

# Do college graduates make more money than people without a degree

[Business](#)



A college graduate with a degree is more likely to make more money than a person without a degree.

This is an unmistakable fact because there are some jobs that people simply cannot do without a degree, which means people with certain degrees are in higher demand and may therefore ask a higher wage. However, the point that most people do not understand is that even though people with a degree make more money, it is actually (mostly) the people without degrees who make up the richest 30% in US society. (Sachs, Jeffrey, 2008). The Lawyer in APorscheA lawyer needs a degree, and usually needs several qualifications to be successful and highly paid.

Doesn't that mean that people with a degree are more likely to make up the richest 30% in US society? Even though our lawyer in a Porsche would count as one of the 30%, she/he is rubbing shoulders with caravan salespeople, with insurance salespeople, and with programmers. There are currently 20-year-old programmers with no higher education qualifications who are making more money per month than people who run their own dentist offices. The Numbers Do Not Add UpHow is it possible that people with a degree " Earn" more, and yet people without degrees make up (most) of the top 30% of the richest people in the US? This is because people with degrees are more likely to earn more per hour but earning more doesn't mean building more wealth. In fact, people with degrees are less likely to build wealth " Because" they have a high income and do not feel the need to save or invest. (Berg, Ivar, 1969).

A Caravan Salesperson Is Wealthier Than A Lawyer Think about the life of a lawyer who has at least seven years of higher education. The lawyer starts out with enough student debt to buy a house. In other words, the lawyer has to pay the equivalent of a mortgage without ever building wealth by owning a house at the end of it. A caravan salesperson is not burdened with such massive student debt. Plus, during the seven years that the lawyer was in school, the caravan salesperson was earning, saving and investing.

Now, look at the lifestyle of the lawyer and the caravan salesperson. The caravan salesperson wears a suit worth \$220, and the lawyer wears one worth \$950. The caravan salesperson drives a \$3000 car and the lawyer is still paying off her \$25, 000 car. A lawyer needs to maintain a successful image, whereas a caravan salesperson need only maintain a trustworthy image. The lawyer may earn much more, but the caravan salesperson has more disposable income because her lifestyle is not as expensive.

The lawyer may build a nice savings account by the time she is in her late fifties, but the caravan salesperson has been investing since she was in her 20s and now has a portfolio of investments that means she can retire by her late 50s. (Pigou, Arthur, 2017). Conclusion - Should I Avoid Getting A Degree? The example in the previous paragraph is not universal, but it is very common. For example, people think of doctors as rich, but they have the same problem as the lawyer, especially when it comes to how people perceive a doctor and how a poor-looking doctor is less trustworthy. It is a social and cultural faux-pas in the US for a doctor to be unkind. Doctors are

seen as kindly, which is why they are the first people that charities approach for donations.

Do you think charities try so hard to elicit money from insurance salespeople? If you wish to build wealth, then you need to be wealth conscious all the way through your life. Warren Buffet often brags how he mostly had his student loans paid off as he was leaving college. This is because he worked all his way through college, and he chose the cheapest possible options so that his loans were as small as possible. Warren was wealth-building conscious from the start and now he is one of the richest men in the world. He has a degree, but he was concerned with building wealth from the start and he stuck to his principles as he progressed through his career.

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