

A college degree is critical to economic opportunity

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As millions of students prepare to return to college, a new study by the Georgetown University Center on Education and the Workforce confirms that the value of college degrees is increasing. Experts from Georgetown and Lumina Foundation say that postsecondary education has become the new gateway to the middle class and one of the most important economic issues of our time.

According to the study, individuals with a bachelor's degree now make 84 percent more over a lifetime than those with only a [high school](#) diploma, up from 75 percent in 1999. Today, bachelor's degree holders can expect median lifetime earnings approaching \$2.3 million. By comparison, workers with just a high school diploma average roughly \$1.3 million, which translates into a little more than \$15 per hour.

“On average, people with more [education](#) and higher attainment make more than people with less education,” said Anthony P. Carnevale, the Center's director and co-author of the report. “But, major and occupation matter just as much as degree level. For example, 28 percent of people with an Associate's degree make at least as much as the average Bachelor's degree holder—mostly due to occupational choice.”

The release of the report comes as some experts are asking if the rising cost of college has created a higher education bubble. But, in addition to creating opportunities for significantly greater individual earning power, increased college attainment is also quickly becoming one of the key drivers for our nation's economy.

“The vast majority of new jobs require higher skills and if you don’t have a college degree, your chances of being in the middle class are visibly diminished,” said Jamie P. Merisotis, president and chief executive officer of Lumina. “There is a high probability that you’ll be poor without some form of postsecondary education and that makes education one of the most critical factors in our nation’s long-term economic growth plans. A dramatic increase in educational attainment must become a top national priority if we intend to build our labor pool and beat out other countries for the jobs of the future.”

In a separate study, the Center at Georgetown estimated that by 2018, 63 percent of U.S. jobs will require some form of postsecondary education or training. Unfortunately, we are woefully unprepared for this reality as a nation. Today, approximately 41 percent of adults have a college degree in America.

“Many other countries are faring much better,” said Merisotis. “South Korea, for example, currently has a postsecondary degree attainment rate of 58 percent, a full 18 percentage points higher than the United States. We now stand at 10th in the world which is a far cry from our globe-leading levels just a decade ago.”

That’s why Lumina is calling on leaders in business, education, government and civic engagement to embrace a new national initiative called Goal 2025 which aims to increase the percentage of Americans with high-quality degrees and credentials to 60 percent by the year 2025. The effort is focused on expanding access and success in education beyond high school, particularly among adults, first-generation college going students, low-income students and students of color.

“The idea of getting a high school diploma and working your way up from the mail room to the corner office is a relic of an earlier time,” said Carnevale. “A [college degree](#) provides greater career mobility

opportunities, greater lifetime earning power and a more promising future. That's the college payoff.”

Provided by Georgetown University Center on Education and the Workforce

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