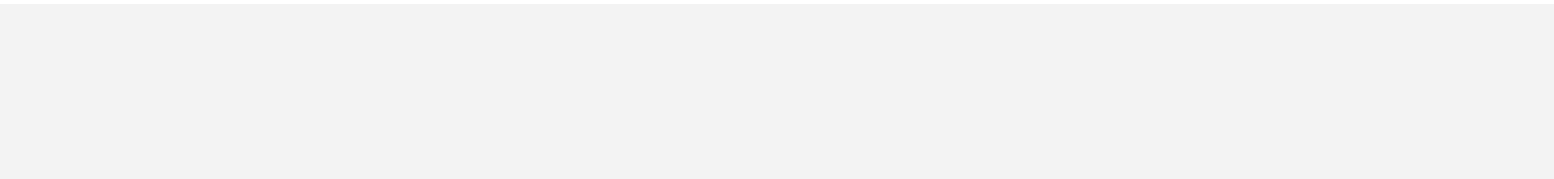




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Finding a Job

# College Graduates, Unemployable No More

Posted by: Daniel Burrus on April 20, 2012



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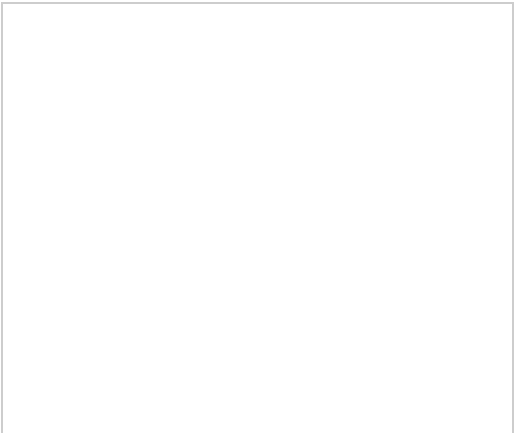
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Student Debt, the New Home Equity Loan



Student Debt Is Stifling Home Sales



student loan debt is approximately \$25,000, which is up 25 percent in the last ten years. Finally, 80 percent of student loans are government-guaranteed, with 30 percent of these government-backed loans past due 30 days or more. That means the taxpayers are on the hook should the loans default.

A key driver of this situation is, of course, the recession. Technology-driven changes put many people out of work. They needed to get retrained, so they went back to school and paid for the education with student loans. But now that they have shiny new degrees, they're still not working (and neither are the young college graduates). Instead they're left with big loans and limited job prospects.

How do we change this?

First, we have to retrain the high school and college counselors who give students advice about which majors and careers to pursue. Remember, one of the problems is that students aren't getting jobs when they graduate. Yet there is a great need in the U.S. right now in the areas of science, math and engineering, as well as in areas that don't require a bachelor's degree, such as electricians and mechanics.

Too many counselors aren't helping students see the path to employment based on the degrees they're picking. Instead they tell students to "follow your interests and passion" and pick a major based on that. No wonder we have so many unemployed people with bachelor's degrees in philosophy, history, anthropology, and a host of other fields that require a master's degree or Ph.D. for employment.

How about giving students a three-column list that shows the jobs you can get with a two-year technical degree, such as machinist and electrician; jobs you can get with a bachelor's degree only, like teacher, accountant, or engineer; and the jobs that require a masters degree or higher, such as psychologist or

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Will You Marry Me (After I Pay Off My Student Loans)?



AT&T's \$250 Million Plan to Reduce High School Dropouts



sociologist? If more students knew that their chosen major requires an advanced degree to find employment, chances are high that they'd choose a different major.

Second, the economic growth of the U.S. and our ability to compete in the 21<sup>st</sup> century requires science, math, and engineering majors—and lots of them. We simply can't maintain our competitiveness without people who have degrees in those areas. So why not provide incentives to get students interested in those fields?

For example, a student who gets a two-year tech degree to become a machinist, or a four-year degree in engineering or math, and then works in that field could get a tax break on their student loans every year they are employed. Yes, they pay less tax, but the money they would have paid in taxes is still collected because it's going toward paying off their student loan and they are helping to keep employment high.

Some states use their lottery proceeds to offer high school students with a grade point average of 3.0 or higher at graduation free tuition if they go to an in-state college. We can expand this program to help science, math, and engineering majors who have already graduated reduce or eliminate their student loans if they work in the state.

These are just a few ideas. The point is, you get the behavior you reward. So by giving students an incentive for picking careers that would give them immediate employment, we're taking major steps to fixing the potential of having a real student loan debt crisis.

Ultimately, the U.S. has an under-employment problem, meaning we have people who are trained for jobs that are going away or are trained to do things that there aren't jobs for because they need advanced education. So this isn't just about fixing today's problem today. It's about fixing tomorrow's problem today. If we're going to be competitive with China, India, and other places around the world, we need to give better guidance and counseling to our students, and we need to reward the behaviors and choices we want so we get more science, math, and engineering majors.

Not only does this approach help the students and ease the potential of a student loan debt crisis, but it also helps the U.S. and every single taxpayer. This approach

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Daniel Burrus is the CEO of Burrus Research, a consulting firm that helps clients tap opportunities created by emerging trends in technology, and the author of *Flash Foresight: How to See the Invisible* and *Do the Impossible* and *Technotrends*.



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