

# Should More People Skip College?

*By Daniel Indiviglio*

How important is college? As most high schoolers graduate this spring, they won't even bother asking this question: getting a degree after college is a no-brainer. So any young adult who gets in generally goes. But a college education isn't all that necessary for many jobs. That leaves some shelling out -- or more often getting loans for -- tens or hundreds of thousands of dollars on an education that might not ultimately help them do their job better. After all, they can't simply not go to college, right?

## **The Problem**

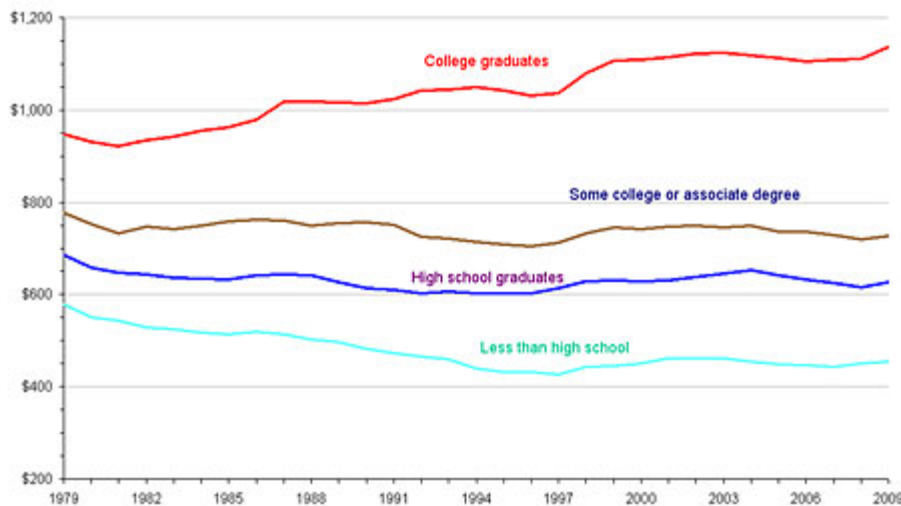
The question of the necessity of college was brought up this weekend in a thought-provoking [article](#) in the New York Times. Here's one of the most important points in the piece:

College degrees are simply not necessary for many jobs. Of the 30 jobs projected to grow at the fastest rate over the next decade in the United States, only seven typically require a bachelor's degree, according to the Bureau of Labor Statistics.

Among the top 10 growing job categories, two require college degrees: accounting (a bachelor's) and postsecondary teachers (a doctorate). But this growth is expected to be dwarfed by the need for registered nurses, home health aides, customer service representatives and store clerks. None of those jobs require a bachelor's degree.

Of course, whether or not a job actually requires a degree isn't really asking the right question. Employer demand matters. In a [blog post](#) today, David Leonhardt focuses on relative pay, which sheds some light on what a college degree can get you. He concludes that, since those with college degrees have better compensation prospects, college must be worth it. Here's a chart he uses to prove his point:

Real median weekly earnings for college graduates have trended up over time



From this, college definitely looks like the right choice. But what does this chart actually show? Not that a college degree was necessary -- just that employers prefer them. The value of a degree has become something of a self-fulfilling prophecy: it's become worth so much because people assume it should be.

Let's do a quick thought experiment. In the example above, it's not unrealistic to assume at least 10% of the jobs of "college graduates" didn't actually need the degree for the skills their job requires. Imagine if those 10% of individuals hadn't gone to college. There would still have been demand for the jobs that they took, so who would have got them? Easy -- people without college degrees, possibly even the same ones. Just because college graduates earn more doesn't mean that their degree provides them any additional knowledge necessary to succeed in their jobs; it just means that employers found them more attractive because of the degree.

These days, four-year colleges have all sorts of majors that didn't used to be necessary for jobs. For example, at some colleges, you can major in "criminal justice" and get a job as a police officer after graduating, even though being a cop didn't traditionally require a degree. Other college students major in subjects with little practical use in the job market -- like anthropology or Russian literature. Those graduates often end up in careers that have little or nothing to do with their education, but their college degree still gives them an edge over someone with just a high school diploma. Employers would rather you have studied something irrelevant to the job in college than nothing at all.

### **Why It's A Problem**

Is over-education really a problem? What's so bad about a population with more knowledge than it needs? The problem is the expense and opportunity costs. By plowing more money into an education, many students incur incredible amounts of debt before they ever get their first paycheck, or maybe their parents spend savings that would have helped their retirement. That adds to the nation's debt problems. These young adults would have saved more, and maybe even invested a little in the economy. Instead, any extra money young adults earn often goes towards paying off loans.

Then, there's the opportunity cost of the time spent studying instead of working. At this time, the labor market clearly doesn't need more workers. But in a good economy, these individuals might have been able to add to the gross domestic product sooner and spun their career track forward a few years.

Saying college is valuable for many young adults is an indisputable claim. But saying it's valuable for all -- or even most -- young adults isn't as clear.

This article available online at:

<http://www.theatlantic.com/business/archive/2010/05/should-more-people-skip-college/56821/>

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