

A Bridge to the Future for Recent Graduates in the Aftermath of the Pandemic

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Overview

In normal times, young people between the ages of 18 and 25 acquire human capital through both formal education and on-the-job experience. Coming of age in a deep recession disrupts this process. In the wake of the 2008 financial collapse, the number of 18-25-year-olds who were not in school and either unemployed or not in the labor force rose by 1.1 million. Persons of color were roughly one third of this total.¹

Similar numbers for the current pandemic will be worse. June's unemployment rate, 11.1%, was higher than the Great Recession's 9.9% peak unemployment rate. Repeated spikes in Covid-19 cases and the lockdowns that result together with newly announced layoffs and business closings promise high unemployment through the remainder of the year and well into the next.

Equally important, the Pandemic has seriously disrupted the nation's schools beginning with the loss of the last part of the 2019-2020 academic year for most of the nation's students, disruptions that will likely continue until a vaccine is widely distributed.

As the labor market favors higher levels of worker education and skills, the pandemic's

¹ These numbers represent the increase in the average number of persons not in school and unemployed or out of the labor force between 2006/7 and 2009/10 – i.e. the four years that bracket 2008 and the financial collapse. The number of unemployed persons per se, ages 18-25, rose by 1.3 million some of whom were attending school.

obstacles to acquiring human capital risks scarring this next generation of young workers throughout their careers. The scars will be particularly deep for community college students – both current students and recent graduates – and young people whose recent education stopped with high school. By some estimates, this cohort of young people could experience a sharp decline in lifetime earnings relative to earlier cohorts, an impact that will ripple through the larger economy long after the pandemic has receded.²

This policy paper describes a two-part initiative to create internship, apprenticeship and other work opportunities to help to bridge the current crisis for 2020 and 2021 high school and community college graduates. The initiative is also directed, in part at redressing the educational problems created by Covid-19's school closings.

- The first component creates opportunities for up to 1.0 million graduates in positions that meet critical community needs created by the Pandemic: tutoring K-12 students who lost much of the last semester, assisting food banks and other direct service non-profits, supporting public health needs, and completing local conservation projects.
- The second component provides paid internships for up to 500,000 community college graduates to work for employers in fields in which they have earned certificates and AA degrees.

Participants would be paid a stipend or wage, earn scholarship dollars to help pay for future post-secondary education and receive necessary training and supervision.

Accordingly, we estimate the cost per program slot for every 100,000 young people served

² Jesse Rothstein, The Lost Generation? Scarring after the Great Recession, working paper, Department of Economics, University of California, Berkeley. May 2019.

each year at \$3.4 billion.³ This one-time initiative can help restore the transition from school to career and, for some, an eventual return to school for further investments in their post-secondary education. As important, a significant number of these slots would be created in the nation's schools, helping to overcome the alarming learning deficits the pandemic has created in students' kindergarten through high school education. It would also provide help to the nation's employers as they attempt to reopen for business. Given the urgency of these needs and the very large numbers affected, we envision a three-year initiative, at a total cost of \$60.3 billion, engaging 500,000 young people in the first year, phasing up to 750,000 in the second and then back down to 500,000 for the final year as the recovery takes hold, businesses return to normal, and the nation's school children begin to make up lost ground.

Even with broad support, the initiative will proceed with the fits and starts that now affect all attempts to open the economy. Nonetheless, an initiative of this type⁴ can help to insure that opening the economy does not further increase inequality among persons with different levels of education and labor market and business experience.

History offers precedent. In the Great Depression – the last time the economy sustained this large a shock - Congress and President enacted New Deal initiatives focused on youth: The Civilian Conservation Corps and the National Youth Administration. Unemployed young people between the ages of 18 and 25 were eligible to participate for up to 6

³ Pegging the stipend at \$22,330 (amount proposed in the CORPS Act, S.3946), the scholarship amount at \$6,195 (Pell Grant amount), and administration and training costs at \$7,500 per slot per year, and assuming that 75 percent of participants will claim the scholarship award, the cost per slot per year would be \$34,446.

⁴ Similar ideas are incorporated in the CORPS ACT (Cultivating Opportunity through Response to the Pandemic Act) sponsored by U.S. Senators Chris Coons, Roger Wicker and colleagues.

months in the Civilian Conversation Corps (eventually extended to 2 years), where they built much of the nation's national park system's facilities and trails among many lasting contributions. The CCC employed 500,000 young people at its peak and 4 million over its four-year existence.

While the CCC sent young men to work on conservation projects in the nation's parks and forests, the National Youth Administration created opportunities for both men and women to work in their communities improving public buildings, constructing roads and schools, and working in services for those in need. The NYA provided work opportunities for some 2.7 million young men and women over its 9-year life. Over time it grew to include a range of education and training experiences and opportunities in addition to hands on work experience.

Beyond the value of their output, these initiatives provided a pathway to help bridge the depression's broken transition from school and work. Many participants used these initiatives as stepping stones to a productive future as they grew to become the Greatest Generation. Facing a similar calamity, many young people today need a similar bridge to navigate the disruption and dislocation of the Covid-19 economy.

Addressing Current Community Needs Through Work

Education

Over the years, when budgets permitted, school systems hired aides to help teachers in crowded classrooms, offering help to monitor student progress, reviewing homework and enabling small group instruction and differentiated learning. [City Year](#), an exemplary AmeriCorps supported program has for years provided learning and service opportunities

to recent high school graduates seeking a gap year between high school and college. After intensive training and in partnership with classroom teachers, 8 to 12 young people serve full-time in a given school as student success coaches tutoring students one-on-one or in small groups, mentoring, organizing school events and running after school programs. There is strong evidence on the effectiveness of tutoring programs to accelerate learning.⁵

With roughly 130,000 K-12 public, charter and private schools and 3.2 million teachers serving nearly 60 million students, estimates indicate this infrastructure, if supplied with funds, could productively engage 250,000 to 300,000 education interns to help the nation's school children make up the lost classroom time of 2019-2020 and now 2020-2021. Interns could enable small group instruction, facilitate longer school days and augment after-school programs⁶. Until a vaccine is made widely available, these young people can also help to encourage social distancing, mask-use and other best practices as directed by the CDC when students are in school. When students test positive for the virus and are required to shelter in place, interns could assist with virtual learning so that students can keep up with their classes.

The interns' effectiveness could be augmented and supported by expanding the cadre of AmeriCorps supported nonprofit organizations able to recruit, train and oversee participating young people or by supplementing Title I or other federal sources of support

⁵ See for example, Robin Tepper Jacob et. al, *Reading Partners: The Implementation and Effectiveness of a One-on-One Tutoring Program Delivered by Community Volunteers*. MDRC, June 2014. Policy Brief accessed at https://www.mdrc.org/sites/default/files/Reading%20Partners_final.pdf, July 9, 2020.

⁶ See Richard Danzig and Peter Szanton, *National Service: What Would It Mean?*, Lexington Books, 1986. For recent estimates of a smaller program focused only on disadvantaged schools, see Robert Balfanz, "Using Recent Graduates to strategically expand AmeriCorps will help those still in School" <https://new.every1graduates.org/using-recent-graduates-to-strategically-expand-ameri-corps-will-help-those-still-in-school/> accessed July 9, 2020.

for schools. Beyond providing immediate assistance, some number of these interns are likely to gain greater mastery of the subjects they teach and may ultimately become teachers themselves.

Environmental Conservation

Drawing on the example of the CCC, interns could be used both locally and in the nation's parks and forests in tasks including tree planting, soil erosion control, and maintenance of picnic areas, trails and roads. The administrative infrastructure to oversee conservation work is more limited than is the case in education but there is a long history of state and local conservation corps programs that could be expanded including state and local water and air quality monitoring efforts, with conservative estimates indicating that 100,000 or so positions could be created.

Health Care and the Elderly

The Pandemic has placed urgent new outreach demands on the nation's public health systems as states work to identify and contain outbreaks and, after a vaccine is developed, to reach and immunize every person residing in the U.S. This process will be especially onerous for the elderly and disabled. More than 2.0 million low-income adults live in several thousand HUD assisted senior housing developments, many with health care needs, still others are served in the nation's 11,000 senior centers and in numerous outpatient facilities. The Covid-19 pandemic has overwhelmed parts of these housing and health care systems as many of the elderly and vulnerable have been forced to shelter in place, experiencing isolation and even hunger.

Building on the existing array of volunteer and paid internship opportunities that exist in health, senior center, and some housing facilities and programs now, an expanded army of young people could assist with the messaging tasks and follow through in understaffed public health and senior housing systems and they could assist via senior centers, meals on wheels, and various home visiting programs with shopping, regularly calling the elderly to check-in, immunization outreach and more. Given this enormous administrative infrastructure, up to 500,000 opportunities could be created.

Paid Internships for Community College Graduates.

This Spring roughly 1.4 million young people successfully completed a course of study at a community college – 850,000 earned Associates Degrees and 580,000 earned Certificates. Several hundred thousand more completed programs in private nonprofit and for-profit schools. Many of these programs were designed and taught in partnership with employers and industry leaders in health care, manufacturing, finance, IT, and other fields and were designed to fill a range of career ladder jobs in diverse occupations – welding, phlebotomist, x-ray technician, nursing, diesel mechanic, information technology technician, software engineer, network specialist, cybersecurity manager, etc.

As the economy collapsed into recession and the unemployment rate rose sharply, job prospects for this newly trained workforce vanished. Small and mid-sized businesses were hit especially hard. Even as the economy begins to slowly reopen, demand is likely to remain weak, raising the possibility that the skills of new graduates atrophy.

To ensure that this new workforce is employed and that their newly acquired competencies and skills are put to use, this initiative could create up to 500,000 internships

and apprenticeships with for-profit and nonprofit employers. Administered by state and local workforce investment boards and state community college systems, community colleges and employers would be asked to design a system of internship opportunities that meet industry standards for job content, supervision, and technology usage.

With both political parties avowing support for an infrastructure bill to rebuild the nation's roads, rails, bridges and waterworks systems, the nation could be presented with a rare opportunity to connect community college apprenticeship positions to infrastructure rebuilding jobs. An intentional effort to align education and training, labor supply and future job growth could help to spur recovery and launch the next generation of workers.

Taken together the needs and supporting infrastructure described above makes clear that the work is there to be done.

How Would the Initiative Work?

Assignments would last from 6 to 12 months, include a modest living allowance based on a given localities cost of living (in line with the stipends offered by AmeriCorps) with the possibility of scholarships for students who want to continue their education. The program would be designed to provide both work and learning opportunities that would encourage and facilitate the transition from high school to college and/or career.

Funding for K-12 school-based assignments could flow through state education systems via the existing Title I program or Gear Up or via the federal AmeriCorps program, which, as noted, already has experience supporting nonprofit organizations that have built training and supervision models as well as strong working relationships with local school systems and out of school programs. Support for conservation and public health and senior

housing interns could also flow through AmeriCorps, again building on the infrastructure that agency has in place in localities throughout the nation or it could flow directly to state conservation and public health and senior housing programs designed in cooperation with local entities.

Support for community college graduates' apprentice/internship positions in private and public sector jobs would flow through state and local workforce boards under the existing federal WIOA program in collaboration with community college systems.

Conclusion

If history is any guide, the class of 2020 and possibly 2021's future life prospects are bleak starting with a sharp decline in lifetime earnings. The ripple effects on the larger economy – lower consumption, less human capital and lower productivity will be significant. At the same time, vital work is there to be done in the nation's schools, public health, senior housing and parks systems. Investing in the futures of recent graduates and the children, seniors, and citizens they will serve, would build their skills and increase their social capital, and have benefits that far exceed their cost. In the same way, a cohort of interns and apprentices can help increase the productivity and output of private employers as firms rebuild through a period of economic uncertainty and erratic demand.

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