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# Many With New College Degree Find the Job Market Humbling

By **CATHERINE RAMPELL**

The individual stories are familiar. The chemistry major tending bar. The classics major answering phones. The Italian studies major sweeping aisles at Wal-Mart.

Now evidence is emerging that the damage wrought by the sour economy is more widespread than just a few careers led astray or postponed. Even for college graduates — the people who were most protected from the slings and arrows of [recession](#) — the outlook is rather bleak.

Employment rates for new college graduates have fallen sharply in the last two years, as have starting salaries for those who can find work. What's more, only half of the jobs landed by these new graduates even require a college degree, reviving debates about whether higher education is "worth it" after all.

"I have friends with the same degree as me, from a worse school, but because of who they knew or when they happened to graduate, they're in much better jobs," said Kyle Bishop, 23, a 2009 graduate of the University of Pittsburgh who has spent the last two years waiting tables, delivering beer, working at a bookstore and entering data. "It's more about luck than anything else."

The median starting salary for students graduating from four-year colleges in 2009 and 2010 was \$27,000, down from \$30,000 for those who entered the work force in 2006 to 2008, according to a [study released](#) on Wednesday by the John J. Heldrich Center for Workforce Development at Rutgers University. That is a decline of 10 percent, even before taking inflation into account.

Of course, these are the lucky ones — the graduates who found a job. Among the members of the class of 2010, just 56 percent had held at least one job by this spring, when the survey was conducted. That compares with 90 percent of graduates from the classes of 2006 and 2007.

(Some have gone for further education or opted out of the labor force, while many are still pounding the pavement.)

Even these figures understate the damage done to these workers' careers. Many have taken jobs that do not make use of their skills; about only half of recent college graduates said that their first job required a college degree.

The choice of major is quite important. Certain majors had better luck finding a job that required a college degree, according to an analysis by Andrew M. Sum, an economist at Northeastern University, of 2009 Labor Department data for college graduates under 25.

Young graduates who majored in education and teaching or engineering were most likely to find a job requiring a college degree, while area studies majors — those who majored in Latin American studies, for example — and humanities majors were least likely to do so. Among all recent education graduates, 71.1 percent were in jobs that required a college degree; of all area studies majors, the share was 44.7 percent.

An analysis by The New York Times of Labor Department data about college graduates aged 25 to 34 found that the number of these workers employed in food service, restaurants and bars had risen 17 percent in 2009 from 2008, though the sample size was small. There were similar or bigger employment increases at gas stations and fuel dealers, food and alcohol stores, and taxi and limousine services.

This may be a waste of a college degree, but it also displaces the less-educated workers who would normally take these jobs.

“The less schooling you had, the more likely you were to get thrown out of the labor market altogether,” said Mr. Sum, noting that unemployment rates for high school graduates and dropouts are always much higher than those for college graduates. “There is complete displacement all the way down.”

Meanwhile, college graduates are having trouble paying off [student loan](#) debt, which is at a median of \$20,000 for graduates of classes 2006 to 2010.

Mr. Bishop, the Pittsburgh graduate, said he is “terrified” of the effects his starter jobs might have on his ultimate career, which he hopes to be in publishing or writing. “It looks bad to have all these short-term jobs on your résumé, but you do have to pay the bills,” he said, adding that right now his student loan debt was over \$70,000.

Many graduates will probably take on more student debt. More than 60 percent of those who graduated in the last five years say they will need more formal education to be successful.

“I knew there weren’t going to be many job prospects for me until I got my Ph.D.,” said Travis Patterson, 23, a 2010 graduate of California State University, Fullerton. He is working as an administrative assistant for a property management company and studying psychology in graduate school. While it may not have anything to do with his degree, “it helps pay my rent and tuition, and that’s what matters.”

Going back to school does offer the possibility of joining the labor force when the economy is better. Unemployment rates are also generally lower for people with advanced schooling.

Those who do not go back to school may be on a lower-paying trajectory for years. They start at a lower salary, and they may begin their careers with employers that pay less on average or have less room for growth.

“Their salary history follows them wherever they go,” said Carl Van Horn, a labor economist at Rutgers. “It’s like a parrot on your shoulder, traveling with you everywhere, constantly telling you ‘No, you can’t make that much money.’ ”

And while young people who have weathered a tough job market may shy from risks during their careers, the best way to nullify an unlucky graduation date is to change jobs when you can, says Till von Wachter, an economist at Columbia.

“If you don’t move within five years of graduating, for some reason you get stuck where you are. That’s just an empirical finding,” Mr. von Wachter said. “By your late 20s, you’re often married, and have a family and have a house. You stop the active pattern of moving jobs.”