

Rural Education At A Glance

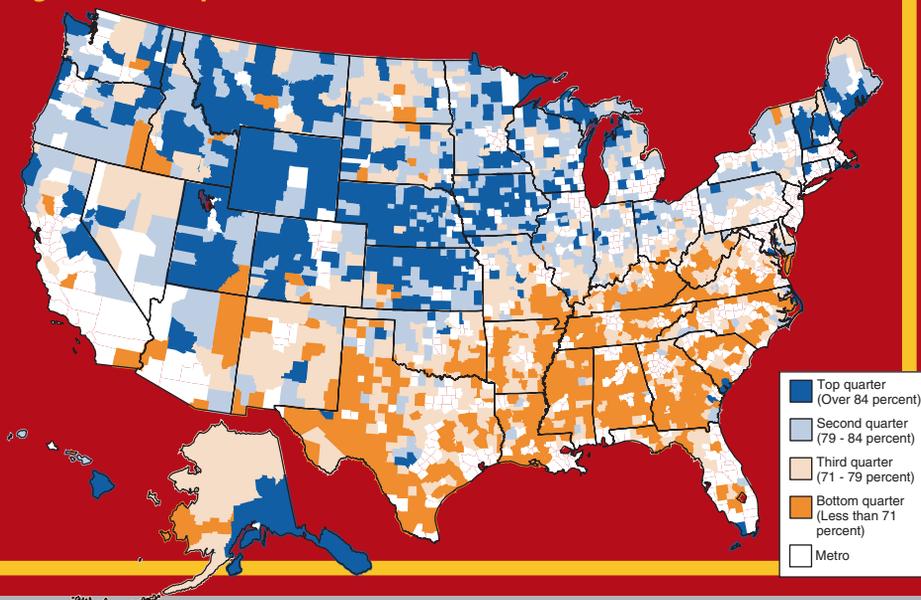


Rural Americans today have attained historically high levels of education. In 2000, nearly one in six rural adults had a 4-year college degree, about twice the share of a generation ago. (Over 40 percent have completed at least 1 year of college.) However, rural education still lags urban levels, and large regional and racial differences persist. The South, for instance, with a third of the Nation's rural population, is home to half of all rural adults who have not completed high school. Rural Hispanics and Blacks are half as likely as non-Hispanic Whites to complete college and at least twice as likely to lack a high school diploma.

The skill requirements of rural jobs continue to rise along with education levels. Although less educated rural adults fared well in the 1990s due to the robust economic expansion, their prospects are uncertain. Many rural jobs historically held by workers with limited education have been lost to changes in production technology, overseas competition, and changing consumer demand. Prospective employers are increasingly attracted to areas offering a concentration of well-educated and skilled workers, just as better educated youth and adults are still drawn to places—often in cities—that offer better jobs with higher salaries. Although investments in education are not a panacea for places struggling to attract jobs and residents, they can be an important part of a broader economic development strategy.

USDA's Economic Research Service (ERS) analyzes the ongoing changes in rural areas and assesses Federal, State, and local strategies to enhance economic opportunity and quality of life for rural Americans. This publication provides the latest information on the education-related characteristics of rural workers (age 25 and older) and counties.

High school completion rates, 2000 (adults 25 and older)



Rural Educational Attainment Continues To Rise

Rural Americans have more years of schooling than ever before. The rise in attainment continues a long upward trend, reflecting both universal access to comprehensive public education and a transition from a resource-based economy to one dominated by service employment.

- In 2000, 15.5 percent of nonmetro adults age 25 and older—about one in six—had graduated from a 4-year college, more than double the 1970 rate.
- The share of nonmetro adults without a high school diploma or GED equivalent fell to a historic low of 23.2 percent in 2000.

Urban and nonmetro residents differ in educational characteristics

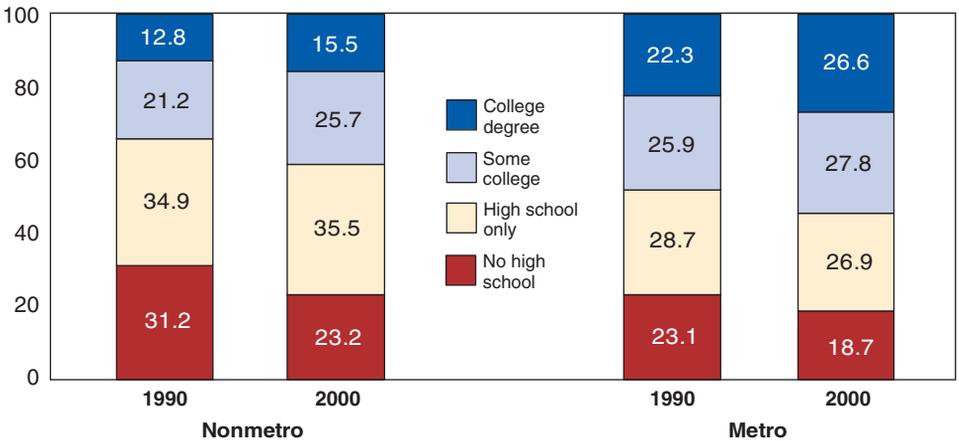
- The largest gap between metro and nonmetro educational attainment was in college completion—the metro share of 26.6 percent was 11 percentage points higher than the nonmetro share.
- The rural-urban college completion gap is caused largely by lower attendance rates among rural high school graduates compared with urban graduates. The gap is reinforced by the smaller rural share of managerial, professional, and technical jobs that typically require post-secondary degrees. Lower rural demand for highly educated workers encourages both rural and urban youth who complete college to make their homes in urban areas.

The urban-rural gap in educational attainment does not necessarily reflect student achievement

- On average, rural students perform about as well as urban students—with scores slightly above those of central city students and slightly below those of suburban students—on national standardized tests.
- Specialized and advanced course offerings in rural schools are more limited, on average, than in urban schools due to the shortage of appropriately trained teachers and financial constraints. But rural schools often experience closer ties among teachers, parents, and students, fostering a supportive academic environment.

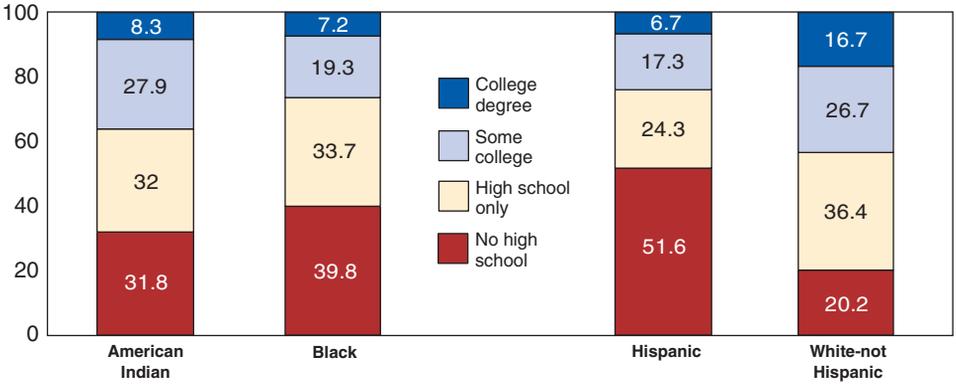
Educational attainment

Percent of adults 25 and older



Nonmetro educational attainment by race and ethnicity, 2000

Percent of adults 25 and older



Hispanics may be of any race. "American Indian" and "Black" include Hispanics.

Educational attainment varies sharply by race and ethnicity

- Nonmetro non-Hispanic Whites were at least twice as likely to have a college degree as American Indian, Black, or Hispanic adults.
- Nonmetro Hispanics have the lowest educational attainment—about half had not finished high school in 2000 and only 6.5 percent had completed 4 years of college.
- Metro Blacks were over twice as likely to hold a college degree as nonmetro Blacks—the largest attainment difference among races. Still, education levels among nonmetro Blacks have risen sharply in recent decades. Their high school completion rate rose 12 percentage points between 1990 and 2000.



Educational attainment among younger adults is often viewed as a harbinger of future trends

- Nonmetro adults under 55 have significantly higher levels of education than older nonmetro adults, particularly with regard to high school completion.
- But high school and college completion rates are similar across the 25-55 age range, suggesting that the sharpest upswing in educational attainment occurred in the 1960s and moderated in subsequent decades.

Education Increasingly Rewarded in Rural Labor Markets

The labor market rewards to a college degree have greatly increased in the past 20 years. Rural college graduates now make more than twice as much as rural high school dropouts and have far lower unemployment rates. College graduates, however, still earn much more in cities, making it harder for rural counties to build their human capital base.

- Unemployment rates rose for nonmetro workers age 25 and over, regardless of educational attainment, between 2001 and 2002, due in part to the effects of the 2001 economic recession. But nonmetro unemployment rates in 2002 remained much higher for those without a high school diploma (8.4 percent) than for college graduates (1.9 percent). Unemployment rates for nonmetro high school graduates and for college attendees without a 4-year degree were at 5 and 3.8 percent, respectively.
- Average weekly earnings for nonmetro college graduates were \$782 in 2002, compared with \$355 for nonmetro workers who had not completed high school. High school graduates and those with some college experience, but not a degree, earned \$438 and \$502.
- Earnings for metro college graduates were 12 percent higher than those for nonmetro college graduates in 2002. The earnings gap between metro and nonmetro workers without a high school diploma was just 4 percent.
- Nonmetro adults with at least a 4-year college degree also experience a very low incidence of poverty. They are about a third as likely to be poor (3.5 percent) as nonmetro adults overall. (11 percent). They are one seventh as likely to be poor as those without a high school diploma (23.5 percent).

Low Education Levels Challenge Much of Rural America

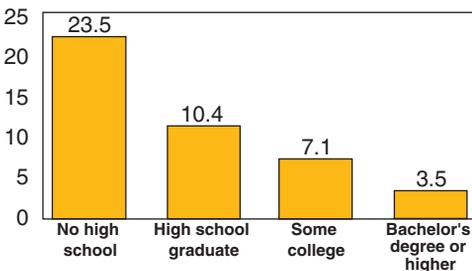
Just as urban and rural education levels differ, there is also great variation within rural America. Low education levels pose a challenge for many rural counties seeking economic development. Raising education levels—and the quality of that education—is essential to improving the economic life of rural communities and the well-being of the rural population. The outmigration of rural youth to places with better job opportunities limits the effects of schooling investments on local communities. Still, better schools and outmigration often work together to expand rural youths' economic horizons.



- Rural high school completion rates vary widely across regions. The bottom quarter of nonmetro counties (ranked by completion rates) averaged a 65-percent rate, compared with 87 percent for the top quarter. Two thirds of the bottom-quarter counties are in the South, including many central Appalachian counties and those with large minority populations.
- High school completion rates are high along the coastal Northeast, in the western Great Lakes region, the central Great Plains, much of the northern and central portions of the Rocky Mountains, and parts of the Pacific Northwest.
- College completion corresponds closely to the degree of urbanization. High concentrations of college-educated adults can be found in and around the large and medium-size cities of every region. Nonmetro counties with a large share of college graduates are typically sites of large colleges and universities, or other large research facilities. High completion rates are also common throughout much of the Mountain West, the Great Plains, the northwestern Great Lakes region, and upper New England.
- Low education is highly correlated with persistent poverty. The quarter of nonmetro counties with the lowest high school completion rates include two-thirds of all persistently poor counties. A third of adults in persistently poor counties, on average, lack a high school diploma. Low education levels are associated with a low-wage economy and a less stable labor force. In addition, poor counties lack the tax base and often the social and community capital to invest adequately in better schools, which reinforces long-term economic distress.
- The educational credentials of the workforce increasingly affect local job growth. In 2000, manufacturing still accounted for over a fourth of all nonmetro private sector earnings, anchoring many local economies. As late as the 1980s, manufacturing sought areas of low education, which tend to have lower wages. Yet globalization and new technologies in the 1990s favored areas with higher education levels.

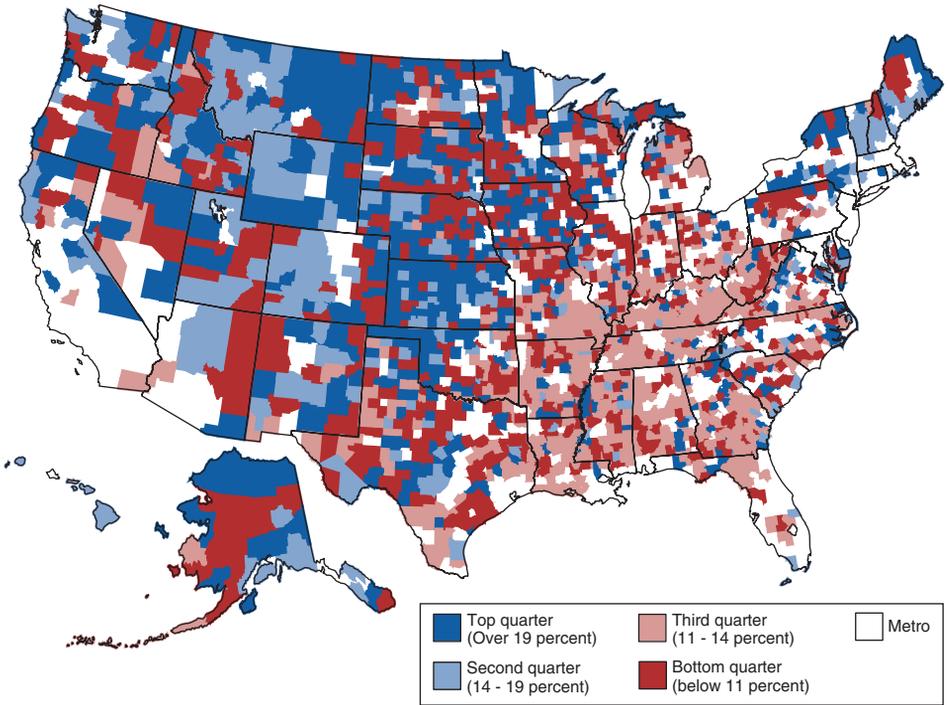
Nonmetro poverty rates by educational attainment, 2000

Percent of adults 25 and older



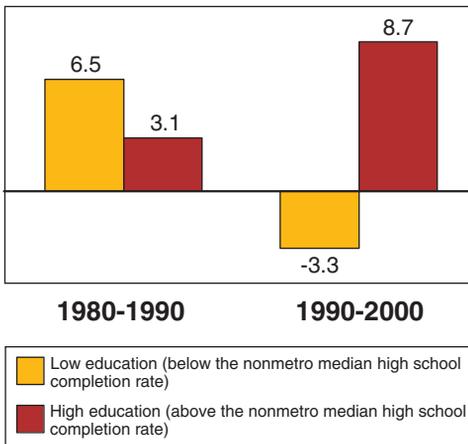
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College completion rates, 2000 (adults 25 and older)



Change in manufacturing jobs in nonmetro low- and high-education counties

Percent change in number of jobs



John Oubre/SU Office of Publications

More About Education At ERS . . .

As important as the education levels of the present rural workforce are, the schooling of the next generation is equally vital. More research is needed on quality-related characteristics of rural schools and their relationship to student achievement and community well-being. USDA has played a key role in advancing the quality of instruction in rural schools through its distance education technology grants, and through a wide range of programs focused on enriching elementary and secondary education curricula, such as the longstanding 4-H youth program. ERS has also begun collaborative efforts with other academic and policy institutions in a number of areas related to rural schools.

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Conference on rural education and economic development

In April 2003, ERS, the Southern Rural Development Center, and the Rural School and Community Trust sponsored a national workshop on the links between rural schools and local community and economic development. Participants from a wide range of professional disciplines and affiliations met to present and discuss topics such as the implications of school consolidation on educational outcomes, the effect of school quality and education levels on local population and income growth, and the Economic benefits to a community of having a local school. Findings will be disseminated through online working papers and in scholarly journals.



Priority research program on school quality and local economic growth

The critical role of education in local, regional, and national economic development has become a central public policy issue in recent years. Rural communities view increased educational investments as an important part of economic development, but are sensitive to the partial loss of their investment, in the form of youth outmigration to areas with better education and job opportunities. ERS is partnering with land-grant universities in a research program designed to measure the relationship between education and economic outcomes, both for the individual worker and rural community, in order to help local communities better target their economic development and school improvement efforts.

Assessing the rural education and training system

In the late 1990s, ERS and collaborating researchers conducted a large-scale project to evaluate the quality of rural America's schools and the knowledge and skills of the rural workforce using newly emerging Federal data sources. *Rural Education and Training in the New Economy: The Myth of the Rural Skills Gap* (Iowa State University Press, 1998) remains the most comprehensive quantitative analysis of rural education available. The project's main conclusion is that, although rural schools may not always match the instructional quality and access to resources found in suburban areas, rural schools and students generally perform well on a variety of achievement measures.

What is Rural?

The statistics reported in this publication are based on the metropolitan and nonmetropolitan definitions announced by the Office of Management and Budget in 1993. Metropolitan areas contain (1) core counties with one or more central cities of at least 50,000 residents or with a Census Bureau-defined urbanized area (and a total metro area population of 100,000 or more), and (2) fringe counties that are economically tied to the core counties. Nonmetropolitan counties are outside the boundaries of metro areas and have no cities with as many as 50,000 residents. The data reported are for nonmetro and metro areas, but here we use the terms "rural" and "urban" interchangeably with "nonmetro" and "metro." Although metropolitan and nonmetropolitan definitions based on the 2000 Census were released in 2003, some sources report data by the previous definitions only.

Data Sources

This report draws upon the research of the Food and Rural Economics Division of ERS. Data used in this analysis come primarily from the 1990 and 2000 Censuses of Population, the 2000 Current Population Survey outgoing rotation files, and the Regional Economic Information System of the Bureau of Economic Analysis.

ERS website and contact person

You can read more about education in rural America at the ERS website at www.ers.usda.gov/briefing/LaborAndEducation. General information about rural America can be found at www.ers.usda.gov/Emphases/Rural. For more information, contact Robert Gibbs at rgibbs@ers.usda.gov or 202-694-5423.