

Why the 'cool factor' won't lure college grads to your city

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A new nationwide study reveals that the kind of cities that attract college graduates has changed since the 1990s.

In the 1990s, grads were moving to cities with fast-growing "smart" industries in fields like high tech, the study found. But since 2000, with a less vibrant national economy, college graduates are flocking toward the biggest cities with the biggest labor markets and the best chances of landing a job.

In fact, the effect of city population size in attracting college grads was nearly four times as large in the 2000s as it was in the 1990s, said Michael Betz, co-author of the study and assistant professor of human sciences at The Ohio State University.

"In the 90s, when the economy was booming, college grads just moved to places that were fast-growing, figuring they could find a job," Betz said.

"But post-2000, with the national economy not doing so well, graduates have become more risk-averse. They're moving to the larger cities with more potential jobs."

These trends apply mostly to people graduating with a bachelor's degree, Betz said. Those earning graduate or professional degrees aren't as drawn as other grads to larger cities.

Betz conducted the study with Mark Partridge, a professor of agricultural, environmental and development economics at Ohio State, and Belal Fallah of Palestine Polytechnic University.

Their results are published online in the journal *Papers in Regional Science* and will appear in a future print edition.

The findings have important implications for the many cities that try to attract more college graduates to live in their areas, Betz said.

"Local policymakers often believe they can lure more college grads by becoming a hub of high-tech industry or creating a cool arts district," Betz said.

"That's not what grads are looking for, at least since the downturn in the economy. They're interested in moving somewhere that has a lot of job opportunities, and that generally means a larger city."

For their analysis, the researchers combined data from several publicly available datasets, along with industry-level employment data for 358 Metropolitan Statistical Areas, as defined by the U.S. Census Bureau.

They compared migration patterns of college-educated workers from 1990 to 2000 with patterns from 2000 to 2010.

Several studies examining the migration of college grads in the 1990s found that cities with initially larger shares of college grads were most successful in attracting more grads.

"It seemed like a case of the rich getting richer," Betz said. But this new study found that it was actually certain "smart" industries - ones that hired greater-than-average shares of college grads - that were attracting more grads to certain cities.

"So new college grads weren't necessarily attracted to these cities just because they had more college-educated residents like themselves - they were following these fast-growing industries."

All of that changed in the 2000s, though, after two recessions left a weak [national economy](#). At that point, college graduates weren't flocking to cities based on the types of industry or jobs available. They just wanted big cities with lots of potential jobs, Betz said.

Betz said it is not surprising that many cities seek to market their areas as great places to live for new [college graduates](#).

"College-educated graduates are associated with many positive economic outcomes for cities, so leaders try to find ways to attract them," he said.

But these results suggest city leaders shouldn't believe that bringing trendy high-tech industries to town or building arts and culture communities will necessarily help their cause.

"These kinds of things may not hurt, but they're not what college grads are mainly looking for in a place to live," he said.

Cities can't do much to control their size - which was the main factor attracting grads in this study. But Betz said city leaders can work to create a stable and, if possible, growing labor market that shows grads they could find a good job if they move to their city.

More information: *Papers in Regional Science*,
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