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University leaders pen immigration letter

By Lewis Kendall - lkendall@newsobserver.com

DURHAM—Local and national university presidents sent a letter to President Barack Obama and congressional leaders Tuesday, calling for an easier path to permanent resident status for foreign students.

The letter, signed by more than 100 university leaders from across the country, comes in conjunction with a report released by the bipartisan group Partnership for a New American Economy, which details the importance of immigrant ingenuity to the economy.

Among its findings, the report, titled “Patent Pending: How Immigrants are Reinventing the American Economy,” found that out of the 1,500 patents awarded to the top 10 patent-producing universities in the United States, more than three-quarters had at least one foreign inventor. Additionally, these inventors represented 88 countries.

The letter was addressed to Obama, as well as Senate Majority Leader Harry Reid, Speaker of the House John Boehner, Senate Republican Leader Mitch McConnell and House Democratic Leader Nancy Pelosi.

In it, university leaders bemoaned “our inability under current United States immigration policy to retain and benefit from many of the top minds educated at our universities” and called for “a bipartisan solution that ensures our top international graduates have a clear path to a green card, so they can stay and create new American jobs.”

Several local university leaders signed the letter, including Duke University’s Richard Brodhead, UNC-Chapel Hill’s Holden Thorp, N.C. State’s Randolph Woodson, UNC Charlotte’s Philip Dubois and Wake Forest’s Nathan Hatch, none of whom could be reached for comment.

According to Deborah Weissman, a Reef C. Ivey II distinguished professor of law at UNC-CH, part of the problem is that it is difficult for foreign students, who are generally in the country on visas, to remain here after they graduate.

“They are investing in us, and we are investing in them,” Weissman said, “and the outcome can be enriching for the economy and the cultural fabric, but not if there is no way for them to stay.”
Weissman added that from an economic standpoint, she understands the need to keep foreign students in the country.

“When they enter in our economy and intermingle with the U.S. workforce, the end result is greater efficiency and effectiveness,” Weissman said.

William Gheen, president of Americans for Legal Immigration, disagreed with the university leaders’ letter.

“I would remind them that they serve the American citizens who pay the taxes that have funded these institutions for years,” Gheen said. “They should think that it could be an American in that university.”

The letter comes on the heels of Obama’s decision Friday to spare some immigrants who came to the United States as children from being deported. And on Monday the Supreme Court handed down a split decision regarding Arizona’s hotly contested immigration law.

Kendall: 919-932-8760

More information
For a link to the university leaders’ letter, go to www.renewoureconomy.org/patent-pending
In President Barack Obama’s 2012 State of the Union address, he said that “higher education can’t be a luxury. It is an economic imperative that every family in America should be able to afford.” Such talk makes for political points, but there’s no evidence that a college education is an economic imperative. A good part of our higher education problem, explaining its spiraling cost, is that a large percentage of students currently attending college are ill-equipped and incapable of doing real college work. They shouldn’t be there wasting their own resources and those of their families and taxpayers. Let’s look at it.

Robert Samuelson, in his Washington Post article “It’s time to drop the college-for-all crusade” (May 27), said that “the college-for-all crusade has outlived its usefulness. Time to ditch it. Like the crusade to make all Americans homeowners, it’s now doing more harm than good.” Richard Vedder — professor of economics at Ohio University, adjunct scholar at the American Enterprise Institute and director of The Center for College Affordability & Productivity, or CCAP — in his article “Ditch ... the College-for-All Crusade,” published on The Chronicle of Higher Education’s blog, “Innovations” (June 7), points out that the “U.S. Labor
Department says the majority of new American jobs over the next decade do not need a college degree. We have a six-digit number of college-educated janitors in the U.S.” Another CCAP essay by Vedder and his colleagues, titled “From Wall Street to Wal-Mart,” reports that there are “one-third of a million waiters and waitresses with college degrees.” More than one-third of currently working college graduates are in jobs that do not require a degree, such as flight attendants, taxi drivers and salesmen.

Was college attendance a wise use of these students’ time and the resources of their parents and taxpayers?

There’s a recent study published by the Raleigh, N.C.-based Pope Center titled “Pell Grants: Where Does All the Money Go?” Authors Jenna Ashley Robinson and Duke Cheston report that about 60 percent of undergraduate students in the country are Pell Grant recipients, and at some schools, upward of 80 percent are. Pell Grants are the biggest expenditure of the Department of Education, totaling nearly $42 billion in 2012.

The original focus of Pell Grants was to facilitate college access for low-income students. Since 1972, when the program began, the number of students from the lowest income quartile going to college has increased by more than 50 percent. However, Robinson and Cheston report that the percentage of low-income students who completed college by age 24 decreased from 21.9 percent in 1972 to 19.9 percent today.

Richard Arum and Josipa Roksa, authors of “Academically Adrift: Limited Learning on College Campuses” (2011), report on their analysis of more than 2,300 undergraduates at 24 institutions. Forty-five percent of these students demonstrated no significant improvement in a range of skills — including critical thinking, complex reasoning and writing — during their first two years of college.

Citing the research of AEI scholar Charles Murray’s book “Real Education” (2008), Vedder says: “The number going to college exceeds the number capable of mastering higher levels of intellectual inquiry. This leads colleges to alter their mission, watering down the intellectual content of what they do.” Up to 45 percent of incoming freshmen require remedial courses in math, writing or reading. That’s despite the fact that colleges have dumbed down courses so that the students they admit can pass them. Let’s face it; as Murray argues, only a modest proportion of our population has the cognitive skills, work discipline, drive, maturity and integrity to master truly higher education.
Primary and secondary school education is in shambles. Colleges are increasingly in academic decline as they endeavor to make comfortable environments for the educationally incompetent. Colleges should refuse admission to students who are unprepared to do real college work. That would not only help reveal shoddy primary and secondary education but also reduce the number of young people making unwise career choices. Sadly, that won’t happen.

College administrators want warm bodies to bring in money.

Walter Williams is an economics professor at George Mason University and a columnist for Creators Syndicate.
Serial peeper charged in Chapel Hill

By Sarah Mansur - smansur@newsobserver.com

CHAPEL HILL–A Roxboro man charged with spying on a woman as she undressed this week was already due in court next month on felony peeping charges.

John Thomas Whitt Jr., 60, of 2089 Virgilina Road, was arrested Oct. 31 on felony peeping charges after police say he was caught videotaping up women’s skirts during the town’s Franklin Street Halloween celebration.

Whitt’s serial peeping can be traced back to 2001 when he was found on the roof of Kappa Delta sorority house at UNC-Chapel Hill with a video camera.

He was sentenced to eight months in prison for the sorority peeping incident, which led state legislators to make the peeping laws in North Carolina more strict.

A state law passed in 2003 made it a felony to videotape someone’s naked body or undergarments without consent. Before this, peeping with video was only a misdemeanor.

Whitt was charged with peeping again Sunday, but the charge is a misdemeanor because there was no video.

He also was charged with assault on an officer, said Lt. Kevin Gunter, Chapel Hill police spokesman.
Police say they found Whitt at 700 Martin Luther King Jr. Blvd., after a woman, who was undressing in her room, heard noises outside her window at Mill Creek Apartments.

When she went outside to investigate, she saw an older white man wearing glasses whom she later identified as Whitt.

She immediately called 911 and police found Whitt between the “A” and “B” buildings of the complex, Gunter said.

He said Whitt tried to flee and became violent when the officer caught up to him.

“When the officer got near him, he turned and attempted to punch the officer with his fist,” Gunter said.

Whitt was taken to Orange County jail and held under $1,500 bail.

After the 2001 sorority incident, the police searched Whitt’s business and found more videotape evidence of his peeping.

Police used the tapes to charge Whitt with 87 counts of misdemeanor peeping and four counts of felony intercepting oral communication for conversations caught on tape.

He also has been arrested for peeping incidents at N.C. State University and Duke University.

In May 2002, Whitt pleaded guilty to 21 misdemeanor counts of secretly peeping and four felony counts of intercepting oral communication.

“We pled guilty because we thought it was in his best interest to do so,” his attorney, Don Dickerson, said at the time. “He made a decision. We had a man obviously that had a serious problem. He’s been in constant therapy. He needs to get this behind him and get on with his life.”

Whitt will appear in Orange County Superior Court on July 10 for the Oct. 31 felony charges, according to court documents.

News researcher Peggy Neal contributed to this article.

Mansur: 919-932-2008
Ousted Head of University Is Reinstated in Virginia

By RICHARD PÉREZ-Peña

CHARLOTTESVILLE, Va. — Facing a torrent of criticism, the University of Virginia trustees made a stunning turnabout on Tuesday, voting unanimously to reinstate the president they had forced to resign over concerns that the university was not adapting fast enough to financial and technological pressures.

The decision by the governing Board of Visitors capped an extraordinary 16 days since the ouster of President Teresa A. Sullivan was made public. The turmoil that led to it opened a window on the pressures public universities face nationwide, as they grapple with shrinking state support, rising tuition, the growing availability of college-level courses online and pressure to shift resources from traditional liberal arts programs to education in business and technology.

As it weighed how to address those challenges, one of the nation’s pre-eminent universities suddenly and unexpectedly forced out a popular leader after two years and with little explanation, spurring students, faculty
members, administrators and alumni to unite in her defense, demanding that the board reverse itself.

Even the interim president selected by the Board of Visitors said he disagreed with Ms. Sullivan’s removal, and then, as protests grew louder, said he would not fill his new role as long as there was a chance she might be reinstated. After insisting for days that the affair did not involve him, Gov. Bob McDonnell was also drawn into the fray, first criticizing the board’s secrecy — though not its decision — and then, last Friday, demanding that it resolve the matter quickly, or he would ask all of its members to resign.

The board took less than 20 minutes at Tuesday’s special meeting to reinstate her by a vote of 15 to 0.

Ms. Sullivan emerged on the steps of the university’s white-columned rotunda afterward to address a whooping crowd gathered on the central lawn, and quoted something that Thomas Jefferson, designer of the building and founder of the university, wrote upon being elected president: “It is pleasant for those who have just escaped threatened shipwreck to hail one another when landed in unexpected safety.”

The dispute exposed fears about the murky future of higher education at a time of deep cuts in state support and an intensifying debate about whether colleges should be run more like businesses. At the same time, expectations are high for a rapid transformation — through costly technology — to online instruction.

In particular, some members of the Board of Visitors, most of whom are business executives, appear to have been shaken by the way prestigious institutions like M.I.T., Stanford and Harvard have dived into the online realm, and wondered if the University of Virginia was being left behind.

Ms. Sullivan said she perceived the many threats to the university, but favored addressing them in a collaborative, incremental way, not the more aggressive, top-down approach favored by the head of the board, or rector, Helen E. Dragas, and the former vice rector, Mark Kington, who were the driving forces behind the president’s ouster.

They organized the move out of the public eye, never raising it at a board meeting, but speaking to board members one at a time, making the case to remove Sullivan. On June 8, Ms. Dragas asked for the president’s resignation, and Ms. Sullivan gave it.
Two days later, the news broke, surprising nearly everyone associated with the university, and the board’s executive committee, with just three of six members present, voted to accept the resignation. The first woman president of the 193-year-old university would also turn out to be the shortest-serving.

At first, Ms. Dragas cited only “philosophical differences.” Later she spoke of the need for bold change, which many people here interpreted as code for budget cuts, but the reasoning offered publicly remained vague.

Ms. Dragas, a real estate developer from Virginia Beach, conceded Tuesday, as she had last week, that she had handled the matter poorly, in particular by not debating the president’s standing in a public board meeting, and then by not adequately explaining the sudden change.

“Into that vacuum there were stories with conspiracy theories and other inaccuracies, and the situation became more dramatized,” she said.

Some of those theories involved politics, though no clear partisan alignment or involvement by political leaders ever emerged; the governor said he had no role in the matter.

The board’s 16 voting members were evenly split between those appointed by Mr. McDonnell, a Republican, and those named by his two Democratic predecessors.

Ms. Dragas was a Democratic appointee. Mr. Kington, a fund manager from Alexandria, was first appointed by Mark Warner, a Democratic governor and now senator, then left the board, and was appointed to it again by Mr. McDonnell. Last week, Mr. Kington resigned from the board, and he has not yet been replaced.

The terms of Ms. Dragas and three other Democratic appointees expire on July 1, and Mr. McDonnell has not said whether he will reappoint any of them.

Paul Tudor Jones, a hedge fund manager and major donor to the university, wrote an article for the local newspaper, The Daily Progress, praising the removal of Ms. Sullivan, fueling speculation that he and perhaps other wealthy contributors had orchestrated it, an assertion that Ms. Dragas flatly denied.

In Tuesday’s meeting, Ms. Dragas argued that what had happened was for the best, because it had “keenly focused the attention of the entire university community” on problems that must be addressed.
“It is unfortunate that we had to have a near-death experience to get here, but we should not waste the opportunity at hand,” she said.

In a sense, Ms. Sullivan agreed, and appealed to alumni, administrators, state lawmakers and faculty members alike to pitch in. “I am not good enough or strong enough or wise enough to do everything that needs doing,” she said.

The two women met before the board meeting, and in a public display of unity, walked together, side by side, to the rotunda.

Still, the officials had a difficult set of options. Ms. Sullivan could return to work with trustees who had wanted to be rid of her, possibly blunting the changes they had hoped to make in the university. Or the board, by sticking to its guns, could continue to weather protests, risk that disaffected professors would make good on threats to leave the university, and embark on a difficult search for a new president.

“I think they understand that they would have an incredibly hard time getting anyone else to take the job after what’s gone on,” said Siva Vaidhyanathan, chairman of the media studies department.

Only two board members addressed the matter at hand during the brief meeting: Ms. Dragas and W. Heywood Fralin, the immediate past rector and head of a nursing home company, who moved to reinstate Ms. Sullivan. Mr. Fralin said that while the issues raised by Ms. Dragas were legitimate, he had disagreed with the removal of Ms. Sullivan, and with the process that led to it.

In the near future, he added, the board should “make the changes necessary to prohibit the utilization of this process when dealing with matters of such major importance.”
Fixing College

By JEFF SELINGO

Washington

No matter what the University of Virginia’s governing board decides today, when it is scheduled to determine the fate of the university’s ousted president, Teresa A. Sullivan, the intense interest in the case shows how much anxiety surrounds the future of higher education — especially the question of whether university leaders are moving too slowly to position their schools for a rapidly changing world (as some of Ms. Sullivan’s critics have suggested of her).

There is good reason for the anxiety. Setting aside the specifics of the Virginia drama, university leaders desperately need to transform how colleges do business. Higher education must make up for the mistakes it made in what I call the industry’s “lost decade,” from 1999 to 2009. Those years saw a surge in students pursuing higher education, driven partly by the
colleges, which advertised heavily and created enticing new academic programs, services and fancy facilities.

The almost insatiable demand for a college credential meant that schools could raise their prices and families would go to almost any end, including taking on huge amounts of debt, to pay the bill. In 2003, only two colleges charged more than $40,000 a year for tuition, fees, and room and board; by 2009, 224 were above that mark. The total amount of outstanding student loan debt is now more than $1 trillion.

Students were not the only ones to go deeper into debt. So did schools, building lavish residence halls, recreational facilities and other amenities that contributed little to actual learning. The debt taken on by colleges has risen 88 percent since 2001, to $307 billion.

This heady period of growth occurred precisely when colleges had the financial flexibility to prepare for what was to come: fewer government dollars, a wave of financially needy students, a drop-off in the number of well-prepared high-school graduates who could afford to pay, and, of course, technological advances in teaching and learning. Instead, colleges continued to focus on their unsustainable model, assuming little would change.

Other information industries, from journalism to music to book publishing, enjoyed similar periods of success right before epic change enveloped them, seemingly overnight. We now know how those industries have been transformed by technology, resulting in the decline of the middleman — newspapers, record stores, bookstores and publishers.

Colleges and universities could be next, unless they act to mitigate the poor choices and inaction from the lost decade by looking for ways to lower costs, embrace technology and improve education.

One urgent need is to make better use of technology in the classroom. Despite resistance to the idea from academics, evidence suggests that technology can reduce costs, improve student performance and even tailor learning to individual students. The nonprofit National Center for Academic Transformation has redesigned courses on more than 200 campuses, cutting costs by an average of 37 percent, by using instructional software to reduce burdens on professors, frequent low-stakes online quizzes to gauge student progress, and alternative staffing (like undergraduate peer mentors).

Schools should also offer more online education. In just the past few months, several elite universities, including Stanford and Harvard, have announced multimillion-dollar efforts to provide several of their courses
free, online, for everyone. Individual colleges should take advantage of this trend, perhaps ultimately shedding their lowest-quality courses (and their costs) and replacing them with the best courses offered by other institutions through loose federations or formal networks. This is the idea behind the New Paradigm Initiative, a group of 16 liberal-arts colleges in the South that have joined together to offer online and hybrid courses to students on any campus in the group.

Another key reform would be to reclaim academics as a top priority. Administrative expenses have grown faster than instruction on many campuses. In 2009, the consulting firm Bain & Company identified $112 million in annual savings just within the business operations at the University of California, Berkeley.

Academia also needs to cut back on low-quality graduate programs. Too many universities tried to become research institutions during the lost decade, adding graduate programs and research faculty, often using tuition dollars to finance their expansions. Today, too many of these programs remain far short of their goals, and their ambitions have come at a great cost to their core mission of educating undergraduates (as well as producing many dropouts and unemployed Ph.D.’s).

Finally, colleges should work to reduce the number of wasted credits. Most students take far more than the 120 credits required for a bachelor’s degree, partly because of poor advising and partly because colleges often refuse to accept credits from other institutions or for “prior learning.” Yet one-third of students today transfer from one college to another before earning a degree. Colleges make transferring credits difficult, often in the name of protecting academic quality, when often they are simply protecting their bottom line.

Higher education is a conservative, risk-averse industry. Add to this the fact that a majority of its leaders are nearing the safety net of retirement, and we have a recipe for the status quo. We can’t afford another lost decade.

Jeff Selingo, editorial director at The Chronicle of Higher Education, is writing a book on the future of higher education.
The deal was reached Tuesday by Senate leaders. The agreement would freeze the interest rate for a year, preventing it from doubling from 3.4 percent to 6.8 percent on July 1, making college more affordable for students as tuition costs are rising.

Although leaders in both parties said they favored the rate freeze, they argued about how to cover its $6 billion cost.

While they bickered, President Obama traveled the country to rally college students to press for congressional action. If the deal emerges from Congress intact, Obama is likely to take credit for having forced the issue to the front of the agenda, but Republicans have countered that an agreement could have been reached weeks ago had Democrats not decided to make it a campaign issue. Republicans say that Democrats slow-walked the negotiations to allow the president to paint the GOP as recalcitrant and willing to risk higher college costs.

The deal was announced Tuesday by Senate Majority Leader Harry M. Reid (D-Nev.) and Senate Minority Leader Mitch McConnell (R-Ky.), who told reporters that they had worked out the arrangement but were still discussing how to push it through Congress in the final busy days before lawmakers leave Washington for a week-long Fourth of July holiday.

The proposal’s passage will be contingent upon an embrace from the GOP-held House, although McConnell indicated that he thinks the chamber’s leaders will favor the deal.

Reid told reporters Tuesday, “We basically have the student-loan issue worked out. The next question is: What do we put it on to make sure we can complete it?”

McConnell said that he and Reid “have an understanding we think will be acceptable to the House.”

In a statement, White House press secretary Jay Carney praised the agreement.
“We’re pleased that the Senate has reached a deal to keep rates low and continue offering hard-working students a fair shot at an affordable education,” he said. “Higher education has never been more important to getting a good job. That’s why President Obama has made stopping this rate hike and saving 7.4 million students an average of $1,000 a priority since his State of the Union and has repeatedly called on Congress to act.”

Carney said he hopes Congress will send a bill to the president soon.

The compromise has appeared a near-inevitability for weeks — since Republican presidential candidate Mitt Romney joined Obama in calling for Congress to keep rates from doubling on July 1.

Democrats think the issue has energized the youth vote and allowed the party to build support with students’ middle-class parents. But Republicans said that Obama has made no effort to negotiate a deal, even as he campaigns nationwide on the issue.

McConnell reiterated Tuesday that Obama has been “largely uninvolved” in student-loan talks. Reid countered that the president’s leadership has been key to keeping the issue alive, noting his repeated public comments on the subject, including at a high school in New Hampshire on Monday. He said that House Speaker John A. Boehner (Ohio) had told fellow Republicans in a private meeting late last month that he did not expect to reach a deal on the matter before July 1.

“We’re not willing to give up on this issue, and I am glad that my Republican colleagues have agreed we shouldn’t give up on this issue,” Reid said.

Republicans have been confident that the Senate will take the blame if no deal is reached and rates increase.

The House had approved a GOP-backed bill to pay for the rate freeze by eliminating a preventive-care fund created by Obama’s health-care law. That measure did not receive the 60 votes necessary to advance in the Senate. But neither did a competing Democratic proposal to pay for the student loan item by closing a tax loophole that allows some small-business executives to avoid payroll taxes.

Boehner spokesman Michael Steel said House leaders will review the Senate proposal. But McConnell’s assertion that the deal would find favor in the House suggests that Republicans on both sides of the Capitol are prepared to sign off on it.
Aides in both parties and Sen. Tom Harkin (D-Iowa) confirmed the details of the deal.

The extension would be paid for by raising premiums for federal pension insurance, an idea acceptable to businesses because rules on how companies calculate their pension liabilities would be changed. A senior Democratic aide said the pension proposals, which came from Reid, would generate $5.5 billion.

Meanwhile, students would be limited in how long they could receive a federally subsidized loan to 150 percent of their program length — so, six years for a four-year undergraduate degree — a suggestion from Republicans. The aide said that proposal would raise $1.2 billion.

Senators said they must decide whether to link the student-loan deal to a two-year measure that would extend highway funding, which also will expire July 1.

Linking the two would allow swifter passage through the House and Senate. But a deal on the highway bill remains touch and go, and the loan deal may need to proceed separately.

“We’re very close to having everything done,” Reid said. “But until we get everything done, nothing’s done.”
What's Driving College Costs Higher?
June 26, 2012

Just days before student loan rates are set to double for millions of Americans, President Obama and congressional leaders haven't reached an agreement on legislation to keep those rates at 3.4 percent.

The debate reflects the growing concern over the debt burden many take on to get a college education. About two-thirds of bachelor's degree recipients borrow money to attend college, and collectively, student debt has topped $1 trillion.

Kevin Carey, the director of the Education Policy Program at the New America Foundation, believes the student debt crisis reflects larger, troubling trends in higher education — among them excessive spending by colleges and universities, which drives up tuition, and declining government support for public universities as state and local governments face budget crises.

In the past three decades, Carey says, college tuition has consistently increased much faster than both inflation and incomes.

"Every year, [it increases] 2 or 3 or 4 percent above the inflation rate, to the point where college is now four times more expensive than it was, say 20 or 30 years ago," he says.

Where does that money go? To all sorts of things, including administrative and teaching costs, scholarships, sports teams and elaborate new construction projects.
"[Colleges and universities] compete with one another not to make money, but for status and prestige, so they buy things that increase their status and prestige in relation to their competitors," Carey tells Fresh Air's Dave Davies. "They're big on construction. ... They're always building things."

College campuses may be expanding but that doesn't necessarily mean their teaching staffs are growing. Carey points out that the number of full-time professors has shrunk across the country — and that less than 40 percent of students are now taught by tenure or tenure-track professors.

"[Professors] are not the beneficiaries of large increases in college spending that has gone on," he says. "In fact, the percentage of all students taught by non-tenure-track professors — adjuncts, teaching assistants — has gone up and up and up."

Meanwhile, university administrations have grown — meaning colleges are now employing more provosts, deans and assistant deans than ever before.

"I'm sure that most of those people are working hard at real jobs," he says. "But that doesn't necessarily mean that it's a good idea to increase spending and pass along many of those costs onto students in the form of higher tuition. ... And the more the prices go up, the more that these students who are squeezed out of opportunity are middle-income students, low-income students, and the net effect over time is to make our college and university system no longer the engine of economic mobility that it once was."

**The Burden Of Student Loan Debt**

The average college senior in the U.S. now carries $25,000 in student loan debt at graduation. Those figures rise when graduate degrees are figured into the equation, Carey says.

"No one planned for that to happen," he says. "No one thought that was a good idea because in fact, it's a very bad idea. The reality is that as college tuition has consistently outpaced the ability of people to pay out of pocket, debt has been the safety valve of our higher education system. It is what has allowed everything to keep running because people know they have to go to college — they don't feel they have any choice — so they just continue to borrow and borrow and borrow."

Those debts will follow students around for decades, Carey says.

"Democrat or Republican, liberal or conservative, if you want a quality college education, there's a good chance you're going to spend most of your 20s in a state of indentured servitude to a lender or an employer you hate but
can't quit, because the loan bills — undischARGEABLE in bankruptcy, thanks to
industry lobbying — will follow you to the end of time," he writes in a
reported that $36 billion in loan debt is held by people over 60 years old."

To change things, Carey says, colleges need to rein in spending — and
perhaps modify their educational models. He points to Harvard, MIT and
Stanford's recent experiments with noncredit online classes, which anyone
can take around the world.

"These are courses that are being taught to hundreds of thousands of students
around the world and they don't cost anything," he says. "There is now no
doubt that certain kinds of students can learn a lot online. But people don't
just go to college to learn; they go to college to get a job. That's the
difference between a library and a college."

Stanford is now experimenting with giving class participants certificates
noting that they took the class and scored in a certain percentile within the
class, Carey says.

"And in the end, all a college degree is is a piece of paper saying, 'Dear
such-and-such, you took these classes and here's how you did in them,' " he
says. "Nothing more, nothing less. It's a piece of paper that has the seal of
approval from an institution that has itself been approved through
accreditation, but the essential act of communication is the same."

Interview Highlights

On university space

"Universities don't do a good job of using their space. Go to any college
campus on a Monday morning or Friday afternoon and you'll find empty
buildings because professors and students don't like to go to class on those
days."

On how universities work

"Universities are run for the benefit of the people who work there. That's
different than a for-profit corporation, which is run for the benefit of
shareholders or a regular public agency that is run for the benefit of elected
officials and the public. Our colleges and universities exist in an odd
position. I think the closest analogy is organized religion, where you have
nonprofit institutions that have been around for a long, long time. ... They
sustain themselves. They have their own set of values. If you look at the
decisions they make, those values are quite apparent. Particularly our four-year colleges and universities, the professional status is bound up in academia, in scholarship. And so these universities are organized in such a way that reflects that.

**On professor recruitment**

"Professors are recruited and paid on their academic reputations, not whether they're any good at teaching. And there is a desire for status. There is a constant competition with one another. And the thing with reputational competition is that there's no end to it. You don't ever reach some point where you're as good as you can be because the only question is, 'Are you as good as the university in the next state?' So there's no ceiling to how much money colleges and universities can spend competing with one another."

**On rankings**

"They simply made numbers out of a value system that was already in place. They empiricized a sense of higher education quality that revolves around three things: wealth, exclusivity and fame. It's the wealthy institutions that have the smallest admissions rate and are the most well-known for their students and their professors that always stay atop the list. It's not a coincidence that every year Harvard and Princeton go back and forth between 1 and 2. US News didn't invent the idea or the thought that status was a function of wealth, fame and exclusivity. You could say that about lots of things. What they have done is let fuel to the fire and created a mechanism by which universities that haven't been around for hundreds of years to climb up through the ranks and claw their way past their competitors from a status standpoint."