

Do you agree that those who don't attend college "miss out on" some of life's important experiences?

2. In your opinion, is the fact that you have a close to 30 percent chance of meeting your marriage partner on campus a good reason to attend college? Why do you think the article emphasizes this statistic?
3. Of all the reasons offered to show that college can enhance one's social life, which one do you find most compelling? Why?

Robert Reich

## Why College Is Necessary but Gets You Nowhere

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### BEFORE YOU READ

Based on the title of this selection, do you think Robert Reich believes it's important to go to college? In his essay, Reich asserts that it is important "to know the economics" involved in getting a college education. Do you agree?

### WORDS TO LEARN

*qualification* (para. 2): modification;  
restriction (noun)

*overqualified* (para. 9): having more  
education or training than needed  
(adjective)

*outsource* (para. 15): to contract out  
(verb)

*prerequisite* (para. 22): something  
required beforehand (noun)

*enable* (para. 23): to make able (verb)

This is the time of year when high school seniors apply to college, and when I get lots of mail about whether college is worth the cost.

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The answer is unequivocally yes, but with one big qualification. I'll come to the qualification in a moment but first the financial case for why it's worth going to college.

Put simply, people with college degrees continue to earn far more than people without them. And that college "premium" keeps rising.

Last year, Americans with four-year college degrees earned on average 98 percent more per hour than people without college degrees.

In the early 1980s, graduates earned 64 percent more.

So even though college costs are rising, the financial return to a college degree compared to not having one is rising even faster.

But here's the qualification, and it's a big one.

A college degree no longer guarantees a *good* job. The main reason it pays better than the job of someone without a degree is the latter's wages are dropping.

In fact, it's likely that new college graduates will spend some years in jobs for which they're overqualified.

According to the Federal Reserve Bank of New York, 46 percent of recent college graduates are now working in jobs that don't require college degrees. (The same is true for more than a third of college graduates overall.)

Their employers still choose college grads over non-college grads on the assumption that more education is better than less.

As a result, non-grads are being pushed into ever more menial work, if they can get work at all. Which is a major reason why their pay is dropping.

What's going on? For years we've been told globalization and technological advances increase the demand for well-educated workers. (Confession: I was one of the ones making this argument.)

This was correct until around 2000. But since then two things have reversed the trend.

First, millions of people in developing nations are now far better educated, and the Internet has given them an easy way to sell their skills in advanced economies like the United States. Hence, more and more complex work is being outsourced to them.

Second, advanced software is taking over many tasks that had been done by well-educated professionals — including data analysis, accounting, legal and engineering work, even some medical diagnoses.

As a result, the demand for well-educated workers in the United States seems to have peaked around 2000 and fallen since. But the supply of well-educated workers has continued to grow.

What happens when demand drops and supply increases? You guessed it. This is why the incomes of young people who graduated college after 2000 have barely risen.

Those just within the top 10 percent of college graduate earnings have seen their incomes increase by only 4.4 percent since 2000. 19

When it comes to beginning their careers, it's even worse. The starting wages of college graduates have actually dropped since 2000. The starting wage of women grads has dropped 8.1 percent, and for men, 6.7 percent. 20

**The starting wages of college graduates have actually dropped since 2000.**

I hear it all the time from my former students. The *New York Times* calls them "Generation Limbo" — well-educated young adults "whose careers are stuck in neutral, coping with dead-end jobs and listless prospects." A record number are living at home. 21

The deeper problem is this. While a college education is now a prerequisite for joining the middle class, the middle class is in lousy shape. Its share of the total economic pie continues to shrink, while the share going to the very top continues to grow. 22

Given all this, a college degree is worth the cost because it at least enables a young person to tread water. Without the degree, young people can easily drown. 23

Some young college graduates will make it into the top 1 percent. But that route is narrower than ever. The on-ramp often requires the right connections (especially parents well inside the top 1 percent). 24

And the off-ramps basically go in only three directions: Wall Street, corporate consulting, and Silicon Valley. 25

Don't get me wrong. I don't believe the main reason to go to college — or to choose one career over another — should be to make lots of money. 26

Hopefully, a college education gives young people tools for leading full and purposeful lives, and having meaningful careers. 27

Even if they don't change the world for the better, I want my students to be responsible and engaged citizens. 28

But when considering a college education in a perilous economy like this, it's also important to know the economics. 29

#### VOCABULARY/USING A DICTIONARY

1. What's the difference between something answered *equivocally* and *unequivocally* (para. 2)?
2. What is the opposite of *latter* (para. 8)?
3. What is an *assumption* (para. 11)? What other word embedded within it might lead you to your definition?