

vest.”
Wisconsin Energy’s intent.
individual investors may be more
ble with a stock price in the range
after the split,” said Brian Man-
Wisconsin Energy spokesman.
investors believe that lower-priced
n generate larger returns. The be-
at it’s easier for a stock to move
to \$40 a share than to move from
0 a share.
investors’ preference for stocks in the
range also is a vestige of an earli-
when stock splits had a purpose.
eregulation of the securities indus-
turers had to pay higher commis-
sions they bought “odd lots” —
less than 100 shares.
w that investors can pay a fixed
for each trade, a high stock price
ertain cachet. Google closed at
Friday; Apple closed at \$326.72.
up side of this is the stigma that
denies a stock price in the single dig-
it that reason, a stock split indicates
company is feeling confident.
es send does a signal,” Hellmer
asin Energy is expected to report
profits when it announces its earn-
2010 next month.
has moved to restore a dividend
ad slashed in 2000 to help fund an
s program to build new power
 centerpiece of the program: two
l power plants in Oak Creek that
estimated \$2.3 billion. The project
ost expensive construction project
history — was completed this
% increase in the dividend should
nore to investors than the stock
ateri said.
dividend has been below the indus-
ge.
bump-up in the dividend was pos-
e said.
Spellman, a former money manag-
eaches behavioral finance at UW-
ee, said Wisconsin Energy shares
ormed well since the company re-
o its core business.
ock split reinforces that with in-
But Spellman agreed that the split
nges nothing about the company.
ality,” he said, “it shouldn’t mat-

Few have fully recovered since
the stock market began sliding
from its historic peak in October
2007. The Standard & Poor’s 500
index is 17% shy of that level, de-
spite recent gains.
The momentum has shifted,
and now, with a couple of years of
solid market performance, many
risk-averse investors may be
ready to get back in. But there are
cautionary voices.
The economic recovery is still

By JOANNE JACOBS
The Hechinger Report

Palo Alto, Calif. — Omid Kho-
fasani wants to be a pharmacist
— without taking on huge stu-
dent loans.
So the 35-year-old is paying
about \$1,700 for a nine-month
course at nearby Foothill College
that leads to a pharmacy techni-
cian certificate and a chance to
earn a solid middle-class wage of
up to \$60,000 a year as he works
his way through pharmacy
school.
“It’s short, it’s fast and it’s
cheap,” says Khofasani, who
earned an engineering degree in
Iran but now works at a carpet
store.
Labor economists and some
educators believe career-driven
degrees should become an in-
creasingly common choice and
are advising students to pursue
skills-oriented fields of study
they feel offer better job opportu-
nities. Fueling the trend is the
worst economic decline in more
than 70 years and a slowly falling
unemployment rate of 9.4%. Add
to that the staggering total of \$830
billion in student debt national-
ly.
“The recession has brought in
clear focus the value of a career
versus a job,” said Willis Hol-
combe, chancellor of Florida’s

Market optimism is also im-
proving. For 19 consecutive
weeks, surveys by the American
Association of Individual Invest-
ors have shown a greater-than-
average belief that stock prices
will rise. The last time the sur-
veys had such a long streak of
bullish sentiment was in late
2004.
Yet the movement of money be-
cause of troubles with municipal
bonds offers a reminder of how

Fear of further rate increases al-
so is causing prices for many pre-
viously issued bonds to drop.
That’s because investors will be
able to buy newly issued bonds
paying higher interest.
So as bond prices decline, in-
vestors like Clemens will be look-
ing for income from stocks that
pay solid dividends. As other in-
vestors step back into stocks,
they may be questioning whether
they’re making the classic mis-

an era of fear.
And if the market behaves like
it has coming out of previous re-
cessions, the S&P 500 could rise
nearly 12% this year. That’s the
average gain the index made in
the one year immediately follow-
ing this point in the economic cy-
cle, a year and a half after the end
of a recession. The analysis by Bi-
rinyi Associates examined mar-
ket gains coming out of seven pri-
or recessions.

More students seeking job certificates

fast-growing community college
system. A new report based on
the state’s employment data
shows that students who earn
certificates or associate of sci-
ence degrees make more money
in their first year out of college
than four-year graduates of Flor-
ida’s university system.
The unemployment numbers
are “a powerful case for some
postsecondary credential, not
just going to classes, but complet-
ing a credential,” Holcombe said.
“If you want to insulate yourself
against unemployment, you
need a career.”
The national unemployment
rate for four-year college gradu-
ates is 4.8%, compared with 9.8%
for those with only a high school
diploma.
President Barack Obama
wants the U.S. to lead the world
in college degrees by 2020, with
all Americans completing at
least one year of postsecondary
education, which is seen as the
dividing line between living in
poverty and a shot at a middle-
class lifestyle.
Nationally, 27% of people with
licenses and certificates also
earn more than the average bach-
elor’s degree recipient, accord-
ing to Anthony Carnevale, direc-
tor of the Georgetown University
Center on Education and the

Workforce.
Carnevale’s newest data show
that at least half of all anticipated
job opportunities in the next seven
years will be open to “middle-
skill” workers like pharmacy
technicians — what Khofasani
will be after he passes a certifica-
tion exam. Training for such jobs
is offered at both community col-
leges and for-profit career and
trade schools.
Middle-skills jobs require
more than a high school diploma
but less than a college degree,
along with significant education
and training — and they make up
roughly half of all U.S. jobs, ac-
cording to the Urban Institute, a
nonprofit policy research organi-
zation based in Washington, D.C.
Carnevale says higher educa-
tion needs to shift its focus to pro-
ducing workers with degrees and
certificates that the work force
needs, although he acknowledges
that ultimately, “the higher
your education level, the more
you’ll earn.”
By 2018, the U.S. will need 22
million new employees with
post-secondary degrees of some
kind.
Middle-skill workers in de-
mand will likely include plumb-
ers, electricians, health care
workers, legal assistants, ma-
chinists and police officers. Such

jobs require strong math, com-
munications and science knowl-
edge, in addition to “soft skills”
like the ability to solve problems
in teams. They do not necessarily
require a four-year, or even a two-
year, college degree.
Students “are choosing lower-
level alternatives that may have a
high yield in the work force,”
said Julian Alssid, founder and
executive director of Workforce
Strategy Center, a nonprofit
think tank that works to develop
effective education and employ-
ment policies. “People can get
good jobs with targeted training.
Targeted credentials are as good
as broader, generalized degrees,
especially at the entry level.”
And nationally, enrollments
have surged 17% since last year
at community colleges, which
charge far less than most four-
year institutions, showing that
more students are aware of the
risks of incurring debt, said Al-
ssid.
Certificates aligned with spe-
cific skills can take less than a
year and be “trajectory-chang-
ing” for average and below-aver-
age students, said Brian Bos-
worth, president of Future
Works, a consulting and policy
development firm based in Seat-
tle, and author of the 2010 report
“Certificates Count.”