

Coffee, Donut, and a Dorm

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Abstract

Full scholarships, the hybrid framework, tuition, and a college without a mission.

In 1990, a cup of coffee cost 25 to 50 cents (perhaps an etymologist can trace when "that and a quarter will get you a cup of coffee" started to switch to "that and 50 cents will get you a cup of coffee"). In fact, there are still many places where you can get a 50 cent cup of coffee. There are also many places where a cup of "specialty" coffee will cost anywhere between \$2 and \$7, the difference being the packaging, marketing, and coffee shop experience, as the actual price of coffee beans has fallen. Also, many work places keep their work force caffeinated by offering coffee for free.

Dan Ariely, a psychologist currently teaching at Duke University, known for his research on economic irrationality, performed a study at MIT which showed that, by merely asking business professionals to write down the last two digits of their social security numbers, he could perform an auction for boxes of Godiva chocolates that, due to "anchoring," ended up with bids highly correlated to the last two digits of participants' social security numbers (similar studies were conducted with a bottle of wine).

There is also the oriental rug sales technique, which is played out in department stores throughout the United States. When you go to buy a vacuum cleaner, there is one very cheap model that looks like it is about to fall apart. There is one very expensive model with so many bells and whistles, no one would every buy it. And then, all the rest of the models are about the same price, depending on brand name recognition and quality. So, having no idea what a vacuum cleaner should cost, consumers buy one of the "reasonably priced" models, depending on their preference for price, quality, or brand reputation, but never the cheapest or most expensive model, which are there for show and never get sold.

Capitalism is supposedly based upon a rational model of supply and demand, but the fact is that most of us have no idea what any item "should" cost. In fact, many items are over-priced to purposely exclude the presence of lower class customers, or as displays of conspicuous consumption. For psychological purposes, items are sold for \$4.95, or \$7.995, the sticker shock realized after tax is added.

Finally, there is the story of the Red Cross and donuts. During World War II, the Red Cross distributed free coffee and donuts to American servicemen. The British had the U.S. Secretary of War ask the Red Cross to stop the practice, as British soldiers paid for their snacks. The reaction from servicemen was immediate and unpleasant. Despite all of the good work that the Red Cross does (and even after they returned to providing free coffee and donuts), many a veteran, asked their opinion of the Red Cross, will say they don't like the organization – because of the donuts. This is called a category change.

Should education be free? Peter Cooper thought so, and not because of personal experience – he didn't attend school as a child because of ill health. But, unlike many of his contemporaries, he didn't think that poor people were inherently stupid, and he tried to form a free public school system in alliance with others. When that failed, he decided to go it alone, buying land parcel by parcel and saving up money to found and fund The Cooper Union (known locally as the Cooper Institute). Before classes started, a Great Hall offered free lectures

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from abolitionists and other leaders of social movements, and a free reading room, open into the evening, offered access to newspapers and books of general interest. Although the classes offered were "equal to the best," the Cooper Institute was not an elite institution; its classes were offered on a first-come/first-served basis, with some preference given to the particularly needy, some of whom were further subsidized with handouts and with earnings from in-class work. Textbooks, if needed, were sold at cost. All supplies were provided for free.

Peter Cooper, in his letter to the Trustees, stressed that education at the institute should be "open and free to all." The trustees, writing in their annual reports, stressed that the college was not merely a charitable institution, that it was open to the rich as well as to the poor, and illustrated a "great idea": that education makes life worthy and happy, that the institute was an example of progress in civilization, given the limits of its means. There was enormous demand for courses, and the institute was always trying to provide more, while limited by space and finances and keeping deficits to a minimum (the trustees were liable to make up any deficiencies, and they did). When the trustees considered charging for some courses, Peter Cooper made another donation. After his death, his son-in-law, Abram Hewitt, said that Peter Cooper told him that education should be "as free as air and water," a felicitous turn of phrase that Hewitt used in at least three speeches with different backstories.

Although Europe embraced free elementary and higher education, the United States only managed to provide free elementary education, with some notable exceptions. Public libraries did eventually obsolete the need for the free reading room, and a free museum, also desired by Peter Cooper, was partly sold off, the rest forming the Cooper-Hewitt Museum. In 1915, a policy of admission by exam or portfolio was instituted at the college, to narrow the applicant pool and ensure that courses weren't wasted on applicants that couldn't complete the rigorous education, a problem since its founding. Legacy admissions were abolished in the 80's, so that a son of a prestigious Cooper couple, the Greenbergs, was not accepted. Needs-blind merit-based admissions became the policy of the school (although one wonders whether the particularly needy weren't still given some preference).

In 1972, the college did a strange thing. Most remember the selling of Green Camp and the elimination of the Physics major (resulting in the layoff of tenured faculty and formation of the full-time faculty union), but a 1972 *cy pres* petition revised the charter to no longer make the trustees financially responsible for deficits, and to allow the college to take out loans. This led immediately to the first period of sustained deficit at the college, as Cooper got a loan from DASNY to help pay for a major renovation of the Foundation Building interior (designed by John Hejduk), with student fees paid by students "for academic instruction" placed into a reserve fund as collateral. In 1993, the college took out a second DASNY loan to build a dormitory (designed by Rolf Ohlhausen). In 2006, a second *cy pres* petition allowed the college to mortgage the Chrysler Building land and take out a huge \$175M loan from MetLife to help build a new academic building (designed by Thom Mayne). Each of these loans were followed by periods of deficit, the last resulting in a financial crisis (quite different from the "grave fiscal crisis" described in the *cy pres* petition that was supposed to be solved by the loan and its incorporation into a "Master Plan" that failed spectacularly in every component).

In 2011, the college hired a president (at an outrageous salary) with a strange background. He had been at Dartmouth with Diana Pearson; after he left, some rich benefactors tried to change the college from an undergraduate institution into a graduate institution, a fight lost due to rallying alumni. By this time, Jamshed Bharucha was at Tufts University as provost, where the president increased patents, the quality of students, and its international reputation. Stanley Lapidus, a Cooper alumni and trustee and Tufts teacher, hand-picked Bharucha to come to Cooper (Bharucha was already going to lose his job at Tufts with a new in-coming president). Hoping to model Cooper after Tufts (and the failure of transformation at Dartmouth), Bharucha saw "enormous unrealized potential" at the college. Unfortunately, the Cooper Union had long failed experience with patent-seeking activities, through the Cooper Union Research Foundation and the CV Starr Research Foundation. Lapidus wanted to move the entire engineering program over to a cross-disciplinary curriculum, a notion rejected by the faculty (some students do graduate with general BSE (Bachelor of Science in

Engineering) or IE (Interdisciplinary Engineering) degrees, but the four individual departments (electrical, civil, mechanical, chemical) remain).

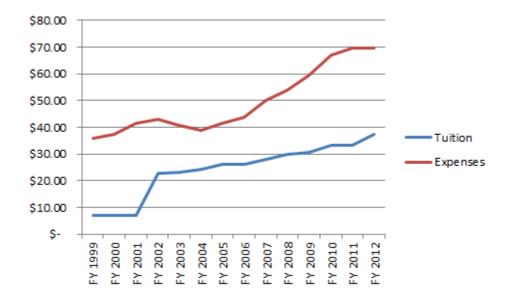
Bharucha brought over Pearson to help him implement his transformation of the college. They came up with an alternative language of "access" and "sustainability," "structural deficits" and "reinvention." A Revenue Task Force met behind closed doors. Given impossible financial goals and a knowledge of the history of failed patents at Cooper, they were led to a "hybrid framework" that preserved free undergraduate education and surrounded it by full-tuition high school, graduate, and even extra undergraduate programs. Meanwhile, an Expense Reduction Task Force was formed due to community pressure; its recommendations came to naught, accompanied by a strange appendix that sought \$4M in cuts, distributed evenly between academic and non-academic departments. The academic cuts were perceived as punishment to faculty, staff, and students for not embracing the "reinvention" process. The trustees, separated from the Cooper Union Community, were oblivious to the fake process and embraced the RTF and ERTF interim reports before any community feedback or input could be obtained.

The "hybrid framework" was known within the Cooper Union Community as "the donut model." It had been endorsed by the CUAA President and no one else. A panel of students, faculty, and alumni at a Community Summit in April 2012 openly mocked the donut model – full-scholarship undergraduate education was the hole, surrounded by full-tuition educational programs completely foreign to the historic mission of the college.

The hybrid framework contained its own admission: college tuition did not go to instruction, most of it went to non-academic administration. What was tuition, anyway? How was it calculated?

This revealed another dark secret of higher education – published college tuition rates were fake. International students, out-of-state students, students who didn't know better (or were lulled by student loans they could never dream of repaying) paid "full freight;" other students got discounts of from 30% to 45%.

Cooper itself started to play the tuition game. In order to qualify for the Tuition Assistance Program, the college started to charge tuition and then gave each student a "tuition discount" in the guise of the "full-tuition scholarship." Actually, students who qualified for TAP grants did not get the full-tuition scholarship. The logic behind the tuition figure is totally unknown:



In 2002, it triples, from \$7M (approximately \$7K per student) to over \$23M, and continues to rise, totally uncorrelated to the expenses of the college.

National surveys asked the college for the tuition price, and the college provided them with numbers, twice the national average. Apparently, no TAP employees complained, and applicants, assured of a full-tuition scholarship, paid no notice, either.

Followed by the punishment of the academic cost cuts, Bharucha and Pearson followed up with a new tactic: Responsibility Centered Management. Each school would be separated and given financial "sustainability" targets. Failure to develop new full-tuition programs would be met with closure. The release of Board transcripts and the testimony of trustees indicate how real the threats were. Like the RTF and ERTF, the new programs were developed behind closed doors. When the art faculty refused to submit their plans, early admission candidates were denied acceptance and the school was threatened with closure.

Meanwhile, students broke into Board meetings and staged a lock-in in the Peter Cooper Suite. The students allied themselves with Occupy Student Debt and the Free Education movement, garnering international support. The lock-in itself was considered to be one of the important art events of 2012.

Then the donut was filled; a year after announcement of the "hybrid framework," the trustees announced that the full-tuition scholarship would be reduced to 50%. For a decade, the public had been fed fake tuition numbers. In practical terms, the merit scholarships had been completely eliminated.

Meanwhile, new high school, undergraduate, and graduate programs were heading towards implementation, at prices judged by the market. Specific targets were prep schools and international students. Cooper signed a secret deal with Singer to provide luxury dorm spaces in the fashionable East Village, on a block that in the 1980's was known for arson fires set by the superintendents. Bordering Tompkins Square Park, a former place for drug sales, the neighborhood had gentrified and the former community space, known as CHARAS/El Bohio, had found an anchor tenant to house the rich international students seeking a NYC Cooper education.

The lock-in led to faculty endorsements of "the mission statement":

Through outstanding academic programs in architecture, art and engineering, and a Faculty of Humanities and Social Sciences, The Cooper Union for the Advancement of Science and Art prepares talented students to make enlightened contributions to society.

The College admits undergraduates solely on merit and awards full scholarships to all enrolled students. The institution provides close contact with a distinguished, creative faculty and fosters rigorous, humanistic learning that is enhanced by the process of design and augmented by the urban setting. Founded in 1859 by Peter Cooper, industrialist and philanthropist, The Cooper Union offers public programs for the civic, cultural and practicable enrichment of New York City.

Will the new high school, undergraduate, and graduate programs admit students "solely on merit"? High school students in need of tutoring are certainly not admitted on merit. Neither are prep school students. Undergraduates seeking to enter medical school will not be admitted on merit. One wonders what the ratio of applicants to admissions will be in the new graduate programs. And the "full scholarships to all enrolled students"? Gone.

A sit-in has been held in the President's Office since May 8, 2013. The President visited once. The students took over the 7th Floor of the Foundation Building and staged a Free Cooper Union Salon called "Step Down," referring to the demand that Bharucha resign and collecting votes of no confidence in his administration. Mostafa Heddaya, writing for Hyperallergic, a Brooklyn-based on-line art forum, called the exhibition "one of the most significant and symbolic shows of the year." The no confidence petition, supported on-site and on-line by signators beyond the Cooper Union Community, he called "the Cooper Union PR piñata."

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How much does coffee cost? What is an appropriate price for chocolates, wine, oriental rugs, and vacuum cleaners? Should donuts be free? Does Cooper need dorms for international students to increase its "diversity"? Will higher education survive the student debt crisis? Will Cooper survive a category change? Should it?

Peter Cooper, Edward Cooper, Abram Hewitt, Andrew Carnegie, Fredrick Vanderbuilt, J.P. Morgan, these were the people who kept The Cooper Union "open and free to all" from 1859 through the Great Depression and for over a century. None of them attended The Cooper Union. Later, Irwin Chanin BSE '15 and Albert Nerken ChE '33, as well as trustees Ron Drucker CE '62, Alex Katz A '49, Stanley Lapidus EE '70, Louis Dorfsman A '39, and Martin Trust ME '56, have given huge donations to the school, as well as the Wollman and Rose families, to name a few. Some give in their own name, some to honor others, but all, supposedly, gave to preserve the mission of the college, not for a "naming opportunity." What is it with the rich, nowadays?

When, on April 23, 2013, the Chair of the Board of Trustees announced that The Cooper Union would reduce the merit scholarship to 50%, someone shouted, "You know the price of everything, but the value of nothing, sir!" The shout was met with thunderous applause.

The only practicing engineer on the Board of Trustees was Stanley Lapidus. When he failed to convince the Board to close the entire institution, lay off the entire tenured faculty, and "reinvent" the college into a single interdisciplinary design institute, a union without a union, Lapidus resigned. The only practicing artist on the Board of Trustees, Audrey Flack, called the consideration of closure "insanity." The only practicing architect, Lee Skolnick, planted by Carmi Bee, told the Board, "To me, [no] tuition is still debatably in the mission statement, but that's a secondary question based on the bigger question of what kind of school it hopes to be. In relation to that, we can say, well then based on that we could do such and such, well we can charge tuition whether it's graduate, undergraduate, hybrid. But like I said before, what I got out of my education at Cooper Union is that you first have to have a concept of direction and then you strategize based on that and make decisions and I'll continue to argue for it until everyone tells me to go to hell."

(Francois de Menil, a photojournalist turned architect, was elected Vice Chairman – he has the distinction of being the richest student to attend The Cooper Union. It is possible at this writing that he won't succeed Mark Epstein – the most hated Chair of the Board to ever serve – when his term expires at the end of June 2013. Subject to new term limits and the infamy of being the Board that destroyed free education at The Cooper Union, many trustees are jumping ship – as they did when the Master Plan fell apart after the crash of 2008. Meanwhile, the Cooper Union Alumni Association – by a write-in vote campaign pulled off in less than a week – has placed an artist/entrepreneur on the Board – Kevin Slavin - with a vow of transparency. ("The answer to whether Cooper Union should be more transparent is not the word 'yes.' The answer is to be more transparent," he said at a Great Hall Community Summit in December 2011. The Community Summits of December 2011 and April 2012 shoe-horned an open community process that led to the writing and publication of "The Way Forward" – a document and process completely ignored by the administration and the Board. Bharucha accused Friends of Cooper Union, a unifying organization of students, faculty, staff, and alumni trying to save the college and preserve its mission, of practicing "politics of destruction." (Alumni Pioneer content has been called "misinformation" and its publisher accused of being a "provocateur." Alumni, as well as trustees and the press, have been barred from the Cooper campus as trespassers.))

The administration has said that short-term financial solutions were "unsustainable" and kept "kicking the can further down the road." Any dispassionate consideration of Cooper finances would reveal that, since its founding, the trustees have been kicking the financial can of The Cooper Union "down the road" for 154 years. As indicated by Skolnick, summarized eloquently by alumnus Ethan Elenberg, this time the trustees have decided to kick the "vision" can down the road.

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