

From the issue dated May 22, 2009

# A Year of College for All: What the President's Plan Would Mean for the Country

By KELLY FIELD

President Obama hasn't met Serena Baker, but she may be just who he had in mind when he challenged every American to commit to a "year or more" of higher education or training.

A 28-year-old mother of four, she had spent eight years as a part-time cashier at a grocery store in Baltimore when she decided, just over a year ago, "to begin a career." After scanning the local job listings, she chose medical assisting, one of the nation's fastest-growing fields, and enrolled in a 13-month certificate program at the Community College of Baltimore County.

This week she will trade in her cashier's apron for hospital scrubs and a job at Baltimore's Mercy Hospital. Her salary won't go up much initially, but she hopes to make \$10,000 to \$15,000 a year more once she is certified. She sits for the test in July.

The president wants more Americans to follow Ms. Baker's example. In a speech before Congress in February, he called the nation's steep high-school dropout rates and low college-completion rates a "prescription for economic decline," and he urged all Americans to commit to a year of college, technical training, or apprenticeship.

If the country complies, the economic returns could be extraordinary. Nationwide some 101.5 million adults over the age of 18 — a full 45 percent of Americans — have never attended college, according to the Census Bureau. If each of them took a year's worth of college courses, their earnings would grow by \$70-billion, according to estimates by the Center on Education and the Workforce, at Georgetown University.

The nation's employment picture would probably improve, too. Although the economic downturn has affected Americans at all education levels, it has hit the least educated hardest. In April people without a high-school diploma were twice as likely to be unemployed as those with "some college" or an associate degree, according to the U.S. Bureau of Labor Statistics.

But getting to the president's goal will not be easy, and skeptics say it is not even necessary. While a college degree may lead to higher earnings, it still is not a requirement for most jobs.

Indeed, nearly 35 percent of jobs in 2006 required less than a month of on-the-job experience and informal training, and another 18 percent required less than a year, according to the Department of Labor.

Critics of the president's plan say it would be a waste of time and money for all Americans to get a full year of postsecondary education.

"This is essentially a 'consume-more-education' policy," argued Neal McCluskey, associate director of the Center for Educational Freedom, at the libertarian Cato Institute, at a recent forum. "We're encouraging people to consume education that they're either not prepared for or aren't really interested in by subsidizing

it and having our leaders tell us it's the ticket to the middle class and the American dream."

## **A More 'Modern' Approach**

Mr. Obama is not the first president to aspire to universal higher education. In a 1996 commencement address at Princeton University, President Bill Clinton urged all Americans to get two years of college and proposed a tax credit to help them pay for it.

But while President Clinton set the standard at two years of college, the pragmatic Mr. Obama set it at one. And while Mr. Clinton imagined "college" for all, Mr. Obama envisions "community college or a four-year school, vocational training, or an apprenticeship."

Anthony P. Carnevale, director of Georgetown's Center on Education and the Workforce, says the president's proposal is "more modern" and more inclusive than his predecessor's.

"He's talking about the system in a much more comprehensive way," he says.

The president has not said why he picked one year over two, and White House officials would not comment on the record. But a White House press officer said the idea originated with the White House chief of staff, Rahm Emanuel, a former Democratic congressman from Illinois. Last year Mr. Emanuel wrote an editorial in *The Wall Street Journal* in which he argued that Americans should be required to have a year of training and education after high school.

"In an era in which you earn what you learn, Americans should no longer be allowed to drop out of school at age 16," he wrote.

While Mr. Obama's target is less ambitious than Mr. Clinton's, it may be more realistic. Many working adults don't have the time or money to attend college for two years. They want to earn the credential that will get them a job as quickly as possible, and at the lowest cost possible.

"They need a job and they need it quickly," says Jeannie Tighe, who got a surgical-technology certificate four years ago at age 44 and now teaches in the Community College of Baltimore County's surgical-technology program. "They don't have two years."

With the nation's unemployment rate at its highest point in 25 years, the president seems more concerned with quickly getting Americans bankable skills than in achieving an ideal. In a recent interview with *The New York Times Magazine*, he stressed that it is not just the credential that matters, but its marketability.

"If you're only going to go to school for two years ... then making sure that you're enrolled in a program where at the end of the journey you can see a job or a career or a field that is growing instead of contracting certainly can make some sense," he said.

That includes health-care jobs, which are expected to grow at twice the national average, according to the Labor Department. Demand for medical assistants like Ms. Baker, who help doctors with exams and perform administrative tasks, among other duties, is projected to grow by 35 percent between 2006 and 2016, making it the eighth fastest-growing occupation in the country.

Mr. Carnevale, who has served as a consultant to the Obama administration, says the president is "thinking as an economist" when it comes to college experience: "He's essentially looking at the earnings returns."

## **College's Labor-Market Value**

There is considerable evidence that college pays. In 2007 workers with some college courses or associate degrees earned 12 percent more than high-school graduates, while workers with bachelor's degrees earned 63 percent more than those with some college or an associate degree, according to the Census Bureau.

The least educated are also the most vulnerable during economic downturns. In April the unemployment rate for Americans who didn't finish high school was 14.6 percent; among students with some college or an

associate degree, it was 7.4 percent.

While there is relatively little national data on the labor-market value of "a year of higher education," or a yearlong certificate, several studies suggest that each year of college credit provides a roughly 5-percent increase in earnings. A certificate provides an additional 1-percent bump, according to an analysis of Census Bureau data by the Center on Education and the Workforce.

Some research suggests that a year of college plus a certificate may be the tipping point in terms of earnings. In 2005 researchers in Washington State found that students who took a year's worth of courses and got a credential earned considerably more than students who enrolled in shorter-term training or adult basic-skills education. While short-term and basic-skills training gave students the tools they needed to enter the work force, it generally did not help them advance beyond low-paying jobs.

Julian L. Alssid, executive director of the Workforce Strategy Center, a New York nonprofit group, says Mr. Obama's proposal "recognizes that college is the entry point to the middle class."

According to Labor Department projections to 2016, 15 of the 30 fastest growing occupations will require a bachelor's degree or higher, while seven will require a certificate or other vocational award or associate degree. Those occupations, which include home health aides, computer-software engineers, personal financial advisers, and makeup artists, are expected to add 2.3 million jobs over the 2006-16 period.

Still, about a third of all new jobs — more than 4.6 million — will require a month or less of on-the-job training, and 34 percent of all jobs in 2016 will require that amount.

Critics of the president's plan say those statistics show that it would be a waste of time, and of money, to push all Americans into yearlong programs.

"To suggest that every kid have a year of postsecondary education isn't realistic and it isn't necessary for all kids to get a job," says Dennis Redovich, executive director of the Center for the Study of Jobs and Education in Wisconsin and the United States. "The fact of the matter is that a majority of jobs require short-term, on-the-job training."

President Obama is already taking steps to achieve his goal. This month he announced that his administration would work with colleges and states to help unemployed workers receive Pell Grants and keep their jobless benefits when they enroll in college.

In many states, workers lose their unemployment benefits when they enroll in college. At the same time, their prior year's earnings may disqualify them for a Pell Grant. These factors can discourage unemployed workers from attending college.

Under the president's plan, the Labor Department will ask states to make exceptions during economic downturns, while the Education Department will encourage colleges to factor in the financial situation of unemployed applicants when awarding aid. Whether the plan succeeds will, of course, depend on the cooperation of colleges and states, and available resources.

Meanwhile, the president and Congress have poured billions into job-training programs and student aid, while providing states with billions more to ease budget cuts to colleges and schools. An economic-stimulus bill signed into law in February contained \$4-billion for job training, \$17-billion for Pell Grants, and \$200-million for Federal Work-Study, and increased a tax credit for tuition from \$1,800 to \$2,500.

But it will take more than just money to reach his goal of higher education for all, experts say. High schools will have to do a better job of preparing people for college, so they don't spend their "year of college" in remedial education, and colleges will have to do more to reach out to students who typically don't enroll.

"Higher education needs to do a better job of lifting aspirations and communicating that college is possible," says Brian K. Fitzgerald, executive director of the Business-Higher Education Forum.

At the same time, community colleges must continue to work with business leaders to ensure that they are

preparing students for high-growth careers, says Arthur J. Rothkopf, senior vice president of the U.S. Chamber of Commerce.

Public perceptions about college will also need to change. While a majority of adult students enroll in community colleges, many Americans still think of college as a four-year bachelor's degree.

"We have to demystify attending college," says Bob Jones, president of Education Workforce Policy LLP, a public-policy consulting company.

Brian Foley, provost of the Medical Education Campus of Northern Virginia Community College, says the country must "elevate the status of technical jobs."

"These jobs keep our economy running," he says.

For Ms. Baker, a year of education has increased her status in the work force, and in her family. Her children, she says, "like to think I'm a doctor."

She thinks the president's goal for the country is realistic, at least for those who aspire to it.

"I never wanted to attend college for four years," she says. "But who can't give up a year of their life to get educated?"

*Megan Eckstein contributed to this report.*