How does Arizona compare?

The percentage of Arizona’s workforce with a bachelor’s degree or higher lags the national average, and Arizona’s production of these workers also lags behind the rest of the United States. A policy intervention to increase the number of Arizona workers with bachelor’s degrees would produce substantial economic impacts and create higher revenues for the state.

This study finds that increasing the share of university graduates in the workforce by one percentage point during the period 2013–2017 would have produced $1.5 billion in economic effects and generated $79 million in new General Fund revenues for the state government. If a new policy initiative were to increase the share of workers with a bachelor’s degree by 0.2 percentage points each year, Arizona would only catch up with the U.S. average in 2050—32 years from the base year of 2018. During that timespan, 353,000 additional people—a full six percent of Arizona’s workforce—would earn bachelor’s degrees, generating $32 billion in economic impact and $1.7 billion in new general fund revenues. Aside from the spillover effects of higher productivity, increased wages would also raise demand for goods and services, increasing overall employment by 2.2 percent by 2050.

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