

College-educated workers are taking jobs that don't require degrees

By **ALANA SEMUELS**

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In a packed pub in midtown Manhattan, Ryan Flagherty is surrounded on three sides by people clamoring for his attention.

He spins one way and pours a shot of vodka into a glass, then turns around and wedges a lime into a bottle of Corona, pushing it across the counter. Ignoring the annoyed gaze of a bulky man on his right, he turns again to a touch-screen register to ring up the sales.

It's just a minute out of the grueling, physically demanding eight-hour shift that will last long into the night. But Flagherty, 28, isn't complaining.

With the generous tips of New Yorkers and his pick of shifts, he pulls in around \$80,000 a year as a bartender. It's more than he was offered for various office jobs he considered when he arrived in the city, even though he's highly educated.

"I have a master's in economics and I'm bartending in New York," he said with a shrug. "It's a good way to make money."

A college degree once all but guaranteed a well-paying job and higher earnings than high school graduates. But fewer of these good jobs are now available because of both long-term economic changes and the lingering effects of the Great Recession.

People such as Flagherty with college and advanced degrees are working jobs that don't require them, whether by choice or necessity. That in turn pushes people without college degrees out of those jobs.

In 1970, only 2% of firefighters had college degrees; now 18% do, according to Richard Vedder, an economist at Ohio University. Fewer than 1% of taxi drivers had a college degree in 1970; now 15% do. About 25% of retail sales clerks have college degrees, Vedder said.

"The main reason is a pretty simple one," he said. "The number of college graduates has grown vastly faster than the number of jobs that require high-level education skills."

In the 1980s and 1990s, the demand for college graduates started booming, especially in the lead-

up to the tech boom, said Paul Beaudry, an economist at the University of British Columbia who has studied this trend. Wages grew and a college education paid off.

But when the tech bubble burst, the economy was left with an oversupply of college graduates. Some went into industries related to housing or finance, and then the recession wiped out those jobs. No industry has emerged to employ all the people who got college degrees in that time, he said.

As more college graduates have flooded the market, employers are able to offer lower wages. The earnings of college grads have fallen about 13% in the last decade, according to Drexel University economist Paul Harrington.

Saim Montakim has a bachelor's degree in accounting but drives a New York City taxicab. It's strenuous work, but he can make \$200 on a good day. On a bad day, he barely can pay the rent for the taxi and the cost of gas.

He's getting a master's degree in human resource management and hoping that his dual degrees will help him find a better job. The accounting jobs he was offered upon graduation were all entry-level, paying \$10 an hour. He prefers driving a taxi to being stuck in an office from 9 to 5 at that wage, he says.

Montakim, who is from Bangladesh, came to the U.S. to get an education. He figured that with a college degree, he'd be able to find a good job and build a life for himself in America. Now he acknowledges that his idea that a job comes with a college education might have been unrealistic.

"I've always had a dream of being in America, for an American education in the United States," said Montakim, 38. "But now I think my expectations were too high. I was far, far beyond reality."

Aside from his daily expenses, Montakim has student loans to repay.

Because college is so expensive, many students are facing a dilemma: If they go to college, they still might not get a job that requires a college degree, and they'll be on the hook for big student loan payments. But if they don't go to college, they might be pushed out of entry-level jobs by overqualified college graduates who can't find other work.

"It puts college grads in a condition that's unique out of the last 30 to 40 years," Harrington said. "The yield from investing in college, students' ability to pay off debt, has diminished."

That's why Mariah Arcuri paid off all her debts before starting her job in a lab, which required a college degree.

She worked as a bartender in New York, earning about \$90,000 a year. She paid for her college

education, her graduate school and her wedding with savings from tending bar.

But because she wanted to spend time with her husband, Arcuri eventually stopped bartending and got back her nights and weekends. She now works in a lab and makes only about two-thirds of what she did as a bartender, despite her master's degree in biochemistry.

"I went to grad school to make more money, and then I realized that you don't make more money," Arcuri said. "Now I feel like I'm poor."

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alana.semuels@latimes.com

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