

*"It is an affront to treat falsehood with complacency."* Thomas Paine

# CAMPUS REPORT

October 2016 | Volume XXXI, number 10



## GRADUATES FACE BLEAK ECONOMY

*By Malcolm A. Kline*

A Tale of Two Economies:  
Ours and Academia's

“Wise men” will tell them this is a “weak recovery” and “the financial crisis ended years ago.”

During the 1930s, as many as 15 million Americans were out of work, according to the Obama Administration's Bureau of Labor Statistics (BLS). Currently, “combining those not in the labor force who are of working age and all those unemployed shows 55.4 million working-age, native-born Americans without jobs in the first quarter of 2016, compared to 41.1 million in the same quarter of 2000,” according to Dr. Steven Camarota of the Center for Immigration Studies (CIS). If the former period was a “Great Depression,” surely, this is an even greater one.

We have noted that both conservative Republican President Ronald Reagan and liberal Democrat President Bill Clinton could, and did, legitimately brag about record levels of job growth. Both occurred for the same reason: New jobs come from new businesses.

Therein, lay the bad news, which isn't getting any better: In the past 16 years, the BLS reports that the new business survival rate has dropped from 48 percent to 20 percent.

Even if you are lucky enough to get a job, with these odds stacked against you, the odds are that you will have little resembling disposable income. “Bottom 99% incomes grew by 3.9% from 2014 to 2015, the best annual growth rate since 1999,” Berkeley economist Emmanuel Saez wrote in a paper on June 30, 2016.

A trio of researchers from the International Monetary Fund was much less oblique in a paper that they wrote last month on “the rise of income polarization — what some have referred to as the ‘hollowing out’ of the income distribution — in the United States, since the 1970s.”

“While in the initial decades more middle-income households moved up, rather than down, the income ladder, since the turn of the current century, most of polarization has been towards lower incomes,” Ali Alich, Kory Kantenga, and Juan Solé wrote.

*continued on page 3*

# Director's Corner

By Malcolm A. Kline, Executive Director of AIA



October 2016

## Voodoo Anyone?

How to Understand Economics Without Really Trying



by  
**Christopher T. Warden**

Forewords by M. Stanton Evans & Malcolm A. Kline

  
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Dear Reader,

We can understand that university officials and professors have not noticed that nearly half of student borrowers default due to poverty. The universities already got their money. Nevertheless, surely they must have noticed the 800,000-person drop in student enrollments since 2010. Shouldn't that give them a clue that there is some disconnect between what they are teaching and what is happening in the world?

The only economy they seem to notice is their own, which glitters and glistens. Just visit a college campus. Similarly, how can they not notice that tens of millions of working age Americans are out of the labor force? The professoriate, after all, have jobs, and sometimes even office hours. Unfortunately, they pass this outlook onto students who are bewildered to find an altogether different world upon graduation. It is, ironically, a world that professors helped to create.

They do so by concocting government programs that cost billions and kill jobs; take Obamacare, for example. The Obamacare exchanges may be falling apart but the businesses they put out of business have already been deconstructed. Please don't take this as a partisan swipe: While the Obama Administration might have piled \$100 billion in new regulations on the economy, the more conservative Bush Administration that preceded it added \$70 billion worth of new regulations to our tab.

Over that same time period, as we note in our cover story, the new business survival rate has dropped from one in every two to one in every five. That leaves more people chasing fewer jobs. We hope that you are among the fortunate few and that more of you find good fortune.

All the best,

Mal Kline,  
Executive Director

## CAMPUS REPORT

*A monthly newsletter published by  
Accuracy in Academia.*

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*Please remember AIA in your will.*

Universities, meanwhile, which traditionally have acted as a bridge between students and the working world, seem increasingly alienated from the latter. Perhaps the only economy they can see is their own.

## DO COLLEGES + UNIVERSITIES=ECONOMIC GROWTH?

Academics have been arguing for decades that colleges and universities are engines of economic growth. Now they seem to have scientific proof, or do they?

“We estimate fixed effects models at the sub-national level between 1950 and 2010 and find that increases in the number of universities are positively associated with future growth of GDP per capita (and this relationship is robust to controlling for a host of observables, as well as unobserved regional trends),” Anna Valero and John Van Reenen, of the London School of Economics, write in a working paper that they published this month at the National Bureau of Economic Research (NBER). NBER is housed at Harvard.

How robust? “Our estimates imply that doubling the number of universities per capita is associated with 4% higher future GDP per capita,” they calculate.

Moreover, perhaps to no one’s surprise, the United States has the largest number of universities. What might be somewhat surprising to many, though, are the three countries which follow the U. S. in the university sweepstakes—Brazil, Mexico and the Philippines.

When you look at the economies of this trio of nations, it is hard for the layman to discern either growth or the connection of academic life to economic activity.

By a happy coincidence, the CIA World Factbook has profiled all of these countries\*:

- On Brazil the Factbook noted that: “The awarding of the 2014 FIFA World Cup and 2016 Summer Olympic Games, the first ever to be held in South America, was seen as symbolic of the country’s rise. However, since about 2013, Brazil has been plagued by a shrinking economy, growing



unemployment, and rising inflation.”



- On Mexico the Factbook observed that: “Ongoing economic and social concerns include low real wages, high underemployment, inequitable income distribution, and few advancement opportunities for the largely indigenous population in the impoverished southern states. Since 2007, Mexico’s powerful drug-trafficking organizations have engaged in bloody feuding, resulting in tens of thousands of drug-related homicides.”
- On The Philippines the Factbook reported that: “The unemployment rate has declined



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somewhat in recent years but remains high, hovering at around 6.5%; underemployment is also high, ranging from 18% to 19% of the employed. At least 40% of the employed work in the informal sector.”

“The informal sector” of the economy is what economists usually obliquely call the black market. One usually does not need a college degree to be in it.

As academics never tire of telling us, correlation is not causation. Nevertheless, a look at what seem to be some key trend lines might suggest that we look for

economic growth outside the Ivory Tower rather than within it.

\*It should be noted that this is a U. S. government resource that has historically drawn its information from and, thus, shown something of a bias for, governments of foreign countries. Hence, in the waning days of the Soviet Union, CIA analysts would conclude that the USSR’s economy was “stumbling badly,” even as it was imploding.

*Malcolm A. Kline is the Executive Director of Accuracy in Academia. If you would like to comment on this article, e-mail [mal.kline@academia.org](mailto:mal.kline@academia.org)*

### DA ECONOMICS OF “DA U”

It was while attending my alma mater—the University of Scranton—three and a half decades ago that I began questioning the economic value of universities.

What intrigued me was “Da U” claiming that it helped fuel the local economy, even while America recovered from a recession and Scranton never did. Thirty-five years later, as America struggles through another Depression, and Scranton continues to lose large chunks of its population to more promising locales, “Da U” is still at it.

On their web site they claim that:

- “Each year, the University offers more than 100 free events to the public.” This would be an upgrade. I don’t remember one.
- “The University had a \$282,932,643 regional economic impact in 2013-14 – \$5.7 billion since 1980, including capital projects.” Remember, both income and spending have an “impact.” They don’t mention which side this impact is on.
- “Students spend an average of \$1.2 million off campus each month.” Ah yes, and I remember what they spend it on. Well do I recall one of my townie neighbors noting, “Well, it’s Friday night, here come the beer cans.”
- “University employees and alumni make up 9% of the city’s workforce and nearly 1 in 10 city residents are students, alumni or employees.” Note that they don’t break it down between private and public, nor do they show what portion of the university’s student body comes from those same sources.
- “Last year, the University voluntarily contributed \$175,000 to the city and \$58,500 to Lackawanna County – \$3.1 million & \$1.4 million respectively since 1983.” But how does that compare to all the levies lost to the university’s non-taxable property?
- “The University committed \$3.16 million to beautify Mulberry Street.” And guess what street borders the university and what part they beautified?
- “The Scranton Small Business Development Center provided 506 consulting hours to 104 clients in the city of Scranton in 2013-14, with a total of over 11,000 hours in the past 34 years.” And what advice did they give?
- “The University has invested in more than 30 major construction projects since 1980.” Guess where they are? —**MAK**

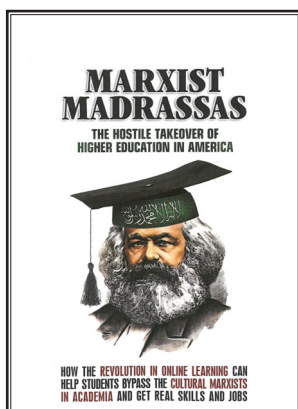


# SQUEAKY CHALK

By Deborah Lambert



## THE HOSTILE TAKEOVER OF HIGHER EDUCATION IN AMERICA



Journalist and media critic Cliff Kincaid points out in his latest book, *Marxist Madrassas: The Hostile Takeover of Higher Education in America*, that it's understandable why college students and recent grads fell for socialist Bernie Sanders' pie-in-the-sky promises of "free college" and getting the rich to pay for it. Burdened with a

mountain of debt and useless degrees, their first reaction was to blame capitalism.

However, Kincaid, the Director of Accuracy in Media's Center for Investigative Journalism, believes that a real educational revolution should focus more on a return to founding principles in order to save our nation and its capitalist system.

Meanwhile, students are waking up to the fact that what they should challenge is not capitalism, but the virtual monopoly known as the "college cartel," which exploits parents and students by funneling their money into never-ending educational bureaucracies. The future lies in developing options such as online education in order to compete with the traditional bricks and mortar.



## PROFS PRESERVE, PROTECT SAFE SPACE OPTIONS



When U. of Chicago incoming freshmen received their August, 2016 welcome letter from Dean of Students John "Jay" Ellison, the message was that since students were entering college, not preschool, they shouldn't expect safe spaces and trigger warnings.

The dean's message earned rave reviews for its tough stand against the powerful campus stronghold of "precious snowflakes and self-righteous social justice warriors." But their jubilation came to a screeching halt when 140+ profs responded in a joint letter, claiming that trigger warnings "generate class discussion," and safe spaces were "incubators of new ideas."

According to The College Fix, the latest faculty statement contradicts their previous position that "education



internships



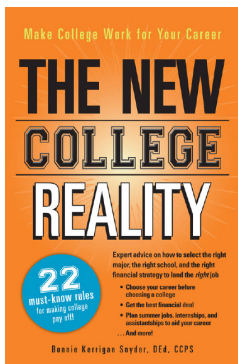
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should not be intended to make people feel comfortable - It is meant to make them think,” but apparently these academics are tone deaf to the national accolades for the dean’s remarks.



## RULES FOR RETIRING RADICALS



Good News: The radical professors that have over-populated the Ivory Tower since the 1960s are FINALLY reaching retirement age, according to Bonnie Snyder, author of *The New College Reality* and founder of *Outsmarting College*. She points out that ironically, the “aging leftist professors who still think they are ‘fighting the man,’ have actually ‘been the man’ for decades.”



## TEN THINGS MILLENIALS SHOULD KNOW ABOUT SOCIALISM

When a recent Pew Foundation poll found that 69 percent of millennials would vote for a socialist president, economics professor Tom DiLorenzo got to work. After his book, *The Problem with Socialism*, came out this past summer, the author, a scholar with the Von Mises Institute, offered an itemized list during a recent speech, called “Ten Things Millennials Should Know About Socialism.”



To explain the concept, he mentioned that you could very well be paying your own way in the world and supporting someone else under socialism. Think about it: You might end up supporting yourself and your socialist roommate after college, especially if he/she majored in gender studies or puppetry. Di Lorenzo also mentioned that “forced equality leads to totalitarianism, and all that it accomplishes is to make everyone equally miserable.”



## PSSST: HOW THE INMATES GOT TO RUN THE ASYLUM

The successful reign of any authority figure(s) depends on the absolute discipline of the hoi polloi and an ironclad moat. When something cracks, the door opens. Higher education is a prime example. When college students sensed weakness among faculty and administrators, they moved in and grabbed the reins.

Unfortunately, *The Wall Street Journal* pointed out that now the students also rule from weakness. While members of the Greatest Generation risked their lives to liberate Europe and would only say afterward that they were “in the service”, our coddled millennials think that if they fight Nigeria’s Boko Haram terrorists with Twitter hashtags, they deserve High Fives and standing Os.

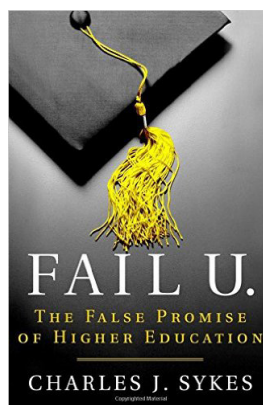


## HOW TO RETURN SANITY TO THE ASYLUM

Economist Dr. Richard Vedder recently noted that in order to return a semblance of sanity to our nation’s campuses, it might be helpful to bring in some adult supervision. The problem, he says, is ownership. While “radical students think they own the university, the faculty also think they own – or co-own it. Senior administrators think they are the owners, as sometimes so do wealthy alumni.” Since trustees and wealthy donors were educated generations before the outbreak of microaggressions and trigger warnings, they might not be sympathetic to the coddling of students.



## WHY UNIVERSITIES ARE FAILING



“For some families, sending a child to a private university is like buying a BMW every year—and driving it off a cliff,” according to Charles Sykes, a senior fellow at the Wisconsin Policy Research Institute, whose new book, *Fail U.: The False Promise of Higher Education*, cites numerous examples of such extravagance/waste inside the Ivory Tower.

- Today, only 44 percent of faculty members teach more than nine hours a week, down from 63 percent 20 years ago.
- Then there's the UNC, Chapel Hill "fake classes" scandal where the school's African-American Studies department allowed students to enroll in classes that guaranteed As and Bs, although attendance was not required, a scenario that exists at other schools as well. "One student in a level 3 Swahili course was not able to say the word 'hello' in Swahili."

Moreover, students' obsession with the trigger warning/microaggression culture and faculty acceptance of this "new normal," have convinced Sykes that "low-cost, easily-accessible MOOCs (Netflix U) have the potential to give the college establishment a run for its money, although that option is not given the same level of credence from other higher ed critics."

From the National Review's "Most PC Moments on Campus" comes this news. . . Researchers from Idaho State University, College of the Canyons and the Center for Positive Sexuality in Los Angeles have determined that we need to accept people who "identify as real vampires," and "stop discriminating against people who think they're actual real vampires by thinking that's kind of weird. . ."

A minority student just walking into, or sitting in a room full of white people is itself a microaggression on the part of the white people, according to a report by the University of Illinois, Urbana-Champaign.

In case you think microaggressions are "superficial and silly," a Harvard study says that "microaggressions can make people die sooner." But that's not all. Apparently anti-microaggressions can "trigger" people also. Case in point: a campus group at Brandeis University recently apologized to students who were hurt by the school's attempt to make the campus more inclusive. . .

Last, but not least, the University of Pittsburgh recently warned its professors to be "super, extra careful" about which pronoun they use, even after a student has told them which ones they prefer, "because some students

might change genders over time."

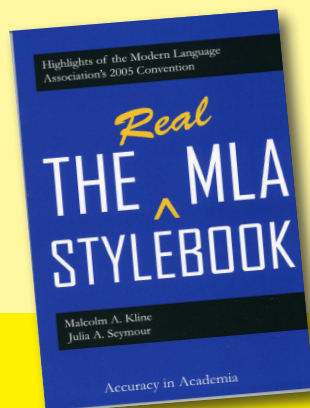
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# The REAL MLA Stylebook

To show what college and university English Departments are really teaching, Accuracy in Academia compiled *The REAL MLA Stylebook*, filled with quotes from a recent convention of the Modern Language Association (MLA) where thousands of English professors gather to push their politically correct, radical agenda. Outsiders who attend this event expecting to learn more about Chaucer, Milton and Shakespeare are in for a rude awakening when they discover that panels are more likely to focus on topics such as “Marxism and Globalization,” “What’s the Matter with Whiteness,” and “Queering Faulkner.”

This book is must-reading for anyone interested in learning more about the mindset of faculty members who are tasked with teaching the great works of the English language to our nation’s students.



You can order your copy of *The REAL MLA Stylebook* using the coupon below or order online at the AIM store: [www.ShopAIM.org](http://www.ShopAIM.org)

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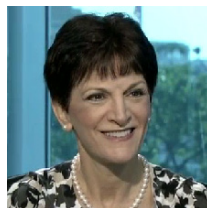
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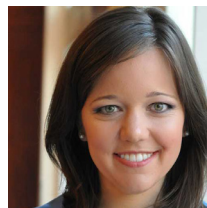
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