

As America Becomes More Diverse: The Impact of State Higher Education Inequality

California State Profile

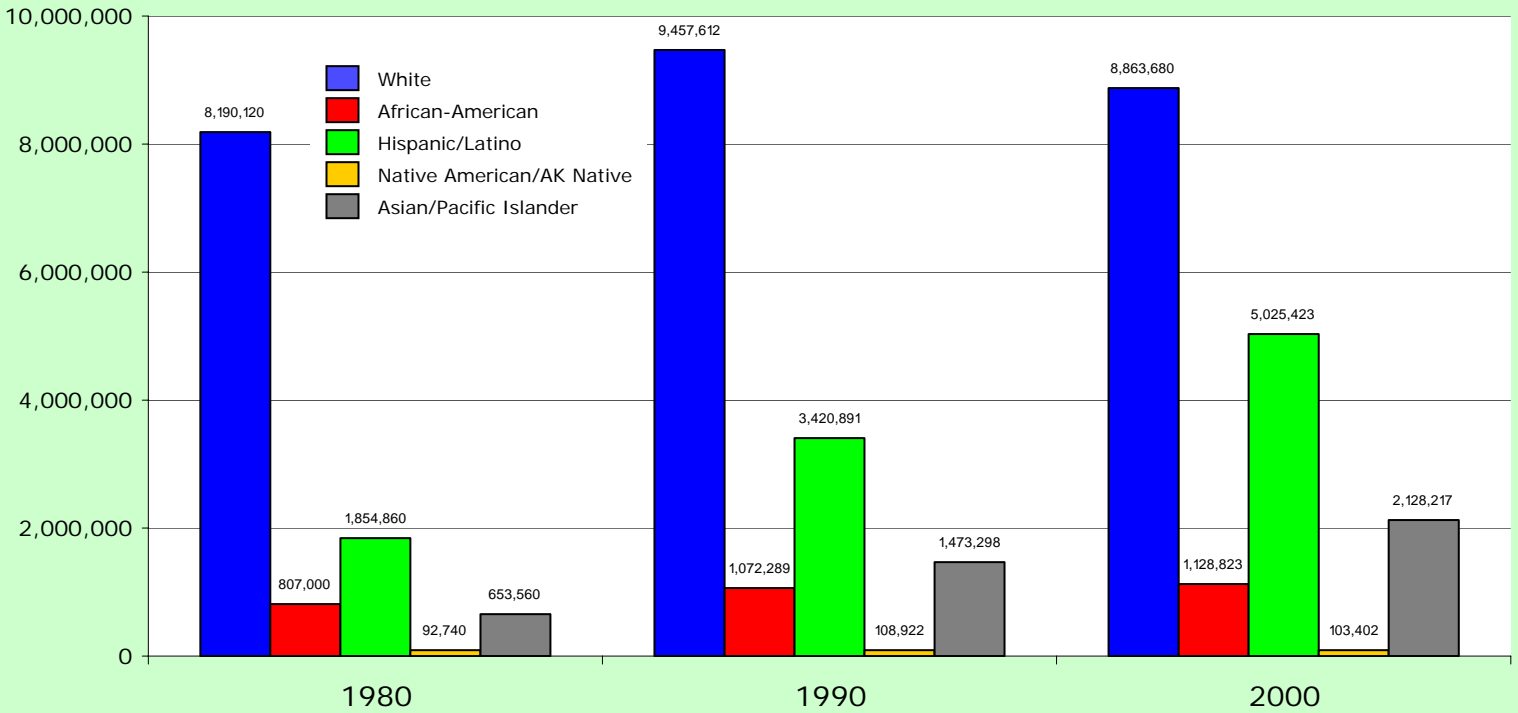
Questions You Should Ask

- ❖ How educated is California's adult population and workforce?
- ❖ How does California compare to the national average, the most educated states, and the most educated countries?
- ❖ What are the disparities in educational attainment, participation and completion in higher education, and personal income by gender and race/ethnicity?
- ❖ How is the demographic composition of California expected to change?
- ❖ How will expected changes in demography – given current disparities in education and personal income – affect the overall educational attainment and personal income of California?

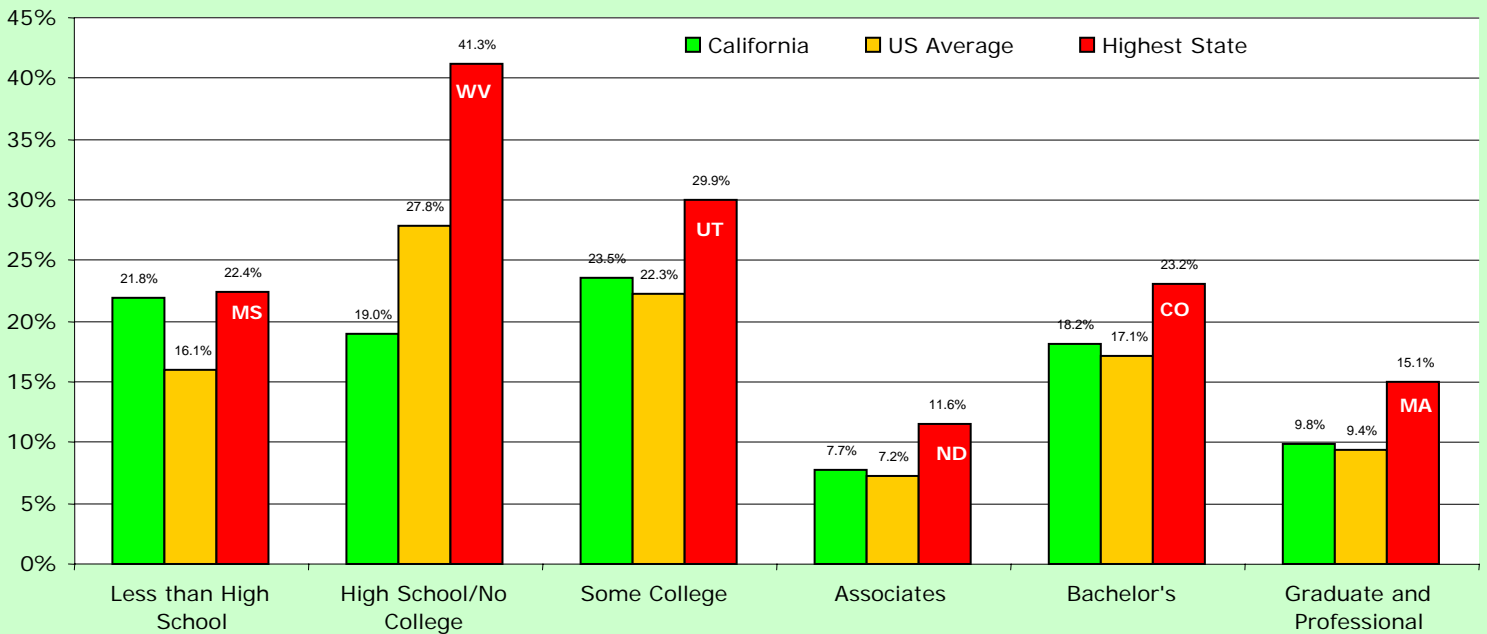
The Impact of State Higher Education Inequality

California State Profile

Racial/Ethnic Composition of California's Working Age Population (Ages 25 to 64) from 1980 to 2000

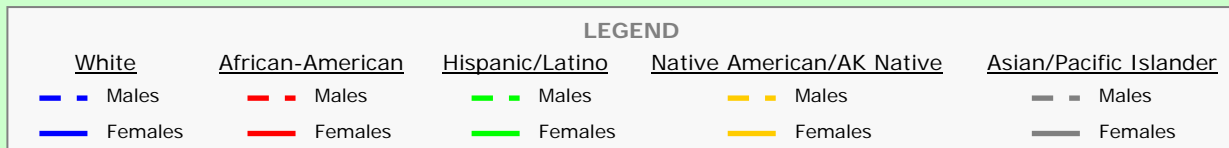


Educational Attainment of 25 to 64 Year Olds in 2000 (All Races)

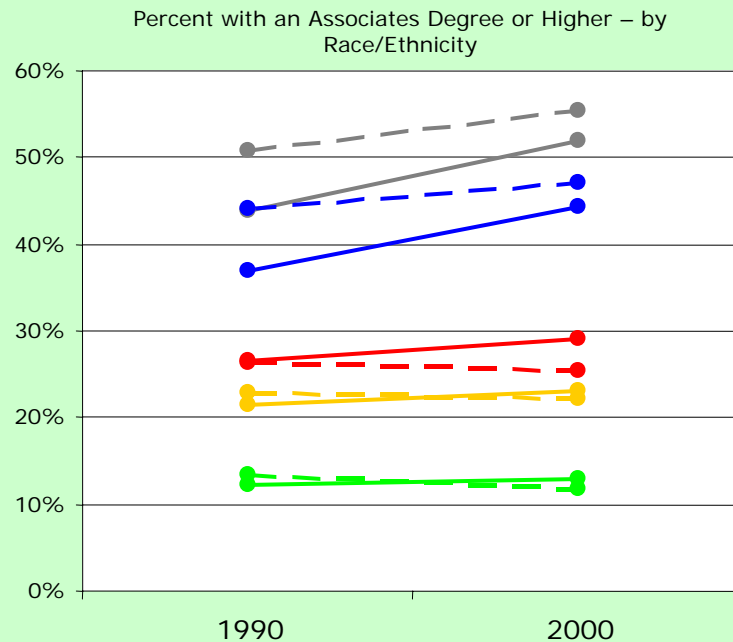
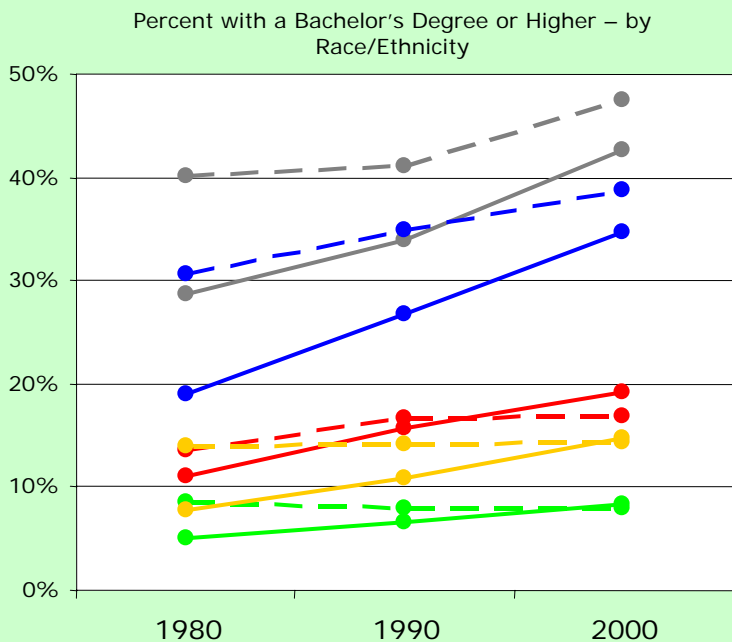


Sources: US Census Bureau's Public Use Microdata Samples (Based on the 1990 and 2000 Census)

Disparities in Educational Attainment by Gender and Race/Ethnicity

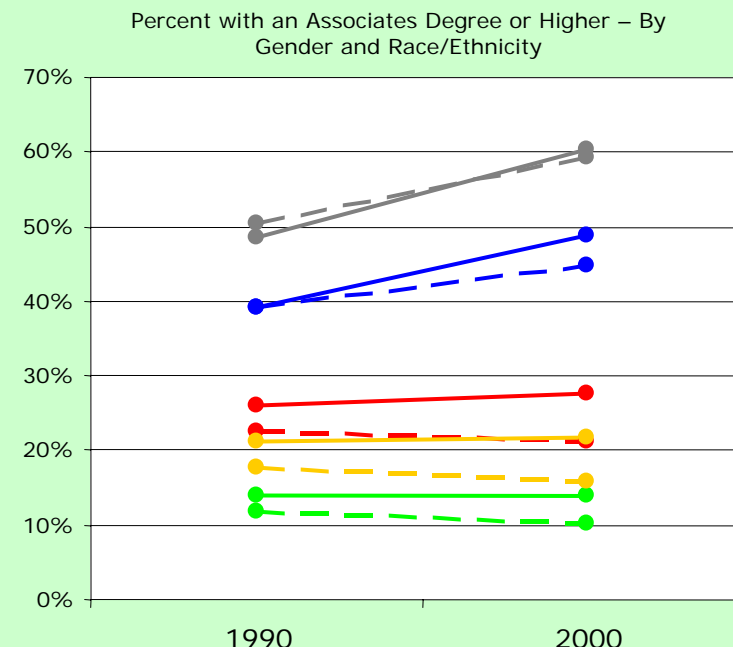
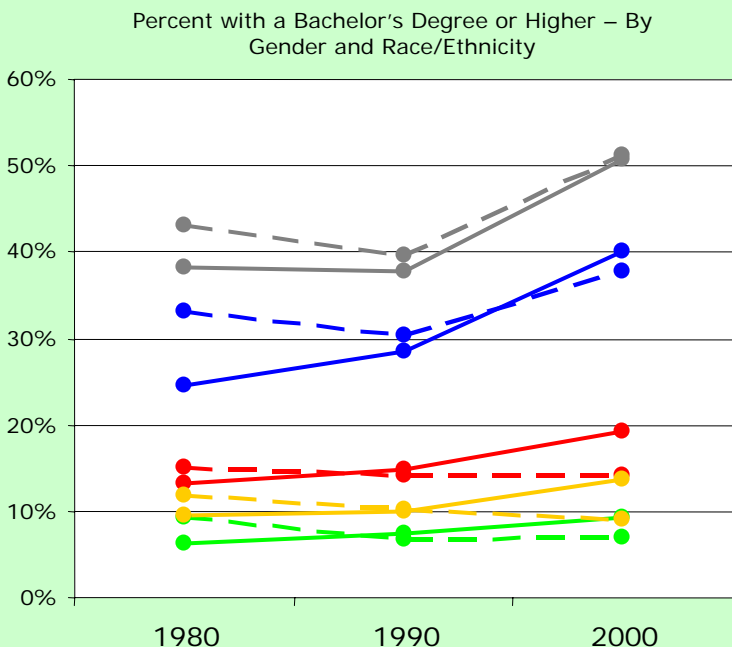


Educational Attainment of 25 to 64 Year Olds (Working Age)



Sources: US Census Bureau's Public Use Microdata Samples (Based on the 1980, 1990, and 2000 Census)
 Note: Associate Degree Data not Available for 1980.

Educational Attainment of 25 to 34 Year Olds (The Young Workforce)



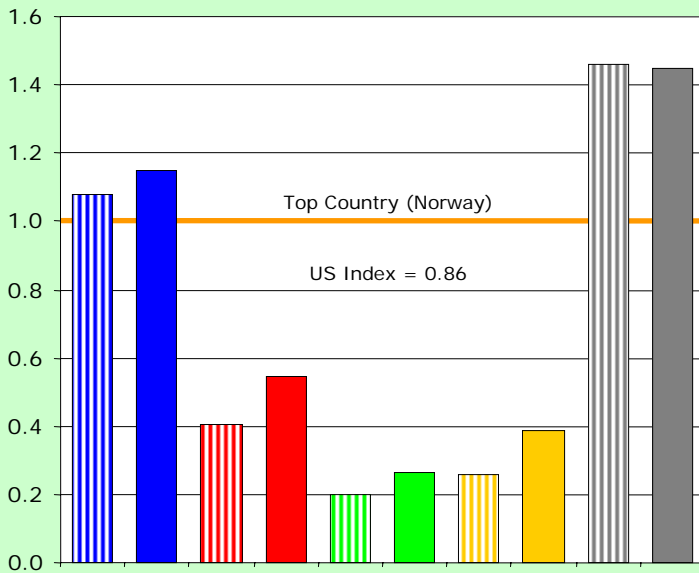
Sources: US Census Bureau's Public Use Microdata Samples (Based on the 1980, 1990, and 2000 Census)
 Note: Associate Degree Data not Available for 1980.

Educational Attainment by Gender and Race/Ethnicity (25 to 34 Year Olds Continued)

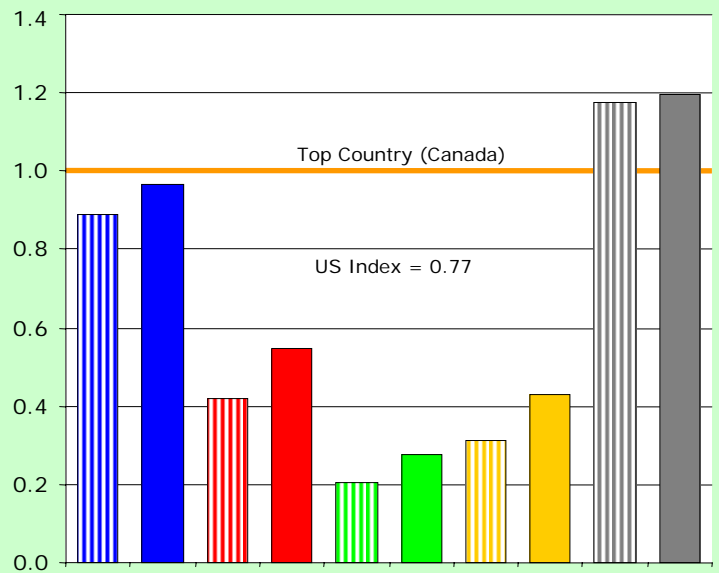


Educational Attainment of 25 to 34 Year Olds (The Young Workforce) Indexed to the Top Country

Indexed to the Top Country – Percent with a Bachelor's Degree or Higher – By Gender and Race/Ethnicity



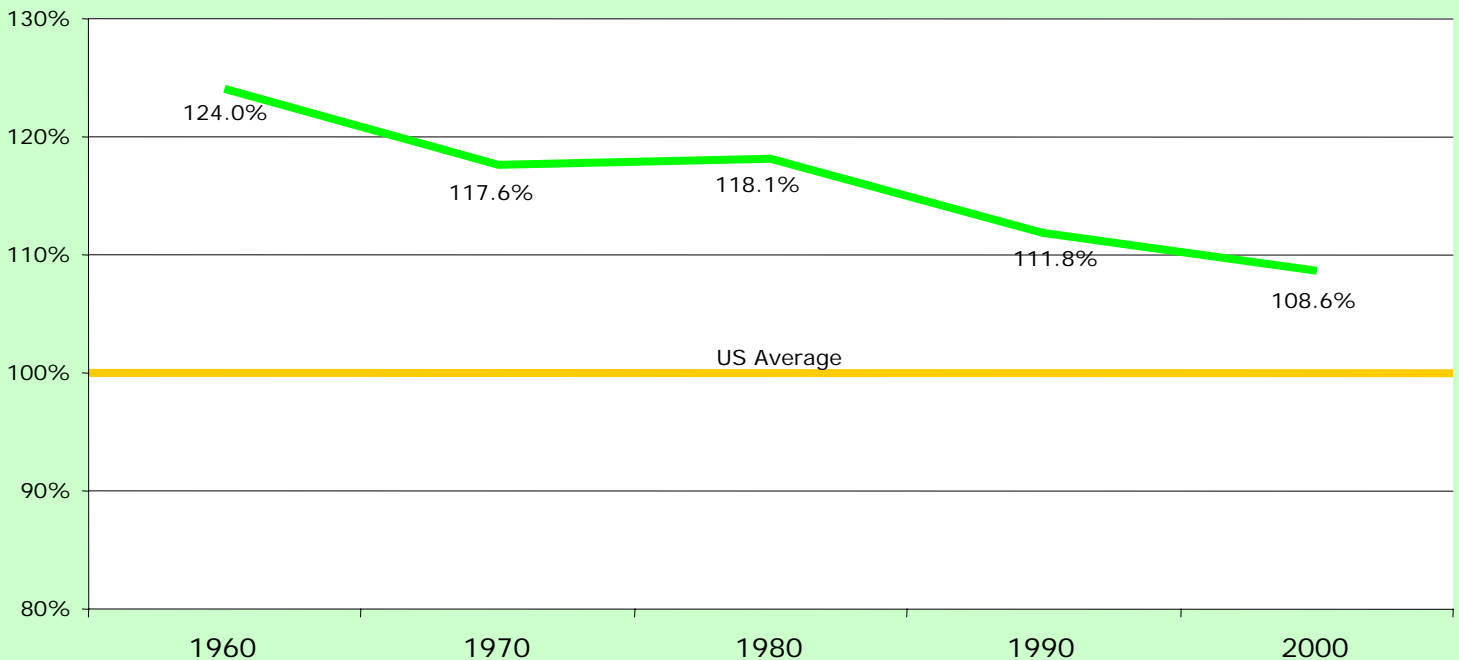
Indexed to the Top Country – Percent with an Associates Degree or Higher – By Gender and Race/Ethnicity



Sources: US Census Bureau's Public Use Microdata Samples (Based on the 2000 Census) and the Organisation for Economic Co-operation and Development

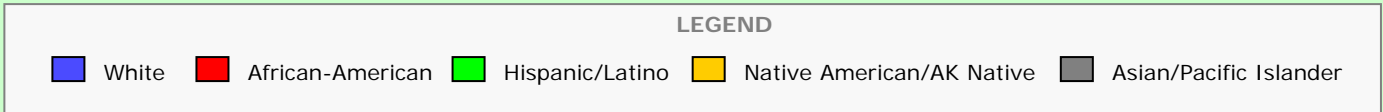
Personal Income

California's Personal Income Per Capita as a Percent of the US Average (1960 to 2000)

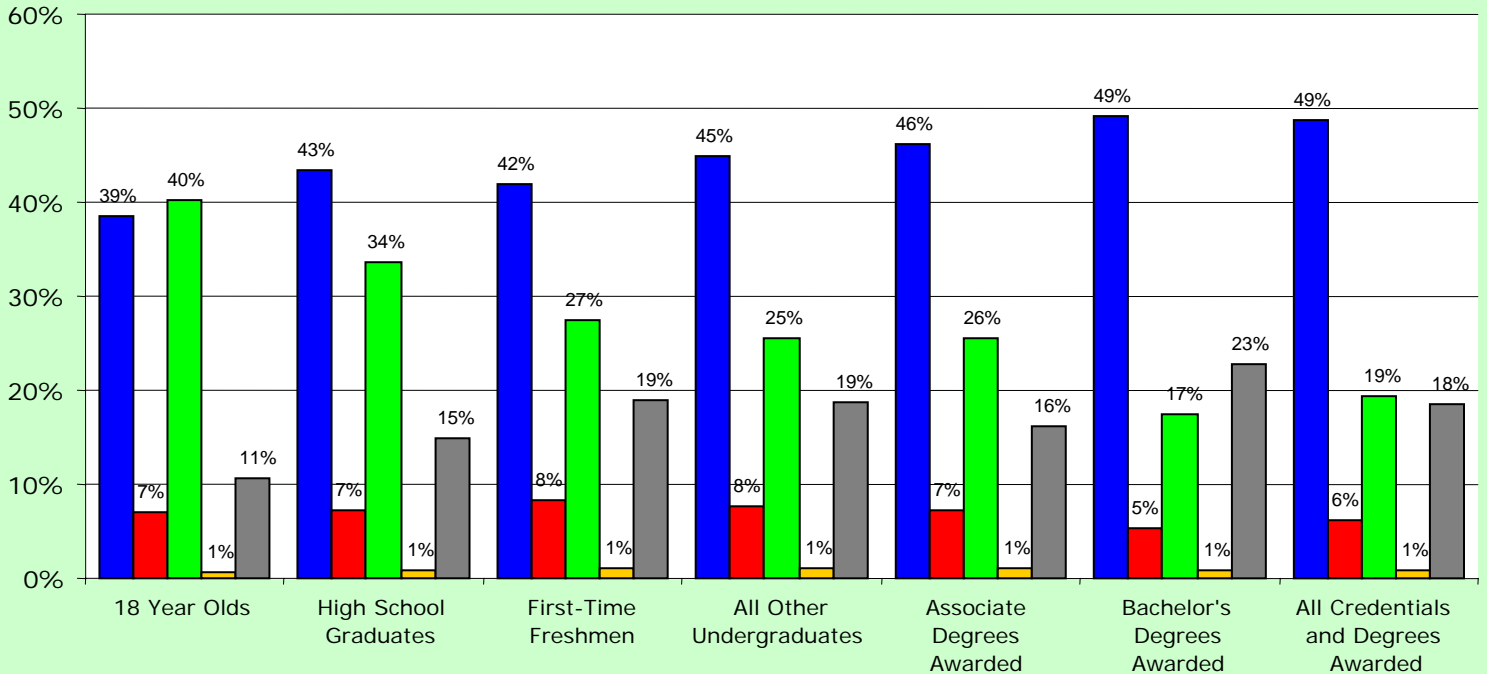


Source: US Census Bureau's Current Population Survey (1960, 1970, 1980, 1990, and 2000)

Higher Education Participation and Completion by Race/Ethnicity



Representation (%) of Race/Ethnic Groups at Each Stage of the Education Pipeline (2002)

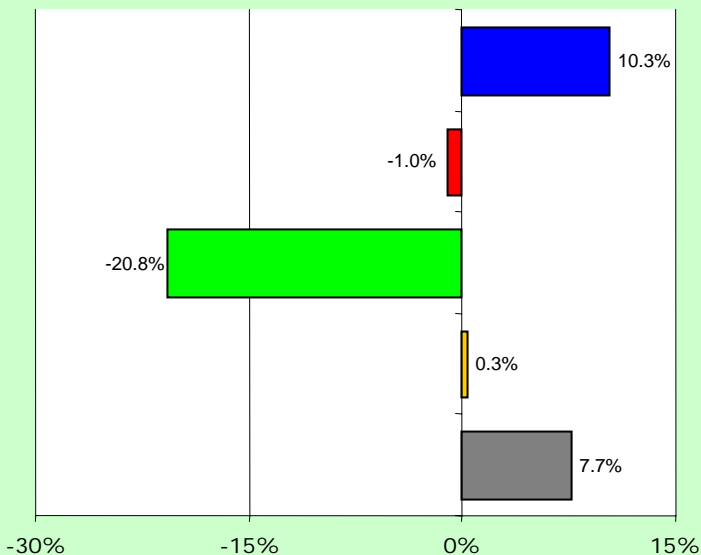


Sources: US Census Bureau (18 Year Olds), Western Interstate Commission for Higher Education (HS Graduates), and the National Center for Education Statistics (College Participation and Completion)

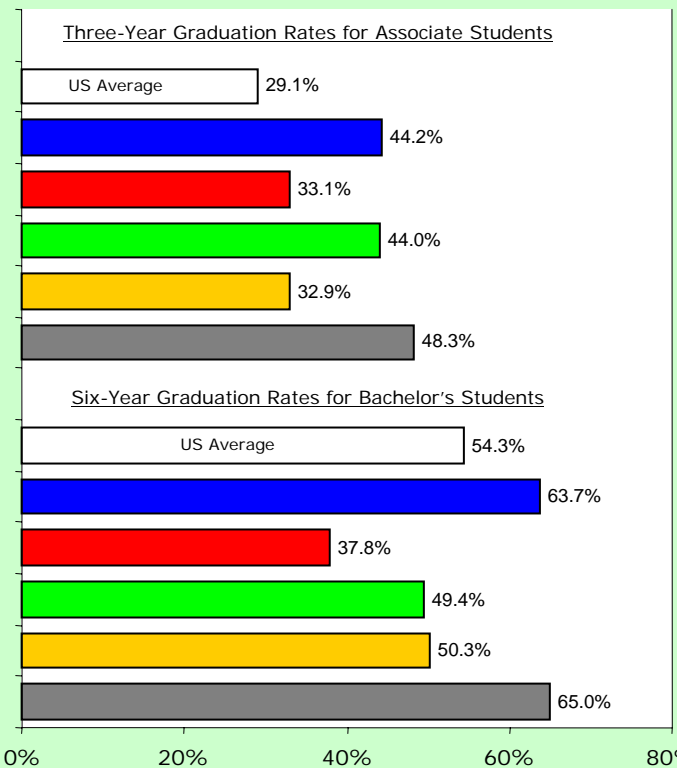
Graduation Rates by Race/Ethnicity (2002)

Actual vs. Parity

Difference in the Percentage of Credentials Awarded and the Percentage of 18 Year Olds by Race/Ethnicity (2002)



Sources: US Census Bureau (18 Year Olds), Western Interstate Commission for Higher Education (HS Graduates), and the National Center for Education Statistics (College Participation and Completion)

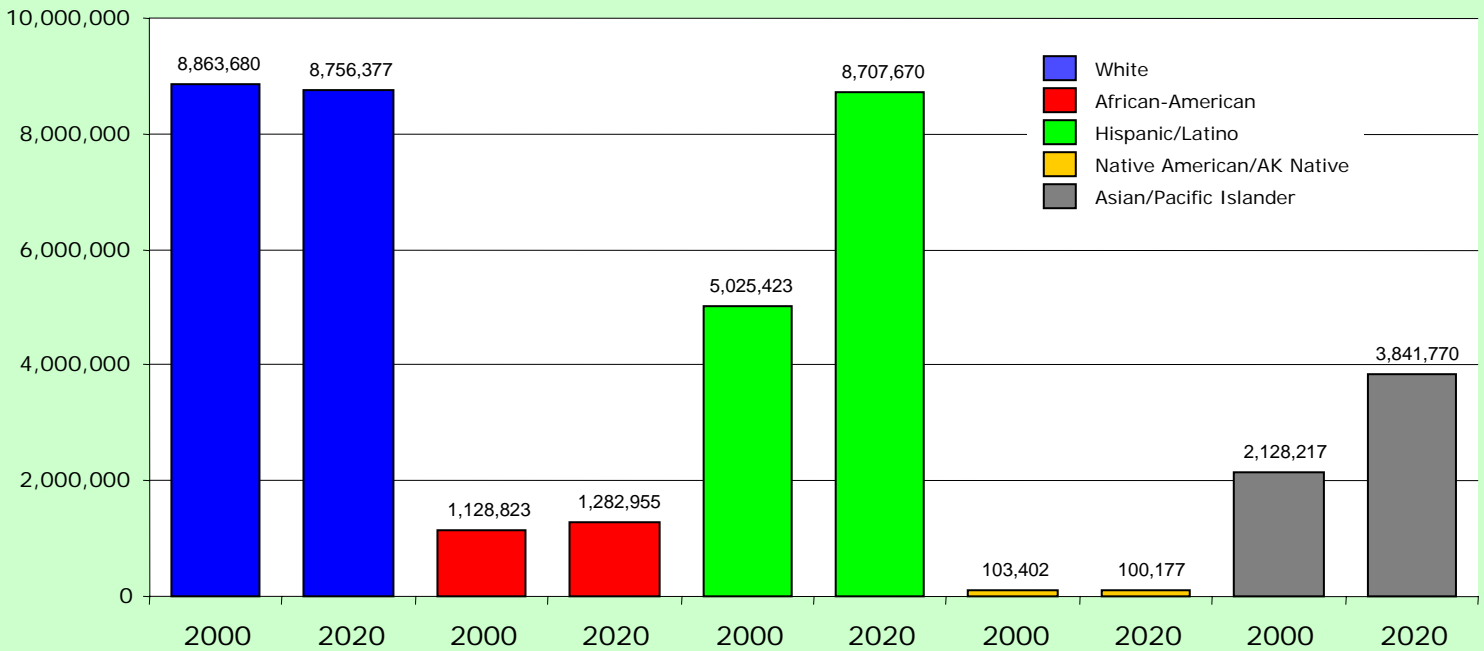


Source: National Center for Education Statistics (IPEDS Graduation Rate Survey)

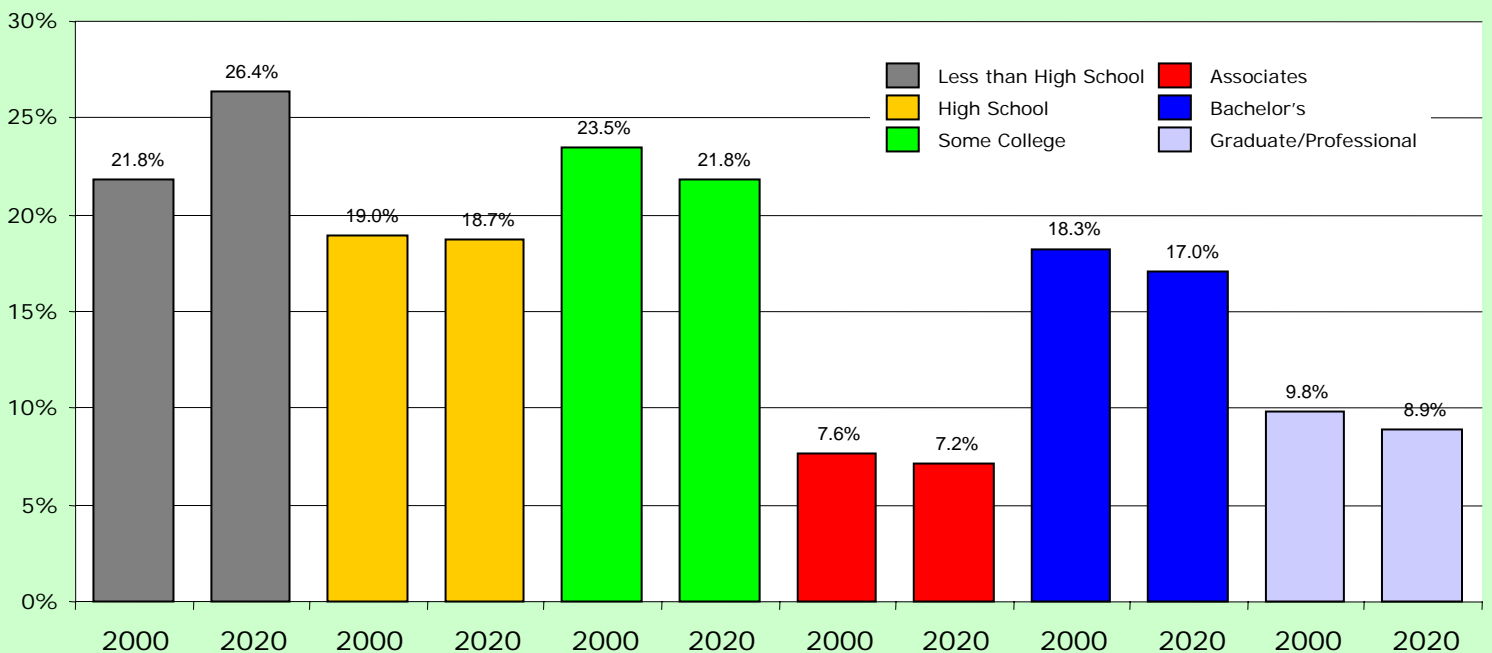
The Impact of Changing Demographics on Educational Attainment and Personal Income (2000 to 2020)

Projected changes in educational attainment and personal income per capita are based on the US Census Bureau's population projections by age and race/ethnicity and 2000 educational attainment and personal income data by age and race/ethnicity. The analyses are designed to help answer the following question: "Given current disparities in educational attainment and personal income by age and race/ethnicity, how will the changing demographics in my state impact the overall educational attainment and personal income of the adult population?"

Projected Change in 25 to 64 Year Olds by Race/Ethnicity (from 2000 to 2020)



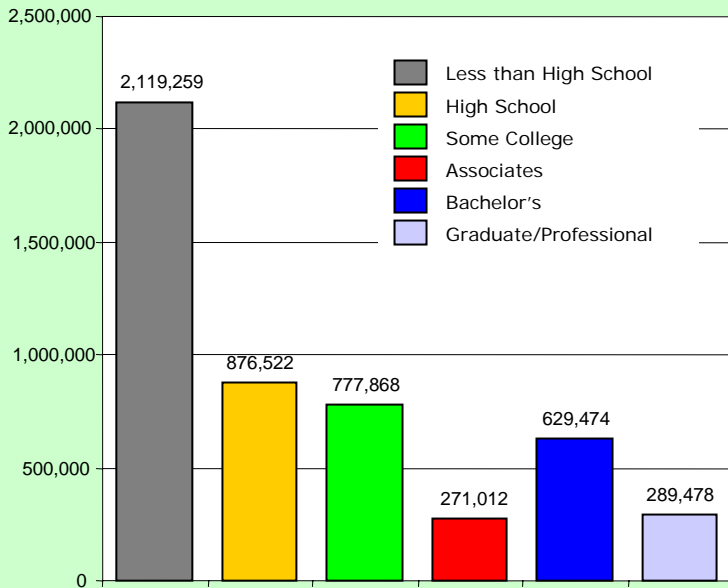
Changes in Educational Attainment as a Result of the Projected Changes In Race/Ethnicity (25 to 64 Year Olds from 2000 to 2020)



Sources: US Census Bureau's Population Projections (from 1995 to 2025) and Census 2000

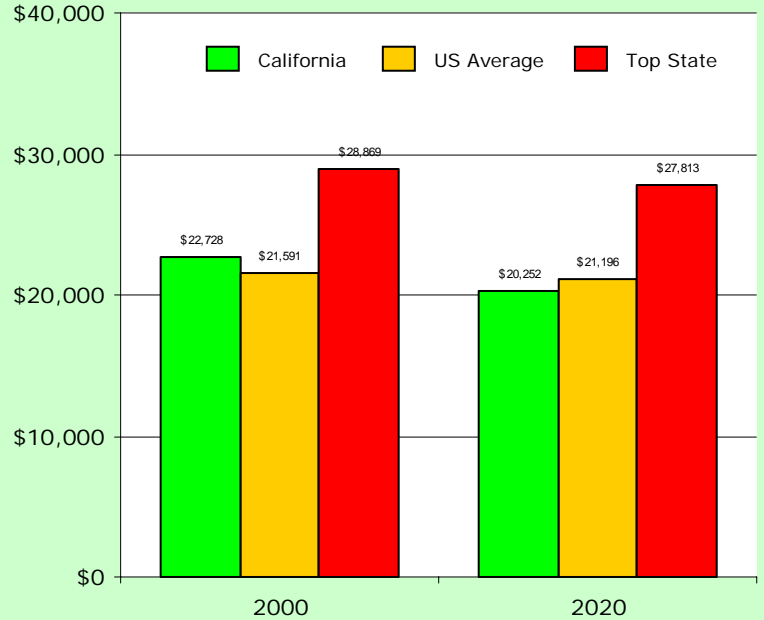
The Impact of Changing Demographics on Educational Attainment and Personal Income (2000 to 2020) - Continued

Number Change in Adults 25 to 64 by Degree Level from 2000 to 2020



Source: US Census Bureau's Population Projections and Census 2000

Change in Per Capita Personal Income from 2000 to 2020 (In 2000 \$)



Source: US Census Bureau's Population Projections and Census 2000

If Hispanics/Latinos, African-Americans, and Native Americans achieved the same levels of education as Whites by 2020, California's personal income would increase by \$101.6 Billion (in 2000 \$).

Note: Does not account for racial/ethnic disparities in personal earnings for the same levels of education.

The Impact of State Higher Education Inequality

California Summary

- ❖ The growth in California's working-age population is almost exclusively Hispanic and Asian. And by 2020, these two racial/ethnic groups are projected to comprise more than half of the population ages 25 to 64 – with Hispanics equaling the White population at nearly 9 million.
- ❖ The workforce has slightly more college degrees than the nation as a whole but substantially less than the most educated states. A very high percentage of 25 to 64 year olds (22%) have less than a high school education (second only to Mississippi) and a quarter of the younger population – ages 25 to 34 – have less than a high school diploma (the highest percentage in the US).
- ❖ Females have made progress in educational attainment relative to males but sizable disparities still exist among racial/ethnic populations. The difference between the two largest populations (White and Hispanic) is among the largest of any state. Less than 10 percent of Hispanics have a bachelor's degree or higher – while nearly 40 percent of Whites have attained a bachelor's degree.
- ❖ Despite increases in educational attainment for the entire population in California, educational attainment among Hispanic males has actually declined over the past 20 years.
- ❖ Only Whites and Asians exceed the most educated countries in the percentage of adults (ages 25 to 34) with a bachelor's degree and only Asians when accounting for all college degrees (associate and higher) – which is an important consideration in an increasingly global economy.
- ❖ California's personal income per capita has declined substantially from 124% of the national average in 1960 to 109% in 2000.
- ❖ The education system in California (from high school to college completion) fails to retain Hispanics at nearly the rate of Whites and Asians. African-Americans also fall out at higher rates. These racial/ethnic disparities are also evident in the graduation rates of college students – particularly at the baccalaureate level.
- ❖ Unless these inequities are addressed, current disparities in educational attainment and the population projections by race/ethnicity indicate that California will lose ground in the percentage of its workforce that is college-educated. The most substantial growth will occur in the "less than high school" population.
- ❖ A similar trend is projected for personal income. California's personal income per capita will decline relative to other states (falling below the US average for the first time) which will also have a negative impact on the tax base of California and its ability to provide services to its citizens – namely higher education.

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