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A statistical look at the class of 2008

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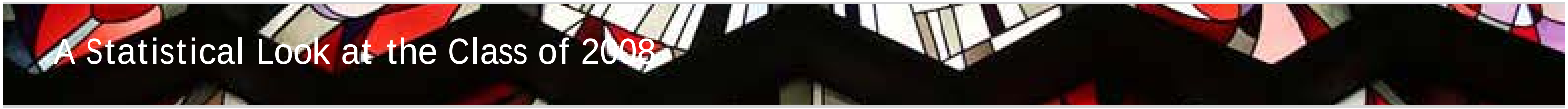

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A Statistical Look at the Class of 2008

In the spring of 2002 the Department of Education surveyed about 15,000 high school sophomores with the intention of following them into adulthood. High school sophomores in the spring of 2002 would typically graduate from a four year college, if they pursued that path, in 2008, at the beginning of the housing market collapse and the deepest recession since the Great Depression.

Their personal situations are of some interest because they entered a very difficult job market that has yet to fully recover, and of course many of those sophomores who did not follow the traditional four year college route were facing an equally challenging job market without the investment in human capital their college graduate peers had. The recently released data on these now 27 year-olds is summarized in a series of charts in a recent *Atlantic* article entitled "Highly Educated, Highly Indebted: The Lives of Today's 27-Year-Olds, In Charts."

There are some interesting tidbits for those of us interested in higher education.

1. Most of these young people have some college education—84%, though only a third have completed a bachelor's degree. So the message about the importance of post-secondary education has been learned but many students fail to complete their degrees (at least by about age 27). (This is something colleges can help with, especially for first-generation college students.)
2. Borrowing. I would suggest that the headline touting this group as "Highly Indebted" is inaccurate. Nearly 40% of those who attended college had no loans and only 25% had loans greater than $25,000. So 75% of 27 year-olds have educational debt that is no greater than a modest car loan, and they have decades left in their lives to continue to reap the rewards of their college education. (While many of these individuals do not have a bachelor's degree, there is plenty of evidence that even some college is a good investment over a lifetime.)
3. The bachelor's degree is a good start toward financial security—though certainly not a guarantee. Compared to their peers, bachelor's degree holders at 27 were more likely to be working full-time, be making more than $40,000 a year, be progressing

toward achieving their career goals, and less likely to be living with their parents or to have children.

None of this is terribly surprising, but it suggests that even in the midst of a recession followed by a slow recovery, educational investment is a smart move, and I would hypothesize that in our changing and increasingly globalized economy, this investment will look even better as today's 27 year-olds move further into their careers and through their lives.

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Michael Hemesath is the 13th president of Saint John's University. A 1981 SJU graduate, Hemesath is the first layperson appointed to a full presidential term at SJU. You can find him on Twitter [at] PrezHemesath.