I. The Diagnosis

19th century Anglo-American liberals believed that:

1. An economic system consisting of property rights, rule of law, and freedom of contract led to "the wealth of nations" and was a sound foundation for peace between nations as well.

2. Personal virtues such as hard work, perseverance, ingenuity, initiative, self-discipline, personal responsibility, good manners, and wholesome living could put any individual on the path to a life in which he or she could become "healthy, wealthy, and wise," or at least relatively prosperous.

While each proposition represented the mainstream of thought in the U.S. and Britain in the 19th century, in the subsequent hundred years most of the intellectual and pedagogical activity of university professors in the humanities and social sciences was dedicated to undermining respect for these ideas.

Insofar as both propositions are broadly speaking true, this deliberate century-long attack on important truths that benefit humanity, and replacing them with harmful contradictory information, constitutes one of the greatest crimes against humanity ever committed. At no point were these propositions ever disproved by means of evidence. Instead, a deep tribal animosity developed among intellectuals through which ridicule, slander, and libel became accepted as adequate grounds for rejecting the insights that had made Britain and the U.S. the first societies in human history in which the masses were prosperous.

As a historical counter-factual, suppose that instead of the 20th century that actually took place, 20th century academics had continued to develop an intellectual worldview based on these valid 19th century fundamentals – and had taught it to generations of young people, including the teachers, journalists, lawyers, judges, etc. In such a counterfactual, literally billions of decisions would have been made differently, based on different information, with different standards for “the moral high ground” and “respectable discourse.” Trillions of dollars of philanthropy would have gone towards positive causes that instead went towards harmful causes. Tens of trillions of government expenditures might have been directed in beneficial ways rather than harmful ways. If we believe that ideas have power, then we have to include that the cumulative impact of our most elite institutions teaching harmful falsehoods for a hundred years is immense.

Given the growing global dominance of Anglospheric culture and thought throughout the 20th century, in our counterfactual this positive influence would extend to all of the
developing world students who studied in the Anglosphere. Had Anglospheric intellectual life remained firmly based on these principles, even harmful intellectual memes taught at European and Soviet universities would have faced much stiffer resistance in the world of ideas.

Likewise classical liberal ideas would have seen far more vigorous successes in actual life. Western and Soviet universities in the 30s, 40s, 50s, and 60s trained the minds from Africa and Asia that created new post-colonial governments in the decades that followed. How many minds trained in classical liberalism would have replicated the stunning prosperity of Cowperthwaite’s Hong Kong or Lee Kuan Yew’s Singapore? How many nations would have avoided unnecessary, ideologically-driven catastrophes ranging from Nyerere’s Ujamaa to Pol Pot’s Khmer Rouge?

If university professors had not deliberately sabotaged classical liberalism, how much wealthier would the world's population be today? How many 20th century wars might not have occurred? How much social dysfunction - teen pregnancy, crime, suicide, addictions, violent accidents, etc. would not have taken place? How would our health and education systems have evolved? Our entertainment? Our communities?

Sadly, the truth needed to make the world a better place is a "public good" which private markets cannot easily supply. Foundations have spent hundreds of millions of dollars financing private, market-oriented think tanks in an effort to compensate for the damage being done by academia. But while these think tanks have had an influence at the margins, the vast majority of college-educated Americans continue to rely on the information provided by elite universities and mainstream media rather than the network of think tanks that continue to espouse classical liberal thought.

II. Can Market Forces Provide the Creative Destruction Needed to Solve this Problem?

Insofar as the ideas of academia constitute its greatest destructive force (by means of causing billions of wrong-headed decisions), entrepreneurial initiatives to provide higher quality academic or vocational content at a lower cost will not address this problem unless and until they undermine the reputation of elite academic institutions. For instance, despite the exceptional profitability and success of the University of Phoenix, one of the largest universities in the U.S., it has had no impact whatsoever on the nature of the ideas being disseminated in the U.S.

There are numerous for-profit online universities booming today. Some focus on providing the credit hours of academic coursework needed in order to obtain legally required "credentials" -- there are some University of Phoenix courses that cater specifically to this need. Others specialize in offering value-added, often technical skills such as accounting, business, or specific technical certifications.

There are also for-profit courses being offered by small, entrepreneurial organizations for in-demand skills like web design, web marketing, social media, and various back-end
programming skills. These organizations do not seek accreditation, academic respectability, or even institutionalization - they simply arise due to the intersection of demand (young people graduating from college need real world skills) and supply (there are people already in these industries who can teach these skills easily enough). There is a small industry of entrepreneurial incubators that integrate some coursework with various other revenue models as they help entrepreneurial individuals transform their ideas into viable businesses.

Note that none of these business models cut into the elite university domination of liberal arts coursework. Insofar as intellectual elites in our society tend to graduate from elite universities with liberal arts degrees (whether it is a B.A. in History from Wellesley or a B.S. in mathematics from Stanford), no amount of technical or credential-oriented education will alter the authority and influence of academia on society at large.

The most interesting entrepreneurial niche to be developed from the perspective of undermining academic hegemony in the liberal arts would be a program focused on developing effective writing skills. Barbara Minto has spent the past twenty years marketing her two-day writing courses to corporations for fees starting at $10,000 per day. Typically, clients hire her to teach freshly minted MBAs and liberal arts graduates how to write effective business prose: memos, summaries, letters, etc. Apparently many corporations do not find graduates adequately prepared to write professional business communications. As someone who has hired many fresh college graduates, I’ve concluded that a degree from an elite university in the humanities provides essentially no information on the quality of a graduate’s writing ability: Some fresh graduates write well, and some write incomprehensible prose. The fact that a candidate majored in English with honors at Brown or Oberlin tells me nothing about the quality of his or her prose.

Closely related to the niche in developing the ability to write is developing the ability to think. Academically Adrift: Limited Learning on College Campuses, named the best book on higher education of 2011 by “Minding the Campus,” documents how:

45 percent of students "did not demonstrate any significant improvement in learning" during the first two years of college. A total of 36 percent "did not demonstrate any significant improvement in learning” over four years of college. And those students who do show improvements tend to show only modest ones.1

The students were evaluated using the Collegiate Learning Assessment (which is designed to measure gains in critical thinking, analytic reasoning and other "higher level" skills taught at college), a test that is correlated with the SAT. “Academically Adrift” shows that there is no empirical evidence to support the notion that colleges improve critical thinking abilities.

This failure to develop critical thinking abilities is another core niche that could be addressed by an entrepreneurial start-up, insofar as there was evidence of demand for such a program. (It is unambiguously possible to improve such skills; at some of my schools students averaged 100-point annual SAT gains vs. 15-30 point average annual gains). More recently, there has been a great deal of discussion around the value of high-end cognitive skills in elite recruiting.2

Thus an ambitious entrepreneurial start-up could focus on developing world-class writing, analytical, and quantitative skills in a context that focused on preparing people for elite careers in law and business. If the start-up did well at this, it would then be competing with the elite universities and begin to erode their reputations. At present, institutions such as Harvard, Brown, Stanford, etc. can select as inputs students who are already among the cognitive elite. Cognitive elites go in, cognitive elites come out – whether or not the university adds any real value.

A start-up that developed students’ abilities, rather than simply screened students for existing abilities, could make a splash. In different ways both the Olin College of Engineering and the Acton MBA program are attempts to achieve such a goal within their specified domains. No one has yet attempted to create a new liberal arts college with this goal in mind.

An attempt at such a project was recently undertaken at Shimer College. Shimer is a small "Great Books" college in Chicago that has been in a financially precarious situation for many decades. Although the board had the financial capacity and interest to put Shimer on sound financial footing, the students and faculty are leftists and when they got wind of a "right-wing" scheme to take over Shimer they protested vociferously. Ultimately a coalition on the board formed which voted to fire the president hired by the board (that was more classical liberal than “right-wing”).

Later, one of the remaining classical liberals on the board attempted to recruit me as a candidate for the presidency. Initially a leader of the coalition that fired the previous president was interested in my “left-friendly” approach to classical liberalism.3 However upon reading my essay "The Conspiracy of Silence around the Romance of Evil," in which I blamed academia for not talking openly about the fact that the ideology of Marxism was responsible for the 100 million communist murders in the 20th century, I was told they were no longer interested in me.4

The illustrious Princeton professor -- a quintessential figure of the academic

3 For the past eight years I’ve been the CEO of FLOW, an organization that I co-founded with John Mackey, the CEO of Whole Foods Market. FLOW promotes entrepreneurial solutions to world problems. For more see Michael Strong, Be the Solution: How Entrepreneurs and Conscious Capitalists Can Solve All the World’s Problems.
4 http://athousandnations.com/2010/05/01/may-day-the-conspiracy-of-silence-around-the-romance-of-evil/
establishment whose professorial wife is on the Harvard board - who had earlier been enthusiastic about my candidacy claimed that Leninism, not Marxism, was responsible for the 20th century calamities, and that it was "ideological" of me to believe otherwise. Perhaps Shimer is anomalous, but I expect that many liberal arts colleges in the U.S. would rather fail than relinquish their ideological convictions.

It may thus be necessary for a group of donors to finance a new liberal arts college that focuses specifically on high-end writing, analytical, and quantitative skills in a manner that threatens the hegemony of elite institutions.

**Conclusion**

For those of us who believe that the intellectual solutions to many of our problems were solved in broad outline by the 18th and 19th century classical liberals, it is difficult to be optimistic about academia.

The market share of online vocational, academic, and niche post-secondary education will continue to grow. But unless and until an institution competes head-to-head in academic performance with the elite institutions, “entrepreneurial” education will not be taken seriously.

Classical liberal economists have won numerous Nobel prizes in the past forty years. Hundreds of millions of dollars have been invested in think tanks and in special programs at existing universities. And yet the default social/intellectual paradigm on almost all campuses remains one that is hostile to capitalism and personal responsibility.

Development economics has become significantly more market oriented in the past twenty years than it was throughout the post-war period, but many development economists continue to be reluctant to emphasize the importance of economic freedom in alleviating poverty. Meanwhile the field of positive psychology is rediscovering the role of the virtues in providing individuals with the internal stability needed to be a happy human being.\(^5\)

But in the scale of things, these are small outposts in the academy, and their conclusions are almost always tactfully framed so as not to offend the anti-capitalist, anti-virtue status quo. Almost all of the intellectual capital of the world continues to be based on a flawed intellectual paradigm with no end in sight.

We need new elite institutions that are once again deeply committed to a Millian ethos of freedom of thought and expression, institutions that no longer prevent sincere thinkers from openly exploring the classical liberal intellectual paradigm:

He who knows only his own side of the case, knows little of that. His reasons may be good, and no one may have been able to refute them. But if he is equally unable to refute the reasons on the opposite side; if he does not so much as know what they are, he has no ground for preferring either opinion. . . . He must be able to hear them from persons who actually believe them; who defend them in earnest, and do their very utmost for them. He must know them in their most plausible and persuasive form; he must feel the whole force of the difficulty which the true view of the subject has to encounter and dispose of; else he will never really possess himself of the portion of truth which meets and removes that difficulty.  

We need universities where the entire faculty passionately supports the open airing of ideas which which they disagree. Ridicule, questioning of motives, or accusations of “racism,” “sexism,” etc. should never be acceptable behavior in the conversations dedicated to the search for the truth. Ideally such a renewal of Millian principles would take place on an existing campus. But because of the current sad state of higher education to be safe we should assume we must create a new institution in order to create a new, freer social and intellectual order.  

And just as the field of development economics has slowly returned to classical liberal economic principles, and just as positive psychology has re-discovered foundational truths leading to human happiness and well-being, so too will the rest of intellectual life recover as the timid arguments being developed in these fields are more widely known and respected. This process of the re-invigoration of the life of the mind at universities will accelerate when the great body of classical liberal work developed in the past hundred years becomes more widely known and is finally taken seriously in light of the fact that the principles on which is is founded reduce poverty on a global basis and lead to personal happiness and well-being on a personal basis. Gradually the bigoted perspective towards classical liberalism that has dominated the academies for the past hundred years will be revealed as the irrational tribalism that it is.  

By solving the fundamental social problem, the pathology of academic life that prevents constructive thought from coming to the fore, we will have enabled ourselves to solve all other social problems more quickly effectively. When those universities that produce the elites that govern our planet - intellectual elites, professional elites, and cultural elites – once again enlighten, rather than confuse, young people we will once again begin to make serious progress towards a peaceful, prosperous world for all driven by the vision and ingenuity of billions of healthy, empowered, optimistic individuals.  

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