

**The Economy and Higher Education
Forum for the Future of Higher Education**

The Brookings Institution

Washington, DC

February 21, 2014

The Labor Market and Higher Education

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Key Observations

The government is systematically disinvesting in the young and systematically

investing more in consumption by older generations. This will be change.

After the 1980, 1981 recession, the economy began to restructure radically and very rapidly. The wage premium of college graduates over high school graduates began to rise rapidly and steeply.

The economy now requires higher education or post-secondary education to ensure entry into the middle class.

More and more higher education is about employability, about whether the post-secondary education you get will allow you to have wages that justify the costs.

This development demands a fundamental reorganization of higher education to improve overall efficiency and deliver consistent quality.

We're headed for a system that will look more and more like a network structure in which measured outcomes will be much more important.

More and more higher education institutions are going to be asked to unbundle

the services they provide, and to assign value to the unbundled services.

Career development is necessary, and it is relatively easy to measure.

A lot of these reforms will benefit people who are advantaged and prepared to take advantage of new systems and structures.

The better higher education gets, the more it's going to be stratified.

Eighty percent of the white kids are going to the top 468 colleges and more than seventy percent of the black kids and the Hispanic kids are going to two year colleges and open admission four year schools.

High schools need alternative curriculums, such as career and technical education curriculums.

Kids are more likely to graduate from high school and go to college if we give them alternatives.