

So, a few years ago, I got into a friendly conversation with a guy at my local gym named Brian. Brian's in his mid-twenties and graduated from a prestigious law school about a year ago.

But what struck me about him was that he came out of college with a whopping \$300k in debt, primarily from student loans.

On top of that, he's had to move back in with his parents because he hasn't been able to pass the California Bar exam to become a fully-fledged lawyer (he's failed it twice).

Now, Brian's a sharp guy and has a good head on his shoulders. Yet he's buried under a freakin' mountain of student loan debt (plus mounting interest fees) that could take him a decade or longer to pay down.

I remember a time when college used to be affordable for almost everyone. In fact, I was able to pay for my own college tuition through a combination of state-funded grants, a partial scholarship and working my butt off at a part-time job.

I was lucky to have very little debt when I graduated in '93. Not having the weight of student debt bearing down on me was what allowed me to launch my first career as a freelance artist on a shoestring budget.

But Brian's situation got me thinkin' about how much the path to the proverbial American dream has changed in such a HUGE way.

There are plenty of definitions for the American dream, but based on what I learned from my parents growing up, I would say that the classic American dream amounts to having a happy, prosperous life... and one that's achievable by anyone in who works hard.

Of course, we're taught that all that hard work is supposed to eventually equate to success, and along with it, all the trimmings (and trappings) that achievements have to offer... namely a good job, a nice house and plenty of money.

Unfortunately, the American dream of generations past has become the American nightmare for millions of young adults.

From the first day of kindergarten all the way through to college graduation day, the average American completes over 28,000 hours of education.

They go to college for one main reason: to get good jobs.

They've focused on doing everything they were told to do to be financially successful: attend class, study, get good grades, work hard, stay out of trouble, etc.

And for the better part of the last few decades, college degrees have been thought of as a guarantee for the average person to get a decent paying job and make middle-class money.

Yet every year, too many kids come out of college with nothing but expensive degrees and no job prospects to show for it.

Let me give you an example of how big of a problem this has turned into...

The chart below (courtesy of the Wall Street Journal) shows the average annual tuition costs for both Bachelor's and Associate's degrees from 1970 until 2013, as well as the average wages of people with each type of degree.

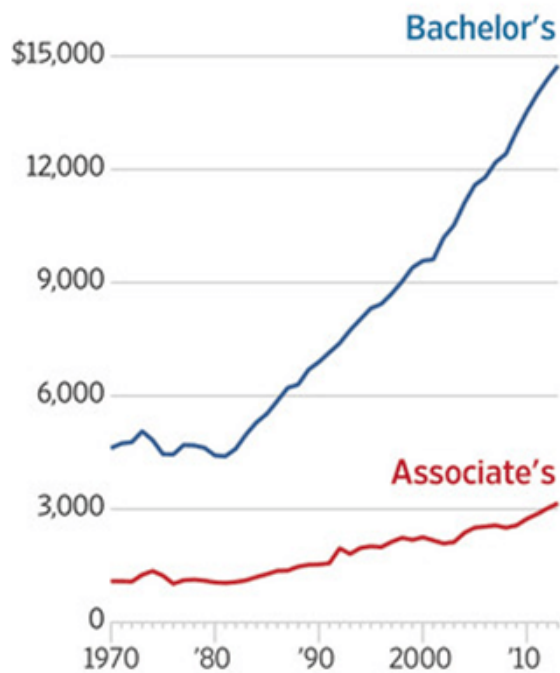
In a nutshell, tuition costs (in real dollars) have risen by almost 275%, while wages for those with Bachelor's degrees amounts to only about a 10% increase.

It's even worse for those with Associate degrees in which wages have remained stagnant even though Associate degree tuition fees have more than doubled.

Learning Curve

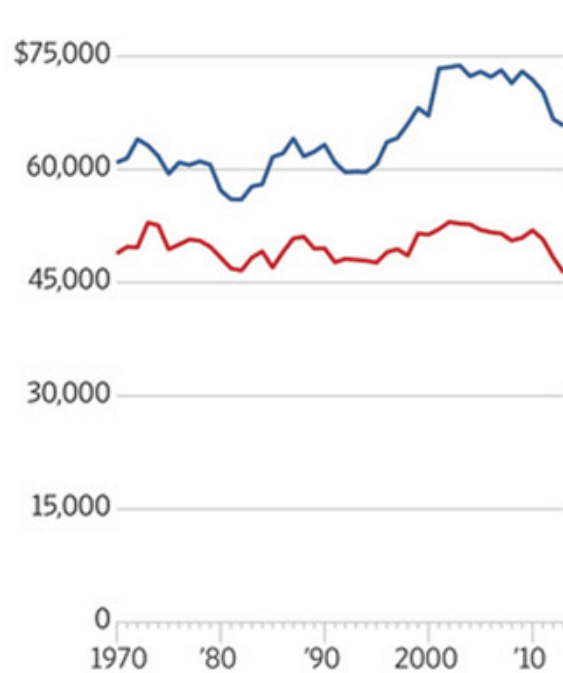
The tuition cost of a four-year degree has been rising much faster than that for a two-year degree, while the wage gap of graduates hasn't changed much.

Average annual tuition cost in the U.S. by type of degree in 2013 dollars



Source: Federal Reserve Bank of New York

Average wages of those with each type of degree in 2013 dollars



The Wall Street Journal

Looking at those numbers, is there any wonder why the American middle class, and certainly both Gen X-ers and Gen Y-ers, are hopelessly drowning in debt?

Side note: We've never actually run a survey to find out how many of our members have kids that are planning on attending college in the not too distant future (or, are currently in college right now); however, we estimate it's a pretty decent percentage.

But, regardless of whether you're a parent socking away money in your kid's college fund or not, '[College Conspiracy](#)' is a very eye-opening documentary that everyone should see.

With 80,000 hours of work ahead of them (not including overtime or second jobs) to be productive citizens and save up enough for retirement, a lot of people are waking up to the sobering reality that despite 28,000 hours of education, the old path to the American dream is gone.

As Mark Twain once said, “Whenever you find yourself on the side of the majority, it is time to pause and reflect.”

While I was still in college, I decided go against EVERYTHING society and the formal educational system teaches us about how to think, and especially as it pertains to building wealth...

I also decided that my chances of success were going to be 100% contingent on my efforts, nothing else.

Not the economy... a company... a boss... or the government.

I decided that the archaic industrial revolution mindset of corporate America wasn't going to be my path to financial freedom.

Each of us has unique, natural talents. In my case, I found that drawing and painting came easy to me, and by the time I reached high school I knew I wanted to pursue a career in art.

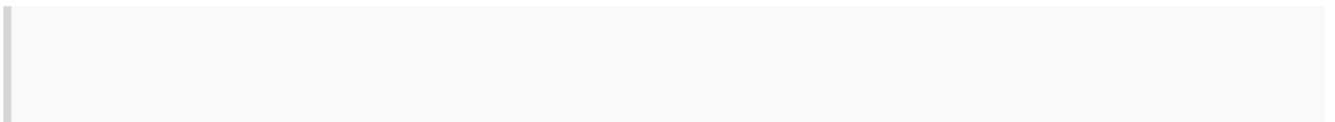
Little did I know at the time how my curiosity of the financial world would lead me to where I am today.

And looking back, I can honestly say that the one investment that's made me more money over the years than everything else combined, has been the investment I made in myself.

I know it sounds cliché... but dollar for dollar, investing in yourself is one of the greatest bargains we get in life.

It costs little, risks nothing, and can produce huge returns.

Legendary investor, Warren Buffet had this to say:



“Generally speaking, investing in yourself is the best thing you can do. Anything that improves your own talents; nobody can tax it or take it away from you. They can run up huge deficits and the dollar can become worth far less. “You can have all kinds of things happen. But if you’ve got talent yourself, and you’ve maximized your talent, you’ve got a tremendous asset that can return ten-fold.”

I’m not saying that college is a bad idea.

There are certain fundamentals and practical lessons taught in college that DO have a lot of merit, such as social etiquette skills, how to interact with others in society, how to do research and writing, etc.

Plus, college offers a few more years of mental and physical development before young adults are released into the ‘real world’ to fend for themselves.

Point is, these days, those who have invested in themselves to learn and perfect a marketable skill set are rising to the top of the economic ladder, while those dumping tens (or, hundreds) of thousands of dollars into a formal education ‘just because’ or ‘just to go through the motions’ and trusting in the pay-to-be-hired system, are finding themselves with nowhere to climb.

At the end of the day, if a person’s PRIMARY goal is to simply be “employable (because they lack the initiative or ambition to be anything more than just a regular employee somewhere), then college is probably the right choice for that person.

On the other hand, after strongly weighing out the costs and benefits of attending college, those who already know what they want to do, and more importantly, have the drive to make things happen on their own, may come to the conclusion that it’s an unnecessary stop along the way.



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Brad is also the Co-Founder of M4 Research and Editor of The Renegade Money Guide™.

Editor's Note: Barry also makes a similar case for breaking the '*college cycle of debt*' in his shorter post, [How To Become 'Recession-Proof!'](#)

At the end of his article, you'll learn about the 'Free Education' Hacks we have waiting for you inside our coveted Renegade Money Guide.

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