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The University Has No Clothes

By Daniel B. Smith

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Pity the American parent! Already beleaguered by depleted 401(k)s and gutted real-estate values, Ponzi schemes and toxic paper, burst bubbles and bear markets, he is now being asked to contend with a new specter: that college, the perennial hope for the next generation, may not be worth the price of the sheepskin on which it prints its degrees.

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As long as there have been colleges, there's been an individualist, anti-college strain in American culture—an affinity for the bootstrap. But it is hard to think of a time when skepticism of the value of higher education has been more prominent than it is right now. Over the past several months, the same sharp and distressing arguments have been popping up in the *Times*, cable news, the blogosphere, even *The Chronicle of Higher Education*. The cost of college, as these arguments typically go, has grown far too high, the return far too uncertain, the education far too lax. The specter, it seems, has materialized.

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When I asked Altucher what his aim was in railing against college, he replied that he wanted to “reduce demand so costs go down”: Persuade enough kids not to enroll and colleges will be forced to change their ways. When I spoke to Thiel from his home in San Francisco in late February, he offered much the same justification for his major salvo in the fight against college—a philanthropic initiative called 20 Under 20. The program, also known as the Thiel Fellowship, will award twenty students 19 years old and younger \$100,000 each and the mentorship of some of the most prominent entrepreneurs in Silicon Valley. The catch? The winners have to stay out of college for two years. They are to be announced this month.
