

Summer 2002



Indiana Business Review

Indiana's
Educational
Attainment

Jobs

Degrees

Education

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A Census 2000 update that highlights a few of the facts from the long form data released by the Census Bureau in May.

For the Record:

The educational level of our workforce is rightly considered one of the most important elements in building and sustaining a strong economy. Thanks to the largest and most comprehensive survey in America, the 2000 Census, we now have information that can help us measure the educational attainment of Hoosiers and make informed decisions about their educational needs and our institutions. Because of the standardized and comprehensive nature of the census, which spans geographic borders and time, we can measure our progress and compare ourselves to others. We will continue to research and publish results of Census 2000 as part of the Census Bureau's national partnership program, with the support of the State of Indiana through the Indiana Department of Commerce.

—COR

Indiana Makes Progress on the Educational Attainment Gap

One area of continuing concern for Hoosiers has been the educational attainment of our citizens. Education is regarded as a key to economic development. In the past, Indiana has lagged the nation in attainment of degrees. In addition, great disparities have existed among the counties within our state. As the data from Census 2000 flow in, we can begin to examine these issues.

Morton J. Marcus

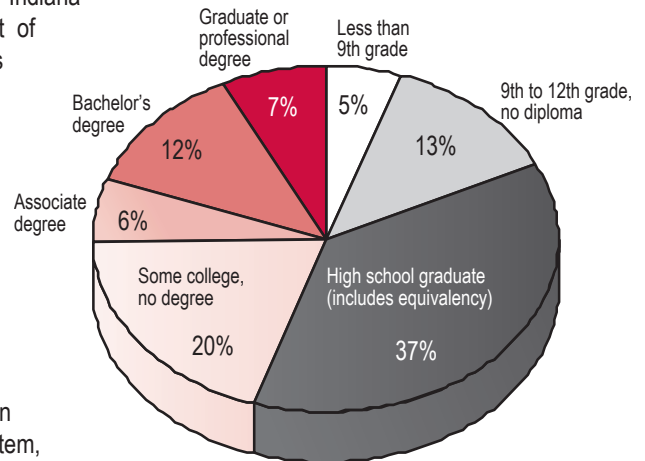
Executive Director, Indiana Business Research Center, Kelley School of Business, Indiana University, Bloomington, Indianapolis, and Gary

Degree Attainment 2000

Census 2000 recorded 3.9 million Hoosiers age 25 and older. Of these, 44.9 percent had some formal education beyond the high school level (see **Figure 1**). Even without a significant junior college system, 6 percent had an associate degree. Despite widespread opportunities for graduate education, only 7 percent had graduate or professional degrees.

But 20 percent had taken some post-high school education without attaining a degree. Is this a failing of either the schools or the students? It might not reflect any failure at all. In fact, it might indicate wise career decisions and efficient education systems. Degrees are the creation of academic institutions that are supposed to indicate certain levels of achievement. That contention, however, is subject to dispute.

Figure 1
Indiana's Educational Attainment, 2000



Nonetheless, if rewards are assigned to people willing to accept the discipline and dictates of others, then degrees will be a correlate for income.

Indiana and the U.S.

In 2000, Indiana lagged the nation in educational attainment at all levels above high school completion (see **Figure 2**). Our citizens tend to achieve that high school diploma but fall short on higher levels of educational attainment.

Figure 2
Educational Attainment, 2000

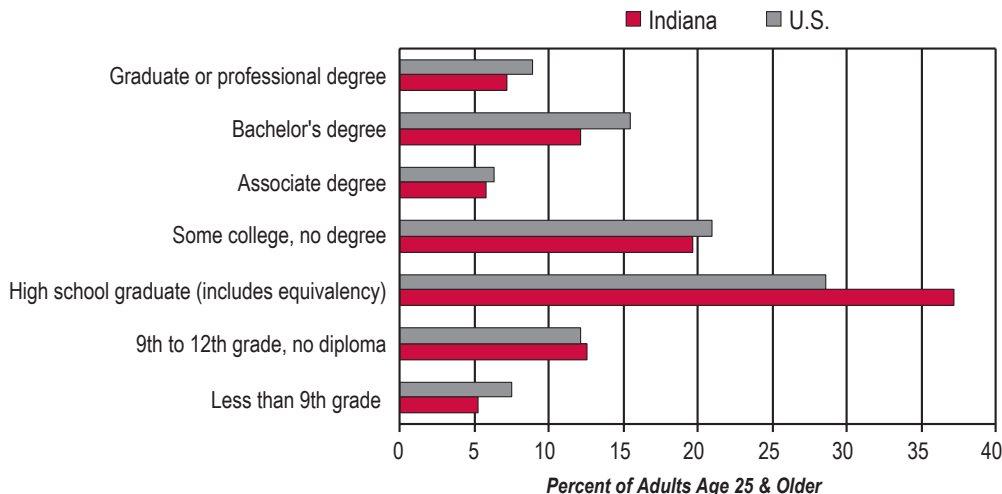
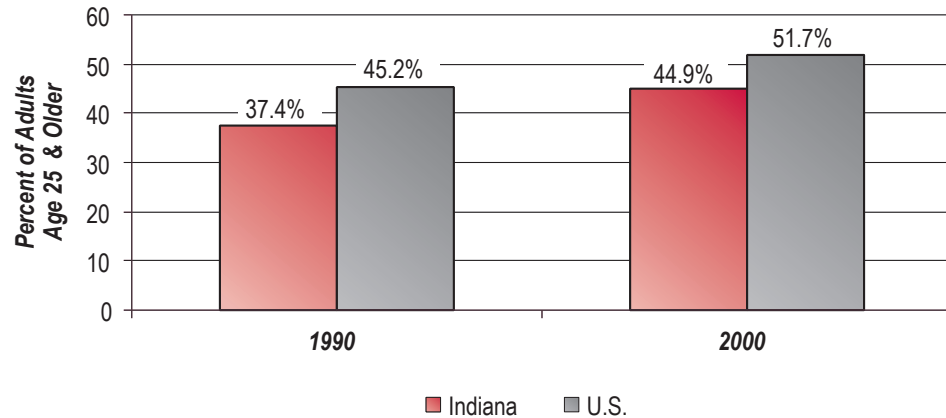


Figure 3
Comparative Educational Attainment: Percent of Adults with Some Post-Secondary Education



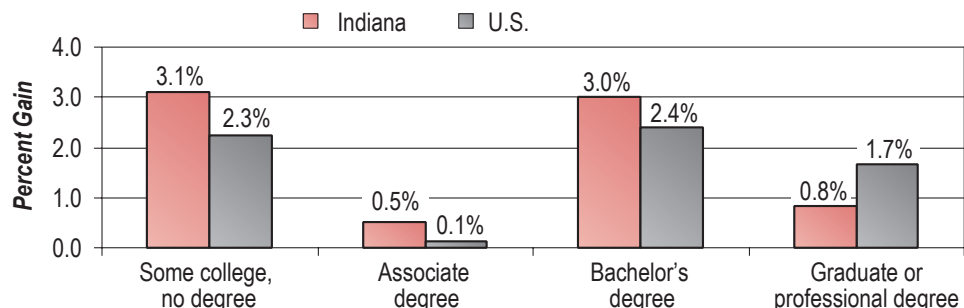
Of course, we cannot say from these data exactly what this means. Since the data available at the time of this writing do not tell us the education level by age, it may be that our older citizens, who did not have extensive opportunities to further their education, are giving a downward twist to the numbers. (Indiana does have a higher percentage of older residents than the nation as a whole.)

Equally important, we do not know if the people of Indiana today were educated in this state or elsewhere. Nor do we know where the individuals educated in Indiana in the past are living today. We may have a higher percentage of high school graduates than the nation because Indiana offers good jobs for people with such a level of education. This would cause Hoosiers with high school degrees to stay here and would also invite those from other states with high school degrees to migrate to Indiana.

If we sum the differences between Indiana's attainment percentages in the four categories above high school, we find 44.9 percent of Hoosiers had some post-secondary education in 2000. Nationally, that percentage was 51.7 percent (see **Figure 3**). Indiana lagged the nation by 6.8 percent in 2000. The 1990 figures were 37.4 percent for Indiana and 45.2 percent for the U.S., a difference of 7.8 percent. Indiana closed the educational attainment gap by 1 percent of its adult population in the 1990s. Alternatively, while the U.S. advanced by 6.5 percent during the '90s, Indiana moved up by 7.5 percent.

Where did we close the gap in educational attainment? **Figure 4** shows the gains made in the U.S. and in Indiana during the 1990s. The Hoosier state did better than the nation, in terms of percentage gains, in all post-secondary levels except for graduate education.

Figure 4
Change in Educational Attainment Percentage During the 1990s



Educational Attainment and Our Neighboring States

Carol O. Rogers

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Between the 1990 and 2000 censuses, Indiana and its neighboring states showed similar declines among adults with less than a high school education and increases in those with at least a high school diploma or some college (see **Table 1**). Ohio experienced the most significant decline in adults with less than a ninth grade education, followed by Michigan, Indiana, and Kentucky. Between 1990 and 2000, Kentucky experienced the smallest decline in adults who went to high school but did not receive a diploma. During that same ten-year span, Indiana experienced the largest percentage increase in adults with a bachelor's degree—47.9 percent—among its neighbors and compared to the U.S. (see **Figure 1**).

At the same time, Indiana, Michigan, and Ohio have the lowest proportion of adults with less than a ninth grade education when compared to the United States (7.5 percent) and Kentucky (12 percent) (see **Table 2**).

Figure 1
Percent Change in Adults with
a Bachelor's Degree, 1990-2000

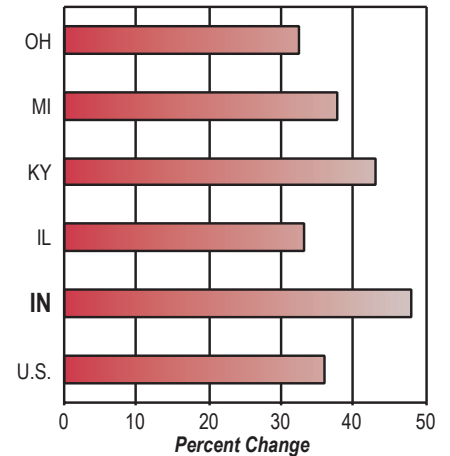


Table 1
Ten Year Changes in Educational Attainment—Indiana and Its Neighbors

Percent Change 1990 to 2000	U.S.	IN	IL	KY	MI	OH
Less than 9th grade	-16.6	-30.6	-20.4	-30.1	-34.0	-39.3
9th to 12th, no diploma	-3.9	-11.5	-10.4	-2.0	-15.4	-18.2
High school graduate (includes equivalency)	9.5	8.6	1.1	19.9	6.5	6.3
Some college, no degree	28.8	32.9	21.6	38.4	25.6	24.8
Associate degree	17.6	22.1	14.5	36.9	14.1	19.1
Bachelor's degree	35.9	47.9	33.1	43.2	37.7	32.4
Graduate or professional degree	40.7	26.5	39.6	41.6	37.7	34.3
Total Population Age 25 and older	14.7	11.6	9.3	13.4	9.8	7.0

Table 2
Type of Educational Attainment—Indiana and Its Neighbors

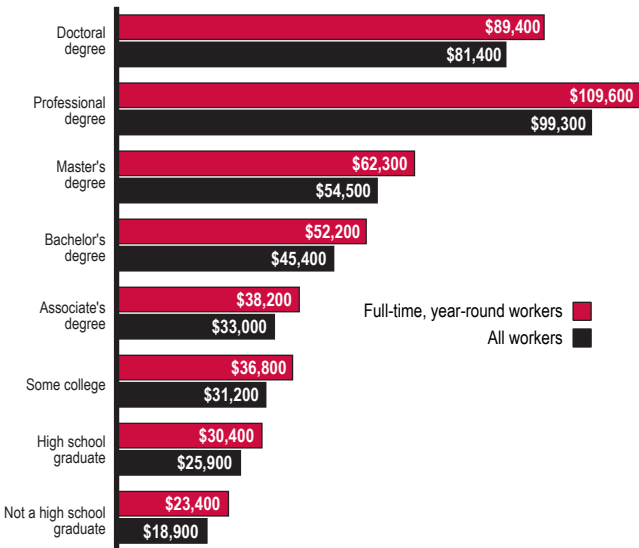
Percent Distribution—2000	U.S.	IN	IL	KY	MI	OH
Less than 9th grade	7.55	5.31	7.50	11.69	4.66	4.48
9th to 12th, no diploma	12.05	12.56	11.07	14.20	11.93	12.55
High school graduate (includes equivalency)	28.63	37.19	27.74	33.57	31.34	36.09
Some college, no degree	21.05	19.75	21.58	18.52	23.33	19.86
Associate degree	6.32	5.79	6.05	4.89	6.98	5.93
Bachelor's degree	15.54	12.21	16.52	10.26	13.70	13.71
Graduate or professional degree	8.86	7.20	9.54	6.88	8.07	7.38
Total Population Age 25 and older	100.00	100.00	100.00	100.00	100.00	100.00

Learn More, Earn More

Recent government studies based on national household surveys confirm what many of us already know or assume—the more you learn, the more you earn. But that’s just a catchy way of saying that the more advanced the degree the greater the earnings potential. And while there are many reasons for young people to pursue further education after high school, the pursuit of economic success is one of the most obvious and measurable.

The report, *The Big Payoff: Educational Attainment and Synthetic Estimates of Work-Life Earnings* by the U.S. Census Bureau and released in June 2002, quantifies the economic value of college and advanced degrees for workers. It also shows that while there are differences—and sometimes very significant differences—in earnings based on gender and race, overall men and women prosper more with more education, as do African-Americans, Asians, and Hispanics or Latinos. The following graphs illustrate these points.

Figure 1
Average Annual Earnings by Educational Attainment: 1997-1999
Workers Age 25 to 64 (in 1999 dollars)



Endnotes:

1. Professional degrees are J.D., M.D., D.D.S. or D.V.M.
2. For the full report, with details on methodology, go to the web at: www.census.gov/prod/2002pubs/p23-210.pdf.

Figure 2
Average Earnings as a Proportion of High School Graduates' Earnings: 1997-1999

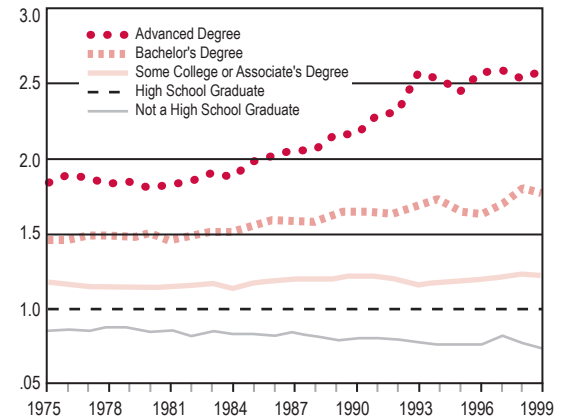


Figure 3
Synthetic Work-Life Earnings for Full-Time, Year-Round Workers by Gender
In millions of dollars; based on 1997-1999 work experience

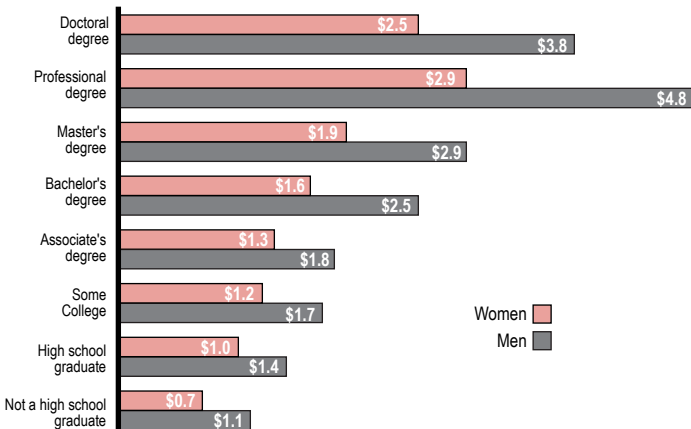
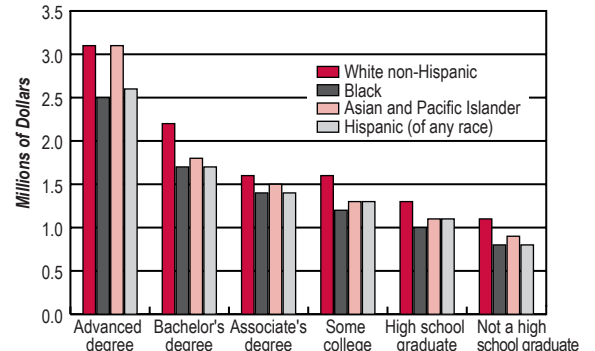


Figure 4
Synthetic Work-Life Earnings for Full-Time, Year-Round Workers by Race
Based on 1997-1999 work experience



Census Facts Revealed: A Census 2000 Update

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A snippet of long form data was released to us in May. Here is a smattering of what we have learned so far:

- 82 percent of adults have a high school diploma (or equivalency) or more.
- 48,181 grandparents in Indiana live with and are responsible for their grandchildren.
- Nearly 70 percent of Hoosiers living somewhere in Indiana when the census was taken in the spring of 2000 were also born in Indiana, compared to 60 percent nationally.
- 23 percent of Hoosiers reported their ancestry as German.
- 362,082 people age 5 and older speak a language other than English at home. More than half of those spoke English 'very well.'
- 352,687 people were enrolled in college or graduate school in Indiana.
- One out of five Hoosiers age 5 and older (and not in an institution) reported a disability.
- 12 percent of the population 15 and older were either separated or divorced.
- More than two out of three people widowed were women.
- Everyone must drive, since 60 percent of households had two or more vehicles available.

What We Don't Know Yet

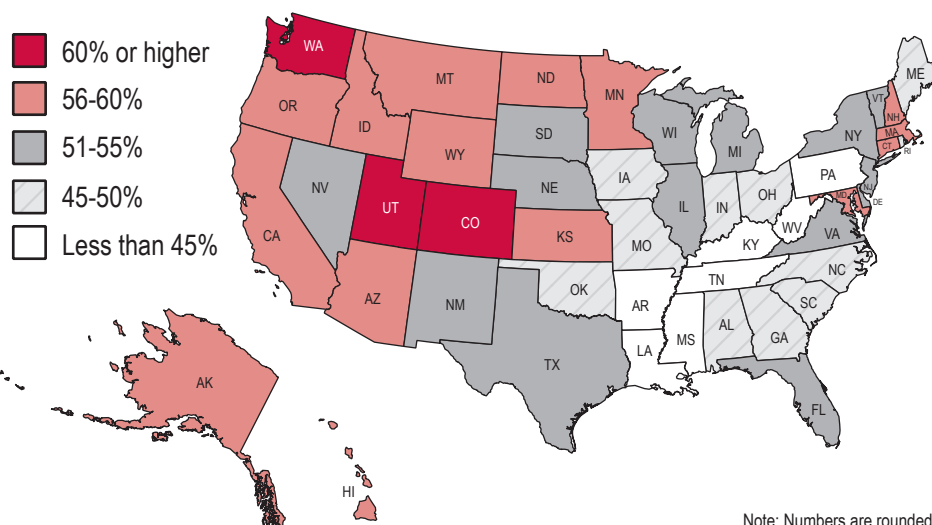
These facts are not yet available at the census tract or block group level of geographic detail, which is what provides us with information about our communities at the neighborhood level. The 77 individual files that comprise Indiana's Summary File 3 should be released to us in September.

Many agencies in Indiana are anxious for this release. The file, called SF3 for shortened convenience, contains important information for our communities and neighborhoods. These data will be used to help inform the Urban Enterprise Zone program, for applications to the Community Development Block Grant Program, in newspaper and television and radio stories, and by hundreds of businesses and local governments attempting to enlighten their work with a comprehensive, standard set of information that is comparable across the state and throughout the United States.

If you need to keep tabs on the SF3 release schedule, you can visit this web location: www.census.indiana.edu and click on the schedule link we provide.

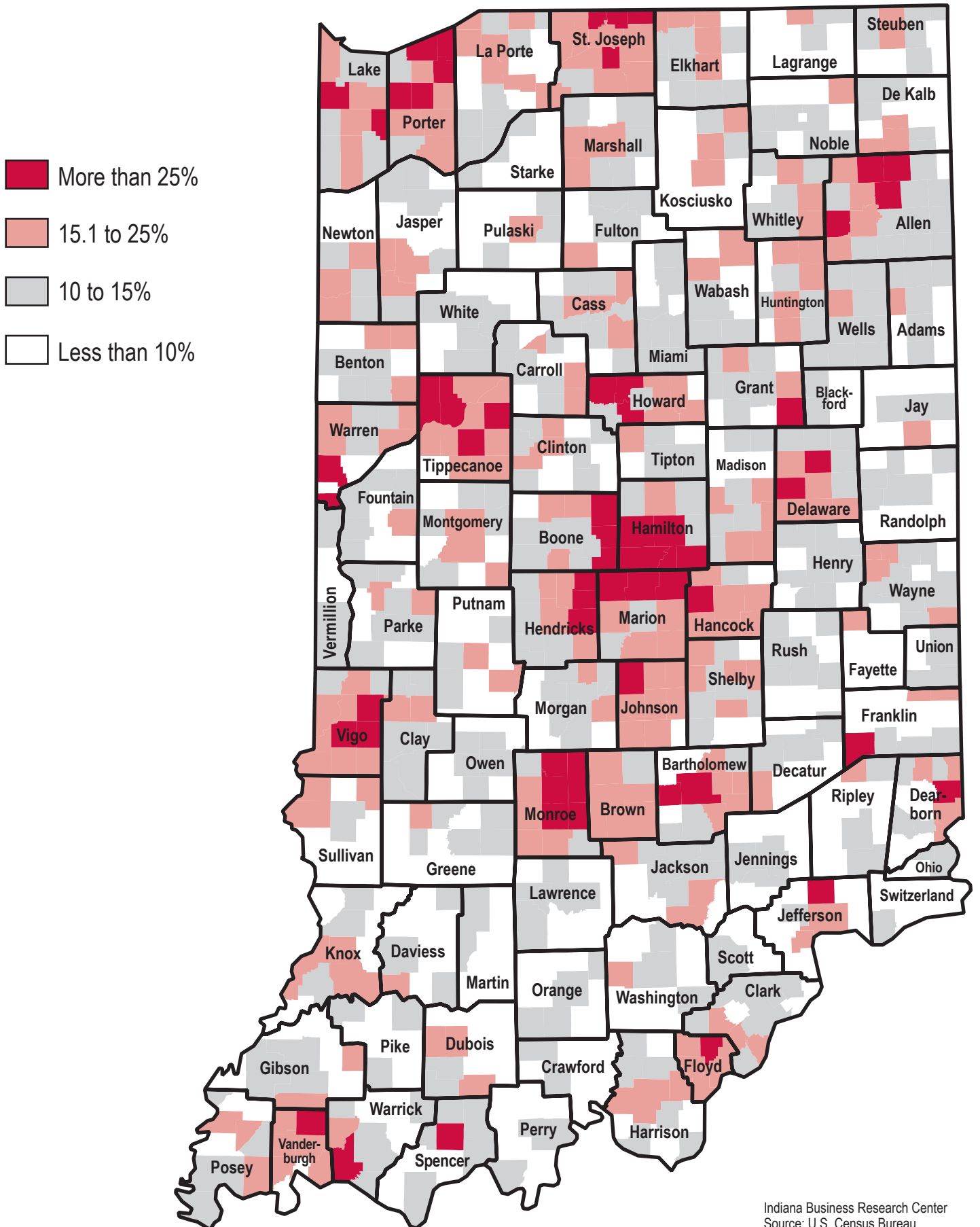
Higher Education in the U.S.

Percent of Adults Age 25 and Older with Some College Experience or More, 2000



A Closer Look: Percent of Adults 25 and Older with a Bachelor's Degree

By Indiana Township



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Census 2000 for Indiana

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