

What does Georgia gain
by investing in its
colleges and universities





A tremendous return:

More economic prosperity.

Less government spending.

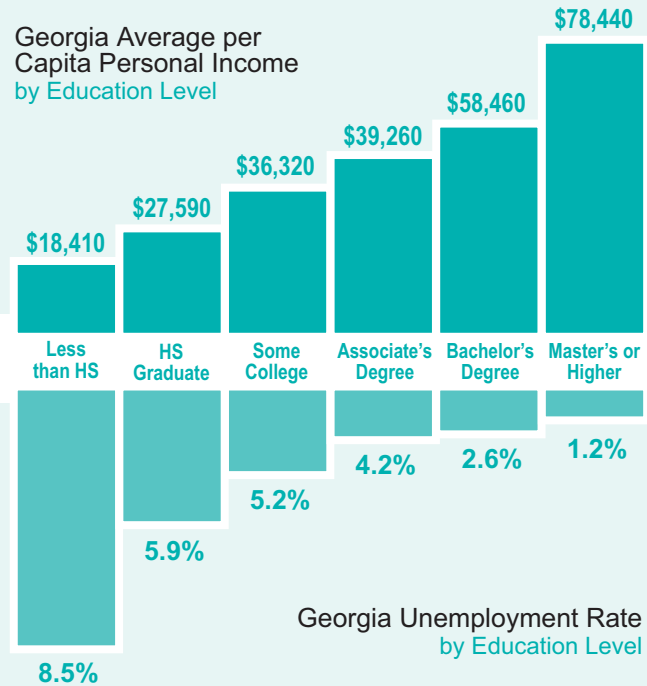
A stronger competitive advantage.

A higher quality of life.

And much more...

The more you learn, the more you earn.

People with college degrees average higher personal incomes. People without college degrees are more likely to be unemployed.

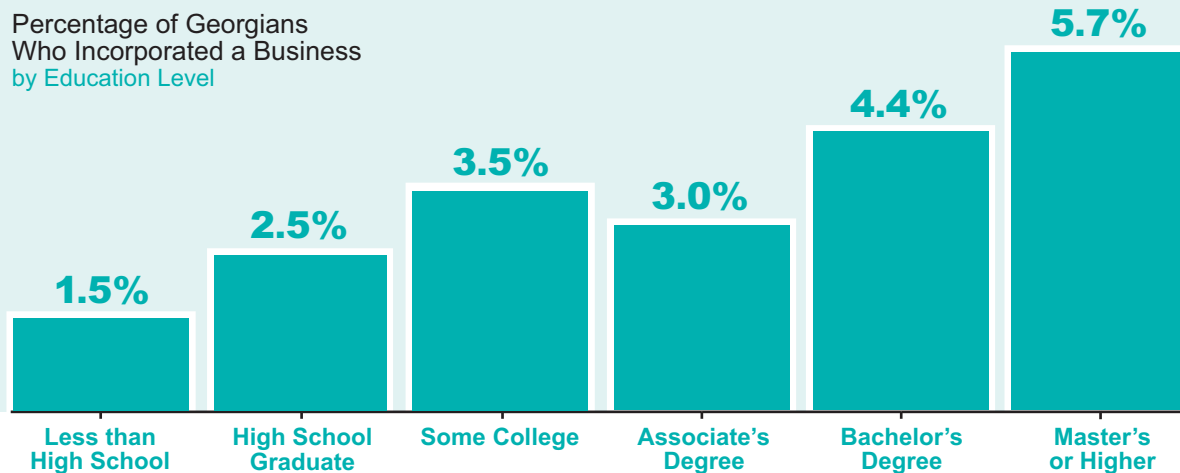


Source: 2000 Census Public Use Microdata Sample

Get a degree, start a company.

New businesses are good for the economy. New businesses are more often started by people with college degrees than people without a degree.

Percentage of Georgians
Who Incorporated a Business
by Education Level

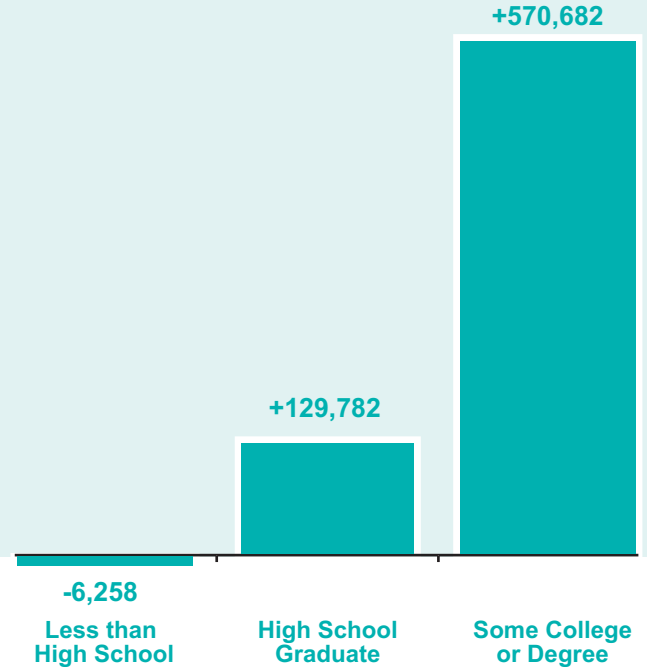


Source: 2000 Census Public Use Microdata Sample

Job growth is strongly linked to higher education.

Higher education prepares Georgians for career success, and building an educated work force makes Georgia more attractive to growth industries. In fact, job growth is highest among educated Georgians.

Change in Number of Full-Time Georgia Jobs 1990–2000
by Education Level

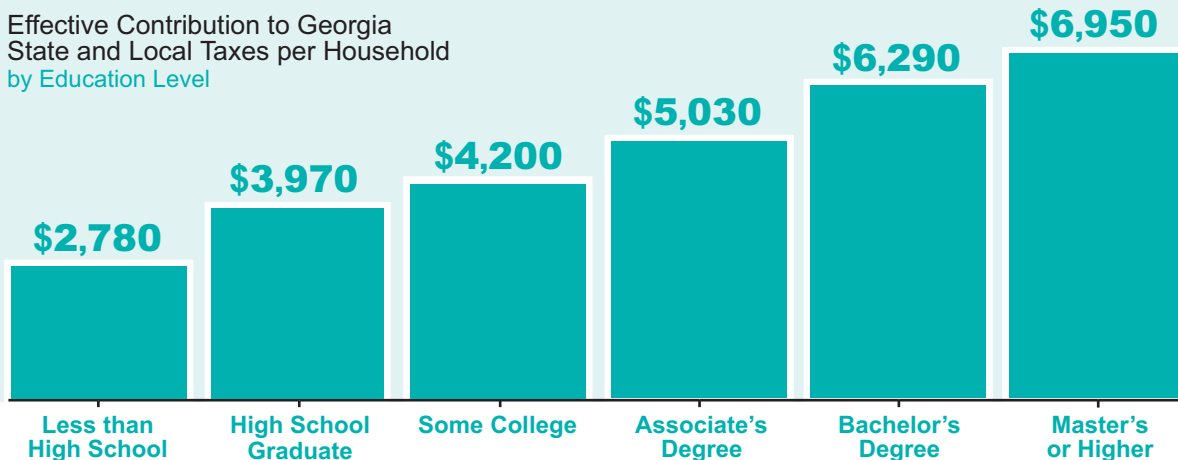


Source: 2000 Census Public Use Microdata Sample

Higher education = higher revenue collection.

Because of their professional success, people with more education contribute more to the state's tax base. Educated Georgians provide the heart of funding for our state's operations and programs.

Effective Contribution to Georgia
State and Local Taxes per Household
by Education Level

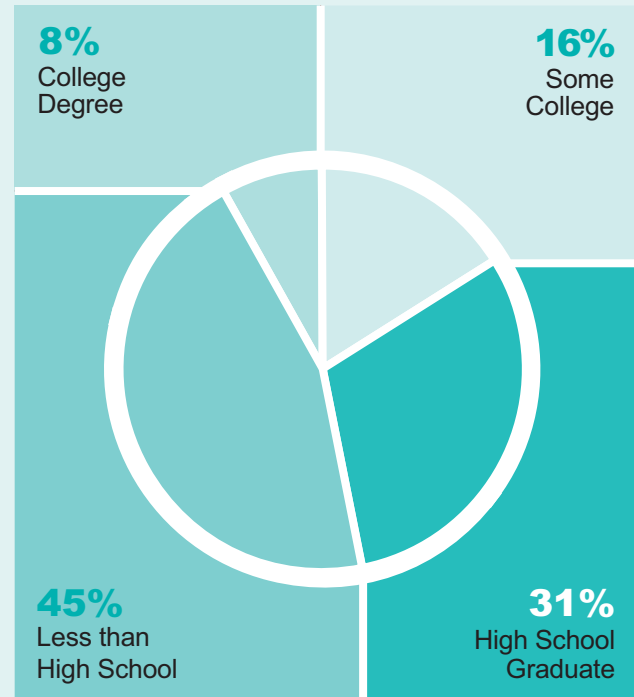


Source: U.S. Congressional Budget Office and Institute on Taxation and Economic Policy - Microsimulation Tax Model

The more education you have, the less likely you'll need government help.

People who pursue higher education are far less likely to need public assistance. More than three-fourths of spending on direct public assistance in Georgia goes to citizens with a high school diploma or less.

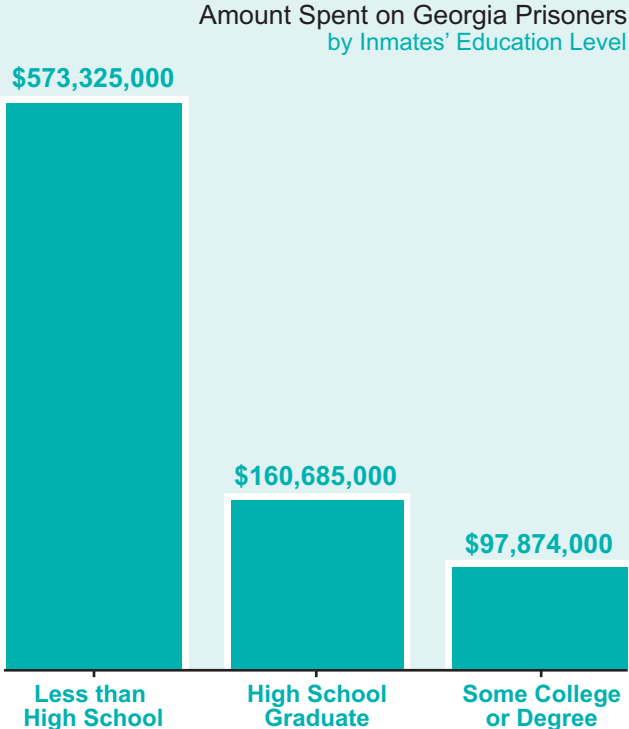
Share of Direct Public Assistance Funds in Georgia by Education Level



Source: 2000 Census Public Use Microdata Sample

Dropping out of school can lead to big trouble ... and big bills for society to pay.

More than two-thirds of Georgia prison inmates never finished high school. Last year alone, the state spent more than a half billion dollars on their incarceration.



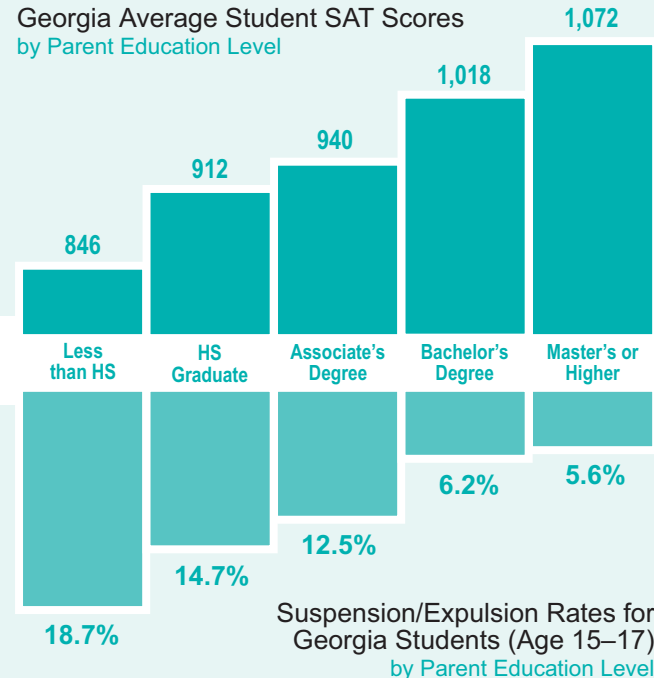
Source: Calculated from Georgia Department of Corrections data 2004 (excludes prisoners with unknown education levels)

LONG-TERM BENEFITS

Higher education's benefits carry over to the next generation.

Parents with more education tend to raise children who achieve greater academic success. Students of college-educated parents score higher on the SAT. They're also less likely to have disciplinary problems in school.

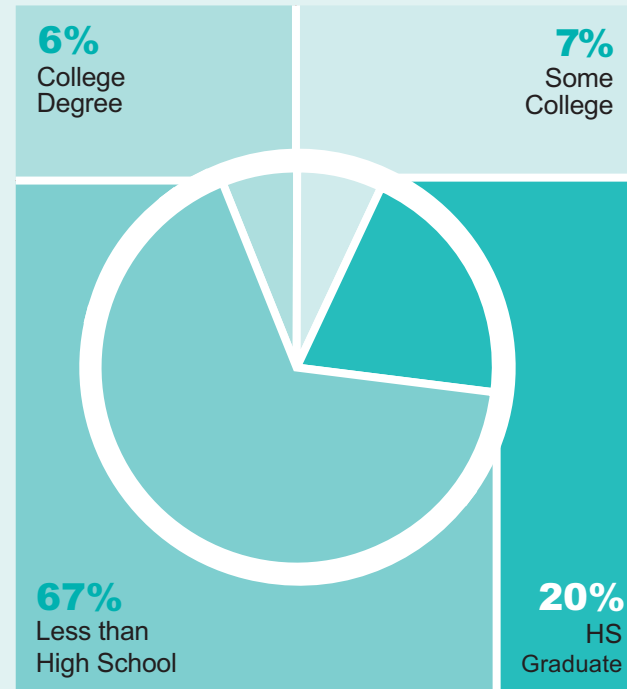
Source: College Board 2004 "College Bound Seniors" Report (SAT data); National Center for Education Statistics 2003 Household Education Survey (suspension/expulsion rate)



School years add up to financial security.

Even decades later, people with more education enjoy a higher standard of living while those who quit school early are more likely to struggle financially. A full two-thirds of older Georgians who live in poverty never earned their high-school diplomas.

Georgians Aged 65–75 with
Income Below Poverty Level
by Education Level

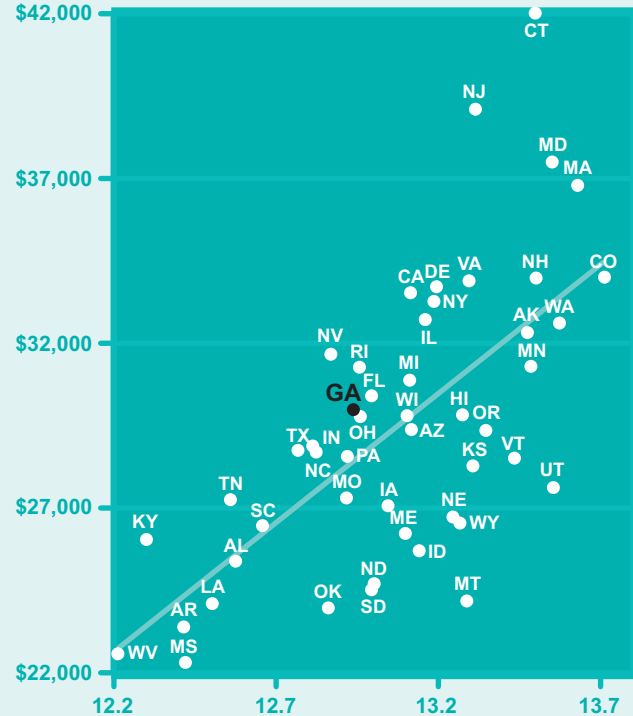


Source: U.S. Census Bureau 2002-2004 Current Population Surveys

Georgia must become more competitive in education to boost income levels.

Georgia currently ranks 35th in the amount of education for citizens. As a result, personal incomes in the state fall far short of their potential.

Average per Capita Personal Income and Median Years of Education by State

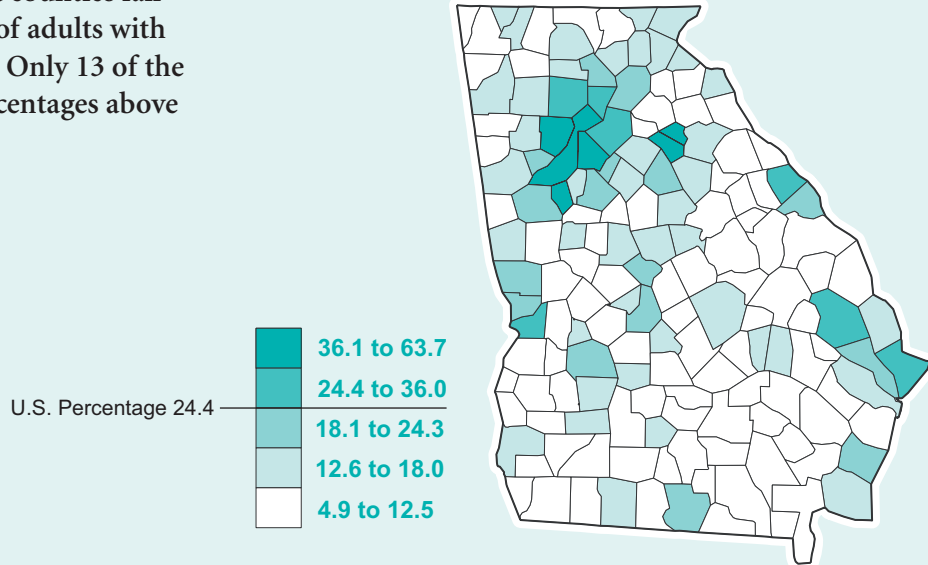


Source: 2000 Census Public Use Microdata Sample

Georgia's real education disparity is evident in counties.

The vast majority of Georgia counties fall short of the U.S. percentage of adults with Bachelor's degrees or higher. Only 13 of the state's 159 counties have percentages above the national percentage.

Percentage of Adults with a Bachelor's Degree or Higher
by County



Source: U.S. Census

It's time to build on Georgia's investment in higher education.

It's clear that the more we invest in Georgia's colleges and universities, the more we enjoy economic prosperity, reduced government spending and many other benefits.

This report focuses on a few of these returns. But there are many more that are critical to the state.

For instance, Georgia's colleges and universities generate more than \$1.1 billion in research and development, spawning new discoveries and new companies. Established businesses bring new products to market with the aid of Georgia's research universities.

Just as important are the less tangible benefits of higher education. People who continue their education are more inclined to vote, volunteer their time, read to their children and be active members of society. This is true whether they complete a college, university or technical program.

Please help the Atlanta Regional Consortium for Higher Education (ARCHE) communicate the vital role our institutions play in growing Georgia. Share this report with others. Visit the ARCHE Web site to download additional information. Or contact ARCHE at arche@atlantahighered.org.

Download this report or presentation slides from the ARCHE Web site at www.atlantahighered.org.

About this report

The Atlanta Regional Consortium for Higher Education (ARCHE) published this report in February 2005 to build awareness of the value of Georgia's institutions of higher learning.

Founded in 1938, ARCHE is comprised of 19 public and private institutions of higher learning. Membership also includes corporate and non-profit Community Partners and regional Affiliated Libraries. ARCHE's mission is to advance Atlanta-area higher education through academic collaboration, community partnerships and public awareness.

Data for the study was compiled by Human Capital Research Corporation, a firm that provides research and analysis in the areas of higher education operations, educational productivity, enrollment management, work force development and public policy. The firm may be contacted at hcrc@humancapital.com.



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