Section 4

Boola, Boola: E-Commerce Comes to The Quad

By JACQUES STEINBERG with EDWARD WYATT

E always thought our new competition was going to be 'Microsoft University,' "the president of an elite eastern university ruefully, remarked to a visitor over dinner recently. "We were wrong. Our competition is our own faculty."

Welcome to the ivory tower in the dot.com age, where commerce and competition have set up shop.

Several years ago, educators and entrepreneurs began to see that millions of students and potential students might be reached, and tens of millions of dollars earned, using the Internet to provide a higher education. More than one-third of all colleges and universities in the United States already offer distance learning, as it is called; by 2002, four of every five are expected to do so.

Everyone, it seems, now recognizes that the 14 million or so students engaged in some form of higher education make up only a small part of a much larger market.

What if part-time students working toward a degree after work, Chinese executives interested in western management techniques, European farmers studying advanced agronomy and American retirees with the time to retake a favorite but forgotten Shakespeare course — paying customers all — were just a modem away from class?

It was and is an alluring prospect, but one thing the universities didn't envision was how their professors

Professors imagine a million students paying \$10 each to hear their lectures.

would react to it. Distance learning sells the knowledge inside a professor's head directly to a global on-line audience. That means that, just by doing what he does every day, a teacher potentially could grow rich instructing a class consisting of a million students signed up by the Internet-based educational firm that marketed the course and handles the payments.

"Faculty are dreaming of returns that are probably multiples of their lifetime net worth," said Kim Clark, dean of the Harvard Business School. "They are doing things like saying, 'This technology allows someone who is used to teaching 100 students to teach a million students.' And they are running numbers and imagining, 'Gee, what if everyone paid \$10 to listen to my lecture?'

Academics and their academies are already squaring off over who owns the electronic rights to a professor's lectures and research.

The most notable collision so far, as chronicled in The Wall Street Journal in November, involved Arthur Miller, a celebrated Harvard Law School professor and a pioneer legal analyst on television. Mr. Miller says Harvard never objected to his work on "Good Morning America" or elsewhere, but he was rebuked by his deans for videotaping a 10-hour lecture series last summer for Concord, an on-line law school founded by Kaplan, the well-known student preparatory company.

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