WHAT WOULD THE IMPACT BE OF RAISING THE EDUCATIONAL ATTAINMENT OF ARIZONA?

How does Arizona compare?

In 2019, only 33.8% of Arizona workers had a bachelor’s degree or higher, which lags the national average by 5.1 percentage points and ranked Arizona 39th lowest. As a significant barrier to economic development, this is a critical public policy issue facing our state.

Increasing educational attainment would transform the state economy through two mechanisms:

First, the **direct effect** would raise the earnings of individuals who attained higher levels of education.

Second, a more educated workforce would change the mixture of employers present in the economy and create knowledge **spillover effects**. The spillover effects benefit all workers, including those who do not increase their educational attainment.

How would increasing educational attainment change Arizona?

What would higher earnings mean for Arizona?

If the Arizona workforce increased the bachelor’s degree attainment by 0.2 percentage points per year, the educational attainment gap will close between Arizona and the U.S. average, and would generate over $32 billion in economic effects and $1.7 billion in general fund revenues between now and 2050.

The boost in earnings would also raise overall consumer demand — lifting overall employment 2.2% above trend in 2050.