

**ILLINOIS HIGHER EDUCATION:
THE BENEFITS OF GOING TO COLLEGE**

Submitted for: Information.

Summary: Going to college pays big dividends. College graduates earn more than those who don't attend college. Spending by colleges and universities and by students and campus visitors flows through the state economy creating thousands of jobs. State appropriations to colleges and universities grow into new revenue for state and local governments. Research adds to the nation's productivity. Colleges and universities are community resources for entertainment, instruction, and enrichment.

Illinois Higher Education: Building the Economy, Shaping Society is a study of the economic, personal, and social benefits of colleges and universities to the state and its citizens. This summary highlights some of the important findings of that study.

Action Requested: None.

STATE OF ILLINOIS
BOARD OF HIGHER EDUCATION

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Count the ways:

1. College graduates earn more money than those who do not attend college.
2. Spending by colleges and universities stimulates economic activity and creates jobs.
3. Spending by students and visitors generates additional economic activity and employment.
4. College graduates are healthier, more giving of their time and charity, and more civic minded.
5. Colleges and universities serve the public through a variety of programs, events, and facilities, from libraries to concerts to athletic competition.
6. Illinois higher education increases the nation's productivity.

These are among the myriad ways that Illinois higher education benefits Illinois and its citizens.

Those benefits are ably and thoroughly documented in an economic impact study undertaken by Robert W. Resek, a professor of economics at the Institute of Government and Public Affairs at the University of Illinois, and David F. Merriman, associate professor of economics at Loyola University in Chicago. Their findings of the economic, personal, and social benefits of higher education are reported in *Illinois Higher Education: Building the Economy, Shaping Society*, contained in the Board agenda packet. A summary of those findings, *Illinois Higher Education: Pathway to Prosperity, Gateway to Success*, also is contained in agenda materials.

The study shows that, on average, a bachelor's degree provides the average student with future earnings of \$590,000. Spending by colleges and universities produces an economic ripple – more like a tsunami – that accounts for one job per every 12 households in the state. Spending by students and campus visitors also percolates through the economy, stimulating more than \$15 billion in economic activity and creating the equivalent of 233,000 jobs. There is also payback for state and local governments. Each dollar appropriated to higher education generates \$2.40 in revenue for state and local governments. Research, new inventions, new innovations, and new graduates with cutting-edge skills boost U.S. productivity by \$24 billion annually. And the social benefits of a college education are impressive: more registered voters, fewer premature adult deaths, more employed persons, more people volunteering their time and giving to charity. People

with some college education are more likely to read to their children and help them with schoolwork, to experience better working conditions, to seek prenatal care and less likely to commit a crime and receive government assistance.

The Board of Higher Education commissioned the economic impact study with a Higher Education Cooperation Act grant in 1998. The project involved researchers, analysts, faculty, and many others at several institutions, including Geoffrey Hewings of the University of Illinois, John Lewis and Michael Peddle of Northern Illinois University, and Edward Hines of Illinois State University.