

PRESS STATEMENT: FOR IMMEDIATE RELEASE

New School Imposes Austerity, Slashes Vital and Vulnerable Staff

New York, NY—The New School Chapter of the American Association of University Professors (AAUP-TNS) stands in solidarity with the 122 workers, representing 13% of university staff, who were laid off by The New School on October 2, 2020. This decision was sanctioned on September 30 by a unanimous vote from the The New School's Board of Trustees and despite a groundswell of organizing from staff, students, and faculty from across the University opposing the cuts. According to the University administration, the layoffs are meant to address a financial crisis and ensure the institution's longevity. As an email from President Dwight McBride's office stated, "this is a difficult time, and yet we have a shared responsibility to secure The New School's strength for its next 100 years." Yet the cuts represent a very small proportion of the purported \$130 million shortfall. This is not about securing a future for The New School, but a struggle over power and the kind of university The New School will be in the future.

The layoffs are not about savings. There is growing consensus across the university that President McBride and the Board of Trustees' decision to fire vulnerable workers amidst a global pandemic is indicative of increasingly violent austerity measures. According to AAUP-TNS, if they wanted to save money, they would "cut from the top."

The "top" at The New School, as in many other higher education institutions, has been extravagantly rewarded, and [administrative expenses have grown significantly in recent years](#). For instance, average compensation for the 23 highest paid "Executive Leadership" employees was more than \$430,000 in 2018. Total management salaries have increased 45% between 2014 and 2019, while total revenues have increased by only 17% in the same period.

According to AAUP member and Associate Professor of Economics Sanjay Reddy, "This top-heavy model along with poor decision making—such as a debt-fueled expansion—has created the vulnerability to which the same New School administration responsible for these decisions now points in order to justify its cuts. There has been a growing financial burden to students and families, and many faculty and staff have also experienced vulnerability and wage stagnation, while being stretched and disempowered. But the model adopted by the New School, rather than inherent necessity, is an important part of the reason. The New School has made cuts that affect ordinary workers without doing anything to change this model."

In August, The New School announced a [Voluntary Separation Program](#) which targets nearly one-third of its full-time faculty and presents the possibility of eliminating tenure-track positions and replacing them with part-time or non-tenure-track positions, thereby expanding the pool of vulnerable workers.

Reddy notes that while TNS faces a liquidity crisis (resulting from a 10% reduction in enrollment), there are alternatives to the measures being taken including, for example, [“a one-time partial draw down of the endowment, a special fund-raising appeal, refinancing of existing debt or additional borrowing to take advantage of historically low interest rates, and temporary cuts to salaries and expenditures executed in consultation with faculty and staff and based on principles of fair burden-sharing.”](#)

While students, faculty, and staff from across the University have been calling on the administration to follow such a route, the administration has refused to listen. The [New School Labor Coalition \(NSLC\)](#), for example, which represents 3,700 unionized employees, notes that its demands have been clear and simple: asking the administration for transparency, to meet with them, and to rescind the cuts. Of those fired on October 2nd, 37% are union employees. According to AAUP-TNS, the move to shrink unionized workers at The New School is hardly surprising from an institution with a long history of anti-labor practices and from a president who has [stated clearly](#) his anti-union stance.

While the administration has refused to meet with the NSLC, it has, since spring 2020, been meeting regularly with [Huron](#), a corporate consulting firm that has engineered austerity plans for universities across the United States. Many have questioned why The New School has decided to pay hundreds of thousands of dollars—amidst a purported financial crisis—to a firm that points to post-Katrina dispossession as a model for universities to replicate. There is [increasing discontent](#) at the University’s increasing reliance on corporate values, beliefs, and practices—demonstrated by its hiring of Huron—and its continued claims to social justice.

According to Jaskiran Dhillon, President of The New School’s AAUP Chapter, the struggle is far from over, “The administration has shown us who they are, and we will continue to show them who we are—a strong and united community who will fight for each other and for the university—and workplace—we all deserve.” The AAUP-TNS Chapter is demanding the university’s administration rescind the October 2nd cuts and reinstate workers, recognize and meaningfully engage with the New School Labor Coalition, cut from the top, uphold financial transparency, and be accountable—first and foremost—to staff, students, and faculty. “A democratically governed university is the only thing that will save this institution and uphold the commitment to social justice it claims to center,” Dhillon concluded.