

Educational Attainment in Alabama



Alabama's education levels edged up on the March 2002 Current Population Survey conducted by the U.S. Census Bureau. The percent of Alabamians aged 25 and over with at least a high school diploma (or G.E.D.) stood at 78.9 in 2002, up from 77.5 on the April 2000 Census. And 22.7 percent of adults 25 and over had completed college in 2002—a significant increase over the 20.4 percent reported in 2000. Women made substantial strides in improving their education levels, almost catching up with men on high school and college graduation rates. Education levels of white Alabamians also showed sizeable increases.

**Educational Attainment by Race and Sex, 2002
Persons Age 25 Years and Over (Percent)**

	High School Graduate or More		Bachelor's Degree or More	
	Alabama	U.S.	Alabama	U.S.
All Adults 25 and Over	78.9	84.1	22.7	26.7
By Sex:				
Men	79.0	83.8	22.9	28.5
Women	78.7	84.4	22.6	25.1
By Race:				
White	80.3	84.8	25.8	27.2
Black	73.9	78.7	12.2	17.0

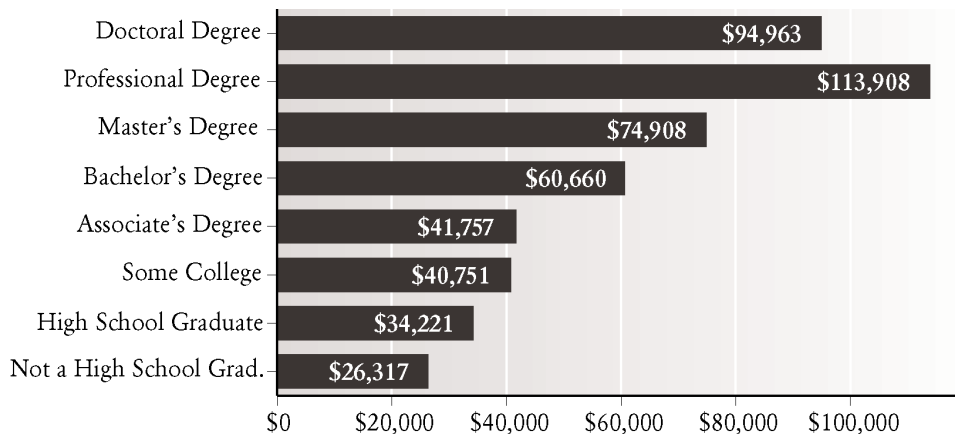
Source: U.S. Census Bureau, Current Population Survey, March 2002.

Still, Alabama needs to do better. The 78.9 percent of residents 25 and over who had completed high school in 2002 was well below the national 84.1 percent share. Among states, Alabama ranks 47th—only Louisiana, Texas, and West Virginia had fewer adults with at least a high school education. Further, the 22.7 percent of Alabamians with a bachelor's degree or more was four percentage points lower than the U.S. figure in 2002. Our ranking on this measure of educational attainment was much higher, though—Alabama came in 38th among the 50 states.

Of course, each new generation of Alabamians is more educated than the previous one. Among residents aged 25 to 34, 82.2 percent had completed high school or more and 21.8 percent college or more in 2000, up from 80.2 percent and 18.6 percent, respectively, for the 25 to 34 age group in 1990. Comparing 1990 and 2000 numbers also provides evidence for an influx of college graduates as opposed to a "brain drain." The 25 to 34 age cohort from 1990 moved into the 35 to 44 age bracket in 2000. The share of college graduates in this group rose from 18.6 percent in 1990 to 20.9 percent in 2000.

Educational attainment is certainly a significant factor in an individual's earnings potential. The March 2002 Current Population Survey provides estimates for the U.S. of average

**U.S. Average Annual Earnings by Educational Attainment, 2001
Full-Time, Year-Round Workers Age 18 and Over**



Source: U.S. Census Bureau, Current Population Survey, March 2002.



Sadly, many Alabamians will spend their working lives at the lowest rung of the income ladder. In 2000, 20.3 percent of residents aged 18 to 44 had less than a high school education, compared to 17.8 percent for the U.S. While some at the lower end of this age range will complete their high school degree or G.E.D., most probably never will. It is telling to economic developers that only 13 of Alabama's 67 counties show high school completion rates better than the state average. And it is a particular handicap for the nine rural counties where at least 30 percent of residents in the 18 to 44 age group have less than a high school education.

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annual earnings in 2001 for full-time, year-round workers aged 18 and over by level of education. On average, a worker who had finished high school earned 30 percent more than one who had not. The largest percentage increase in wages went to those adding a professional degree to their bachelor's—earning a J.D., M.D., D.D.S., or D.V.M. netted an average of \$53,248 (88 percent) over the \$60,660 earned by holders of a bachelor's degree only. Second to a professional degree, obtaining that bachelor's pays off well—average earnings of full-time workers with a bachelor's degree were \$26,439, or 77 percent, above the \$34,221 earned on average by a high school graduate.

Over a working lifetime, even the smaller increases in earnings for higher levels of education add up to substantial differences. Recent synthetic work-life earnings estimates were calculated by the Census Bureau using Current Population Survey data for 1997 through 1999. The resulting totals represent what full-time, year-round workers with the same educational level could expect to earn in 1999 dollars, on average, over a 40-year working life, defined as the period from age 25 through age 64. While a high school dropout will earn about \$1.0 million during this working lifetime, adding a high school diploma or G.E.D. will increase earnings by over a quarter of a million dollars. Individuals with a bachelor's degree can earn upwards of \$2.1 million during their working life. Adding a master's degree nets about \$400,000 more, on average, in earnings over the 40 years. Doctoral and professional degree holders do even better, with lifetime earnings averaging \$3.4 and \$4.4 million, respectively.

Percent Ages 18 to 44 Not Completing High School, 2000

