Higher education is in a state of crisis. Public funding for schools is decreasing. Tuition and fees are rising. Students continue to shoulder the burden, taking on increasingly more debt. Yet institutional leaders are pouring billions of dollars into risky financial investments and expensive amenities—actively prioritizing monetary gains over affordability and educational quality. Are colleges and universities supposed to be profit centers or institutes for higher learning?

WE DID NOT GET HERE BY CHANCE. AND WE HAVE THE POWER TO CHANGE THIS REALITY.

Roosevelt students discovered that across 19 schools, $2.7 billion was spent on risky financial deals—enough to cover tuition and fees for 108,000 students.
WHAT WE’RE DOING

Roosevelt’s Financialization of Higher Education project empowers students to analyze their schools’ financial decisions and unpack how those choices impact the cost and quality of their education.

Roosevelt is equipping students across the country with the tools, training, and support to examine financialization at their schools and advocate for change. Students have been working on their campuses to:

• Demand more transparency for financial investments at the University of Michigan
• Encourage greater reinvestment in local community development at the University of Illinois at Chicago
• Make health care more affordable at George Washington University—successfully bringing premiums down by a third
• Divest from Puerto Rican debt at Cornell

As tuition rises year after year, affordability has become a huge issue. I wanted to help make my school accessible and equitable, and the financialization project has given me the opportunity to do that. Working on this project has reinforced the idea that the institutions that govern our social and economic realities can, and should, be improved to serve all of us—not just a privileged few—and that young people can lead the fight for justice.

Sacha Heymann, University of Michigan
I was never interested in finance or very comfortable with numbers, but then I found out Michigan State had been raising tuition every year since 2003—it’s wild. We were all paying so much and trying to make ends meet. It made me angry, so I got involved.

I wasn’t a math person, but I could help with research and paperwork, and engage in the human side of things, like talking to people to get the information we needed. As students, we’re sort of primed to think we don’t know anything. So if the university tells us that we don’t understand something, then we believe them. But while doing research, I found something where they directly contradicted themselves, and it was like: “We’re not wrong; they’re trying to trick us.” It made me realize how important this work is.

The way a university—or any institution—spends its money has so many effects on everybody involved in that community. I think the way MSU has been spending money is inequitable and immoral. People who are a part of institutions deserve to have a say in how those institutions spend money. That’s why I think it’s important to hold institutions accountable—it has a direct effect on students’ lives and equity on campus.

Brigid Kennedy, Student

Driven to get involved, Brigid and her fellow students at MSU embarked on a research and advocacy journey that ultimately led to the publication of “The Financialization of Higher Education at Michigan State University,” an illuminating and powerful report that revealed...

- MSU’s programmatic spending has dropped by over $15 million in the past two years.
- For every $1 MSU spent on scholarships and fellowships in the 2016-17 school year, it spent 32 cents paying hedge fund managers and 74 cents on interest payments.
- As of 2015, MSU spent over $130 million on interest rate swaps.

NOW WHAT?

Armed with their research, students and faculty are working with state legislators to introduce a bill that would add students and faculty members to the boards of public universities in the state, ensuring that they have a voice at the table and agency in the decisions that impact their everyday lives.
JOIN THE MOVEMENT

PAY ATTENTION ON CAMPUS. ARE YOU NOTICING...

- Rising tuition costs
- Greater reliance on adjunct faculty
- Program and faculty cuts
- Renovations and new building construction
- Questionable endowment investments
- Underpaid and/or outsourced campus workers
- Increasing wraparound costs, like housing, textbooks, and health care

WHAT CAN YOU DO ABOUT IT?

Apply to a project incubator to get...

- Targeted trainings and guidance
- Mentorship
- Research support
- Connections with other Roosevelters
- Stipends

Ask questions and engage with...

- Fellow students
- Faculty and staff
- School administrators
- Elected officials
- Advocacy organizations

When I joined I had no experience with finance. At times the work was challenging, but collaborating with a group that brought a lot of different backgrounds to the table, and with supportive and experienced national leadership, made it easier to wrap my head around the jargon and stay engaged. It doesn’t take long to get a working understanding of what you’re doing, and as you’re learning it becomes a lot clearer how important finance can be, especially at the university level. It affects all kinds of decisions, from what gets built to who gets support and what kind of an impact the university has on the wider community.

Austin Shirley, University of Illinois at Chicago

To learn more, contact your chapter head or email info@rooseveltinstitute.org.