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# Data Reveal a Rise in College Degrees Among Americans

By [CATHERINE RAMPELL](#)

WASHINGTON — The number of Americans graduating from college has surged in recent years, sending the share with a college degree to a new high, federal data shows.

The surge follows more than two decades of slow growth in college completion, which caused the United States to fall behind other countries and led politicians from both parties, including President Obama, to raise alarms.

Last year, 33.5 percent of Americans ages 25 to 29 had at least a bachelor's degree, compared with 24.7 percent in 1995, according to the National Center for Education Statistics. In 1975, the share was 21.9 percent. The number of two-year college degrees, master's degrees and doctorates has also risen recently.

The increases appear to be driven both by a sharp rise in college enrollment and by an improvement among colleges in graduating students. The trends could bring good news in future years, economists say, as more Americans become qualified for higher-paying jobs as the economy recovers.

College attendance has increased in the past decade partly because of the new types of jobs that have been created in the digital age, which have increased the wage gap between degree holders and everyone else. The recent recession, which pushed more workers of all ages to take shelter on college campuses while the job market was poor, has also played a role.

“Basically, I was just barely getting by, and I didn't like my job, and I wanted to do something that wasn't living dollar to dollar,” said Sarah O'Doherty, 24, a former nail salon receptionist who will graduate next month from the County College of Morris in New Jersey with a degree in respiratory therapy. “After I had my son, I wanted to do something I felt passionate about, to have a career.”

The attainment of bachelor's degrees has risen much faster for young women in the past decade than for young men. It has also risen among young whites, blacks and Hispanics, though relatively little among Asians, who already had the highest rate of college completion. The share of people with a college degree also varies tremendously by state, with 48.1 percent of people ages 25 to 34 in Massachusetts holding a bachelor's degree, but just 20.4 percent in Nevada, according to the National Center for Higher Education Management Systems, a research and development center founded to improve management at colleges.

Despite the recent improvement, higher education experts emphasized that college completion rates were still distressingly low, with only about half of first-time college freshmen who enrolled in 2006 having graduated by 2012, according to the National Student Clearinghouse.

“There are worrisome signs that the demand for high-skilled talent is increasing more rapidly than we're actually educating people,” said Jamie P. Merisotis, the chief executive of the Lumina Foundation, an Indianapolis group that focuses on higher education, which is releasing a report on Thursday analyzing the federal data. “We can't expect our citizens to meet the demands of the 21st-century economy and society without a 21st-century education.”

The recent jump in college graduation mirrors similar increases in educational attainment during previous severe downturns, economists said.

“It was sort of one of these ironic good things about [the Great Depression](#), that it got all these kids to graduate from high school, which turned out to be really good for workers later on,” said Claudia Goldin, an economics professor at Harvard.

The G.I. Bill then created a second surge in educational investment after World War II, which also helped fuel the postwar economic boom. Of course, in those cases, Professor Goldin said, education was free or very cheap; college today is not.

Cost may be one reason that college completion has not risen nearly as much for low-income students, many of whom take on large amounts of debt and often do not graduate. The share of 24-year-olds from low-income families who hold college degrees has remained relatively flat over the last several decades, according to Tom Mortenson, a higher education policy analyst with Postsecondary Education Opportunity, a newsletter.

Low-income students are less likely to graduate from high school than more affluent students, less likely to enroll in college after high school and less likely to graduate from college after enrolling. Only about 1 out of 10 Americans whose parents were in the lowest income quartile held four-year college degrees by age 24 in 2011; the comparable share for people from the highest quartile was about 7 in 10, according to Mr. Mortenson.

Some of the recent increase in college completion has come among students who enroll in college, or return to it, at older ages, and experts say any future increases will probably need to come among this group as well, given its growth potential.

[For-profit colleges](#) — despite being more expensive and having lower completion rates than other colleges — are taking in many of these older and lower-income students. Professor Goldin estimates that for-profit colleges account for about one-fifth of the increase in bachelor’s degrees over the last decade.

“Community colleges just don’t have the money to expand,” she said. “At the for-profits, every person who comes there they’re making money on, so boy, are they expanding.”

The increase in college degrees is likely to fuel a debate about the wisdom of having so many people flock to college, given high debt levels and stories of unemployed graduates who are stuck on their parents’ couches.

Many economists point out that college graduates have fared much better than their less-educated peers and argue that rising educational levels will help the economy in the long run. Since the recession began in December 2007, the number of Americans with bachelor’s degrees who have jobs has risen by 9 percent, while employment has fallen for everyone else.

The unemployment rate for graduates of four-year colleges between the ages of 25 and 34 was 3.3 percent in March, according to the Bureau of Labor Statistics. For high school graduates in the same age group who had not attended college, it was 11.8 percent.

Today’s premium for college degrees is caused partly by increasing selectiveness among employers about whom they hire and screening based on education even for positions that do not require higher skills. But jobs themselves have changed, too.

“Think about jobs 15 years ago that didn’t need any college education,” said Sandy Baum, a senior fellow at the George Washington University Graduate School of Education. Many of them now do, she added.

“Maybe you don’t need a bachelor’s to change bedpans,” Ms. Baum said, “but today if you’re an auto mechanic, you really have to understand computers and other technical things.”