments for public workers, \$467 million in public school aid, \$250 million in aid for special education, and \$355 million in aid to local governments have been "postponed" for three months.

Plans to replace lead pipes around the state have been eliminated. Residents of major cities like Newark will be forced to continue to deal with lead-contaminated drinking water. Sixty-eight million dollars directed to aid for opioid addiction and \$102 million for college operating assistance have been cut.

Similar budget crises are taking place in states throughout the country. At the same time, in no small part due to the influx of trillions of dollars into the stock market and the fire-sale of public assets, US billionaires have gained \$565 billion in wealth from March 18 to early June, according to a report published by the Institute of Public Studies.

As part of escalating the social assault on the working class more broadly, the budget crisis and loss in revenue have provided the pretext for the ruling class to push ahead with a massive restructuring of higher education and public education. Robert L. Johnson, dean of the New Jersey Medical School, acknowledged this when he stated: "Maybe COVID has a blessing in it that allows us to restructure in a way that we are much more efficient and more productive."

The layoffs at Rutgers are part of a national and international wave of austerity targeting higher education. A CNBC report estimated that at least 50,904 college workers in the US have been laid off or furloughed. The City University of New York (CUNY) system in New York has just laid off 2,800 adjunct professors. Alongside these laid-off college workers, tens of millions of workers who have been thrown out of work are relying on state and federal unemployment benefits to survive, but the federal pandemic aid of \$600 per week is set to expire by the end of July,

leaving countless unable to pay for basic necessities.

While mass layoffs, furloughs and wage freezes are pushed through, students will be compelled to pay enormous amounts of money for virtual education. In yet another escalation in the ruling class's assault on immigrants and education, the Department of Homeland Security's Immigration and Customs Enforcement announced on Monday that international students on F-1 and M-1 visa must leave the country or risk deportation, unless they take at least one in-person class.

The rights of students and workers cannot be defended through appeals to the university leadership. Rutgers, like universities throughout the country, is directed by a board of governors who administer the university not as educators but more like primary shareholders of a public corporation. The board of governors itself is composed of former banking executives Keith T. Banks (Bank of America), William Best (PNC Bank), and Mary I. DiMartino (JPMorgan Chase), along with several former corporate executives and a handful of academics.

In a condescending and half-hearted attempt to quell the outrage over the layoffs, Rutgers officials are pledging token cuts to their enormous salaries. The newly appointed President Johnathan Halloway, who assumed his post on July 1, announced that he would be cutting his salary by 10 percent. He was expected to earn a base salary of \$780,000, on top of receiving a house, a car and a \$195,000 bonus in his first year. Head football coach Greg Schiano has been forced to endure a 10 percent pay cut for four months. His eight-year contract is worth \$32 million. The previous university president, Robert Barchi, recently received a \$1 million retirement bonus.

The argument that there is "no money" to pay for academic and other workers in higher education must be rejected. The layoffs and furloughs must be fought, and students must reject the enormous tuition and student loan debt that they are being forced to pay. Academic workers and students should demand:

- **An immediate reversal of all cuts and layoffs.** The trillions mobilized for Wall Street must be seized and redirected to support the needs of workers and students.

- **The abolition of tuition and cancellation of all student loan debt.** Education is a fundamental right that must be provided, free of charge, to the entire working class.

- **Oppose the assault on international students and all deportations.** All students and workers have the right to live, study and work wherever they choose, with full

citizenship rights.

- **Safe working and learning conditions.** There must be no reopening of campuses until it is deemed safe by committees of workers and students, in consultation with medical experts.

No step forward can be taken in this fight without a break from the Democratic Party and the trade unions. The more than 21,000 Rutgers workers are organized by a coalition of 19 trade unions; one of the most prominent is the Rutgers American Association of University Professors (AAUP), which claims to represent the interests of Rutgers faculty. Having blocked a strike last year, the union has also sabotaged any struggle against the recent layoffs.

The Rutgers AAUP is a part of the American Federation of Teachers (AFT), which has worked systematically to subordinate educators to the Democratic Party. It has funneled tens of millions of dollars collected from workers' dues towards funding pro-war, pro-Wall Street candidates like Barack Obama, Hillary Clinton, Bernie Sanders, and Joe Biden.

At CUNY, the AAUP-AFT affiliate, the Professional Staff Congress, has tens of thousands of members among adjunct faculty and has played a similar role, sabotaging any struggle in defense of the laid-off 2,800 adjuncts.

The struggle to defend public education and the rights of students and academic workers must be based on an independent mobilization of the working class, and a socialist program. Academic workers should draw inspiration from the struggle taken up by autoworkers in Michigan who have formed rank-and-file committees to fight for safe working conditions and their rights.

The WSWS urges all educators, staff and students at Rutgers who want to take up this fight to contact us today.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact