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## American innovators: How Pennsylvania's independent colleges improve daily life

*4-minute read*

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Unless you're in college right now, it may not seem like college affects you much. So then would you believe me if I told you that your daily routines are in fact shaped by Pennsylvania's independent nonprofit colleges?

If you're using WiFi right now to read this sentence online, if you use a hashtag (#) to share this story, or if you've ever used Google, Netflix, Airbnb, Instagram, Spotify, Uber or LinkedIn — which all run on Java computer code — then you can thank the alumni of one of the 85 independent nonprofit colleges and universities in Pennsylvania. That's all in addition to the buzzing economic energy of these schools that employs your neighbor and sustains the shop down the street.

As both a former Pennsylvania Secretary of Labor and Industry and a Pennsylvania college president, and currently as the president of the Association of Independent Colleges and Universities of Pennsylvania, or AICUP, I know firsthand that these schools produce amazing work every day that benefits all Pennsylvanians. The “wealth of knowledge” provided by college also leads to financial wealth, both for individuals and the community at large.

Here are four supporting facts that I would like to share with you:

Pennsylvania is a top destination for college students who leave their home state to learn with us — second in the nation, in fact. The majority of those students come here to attend one of the state's 85 independent nonprofit colleges and universities.

Pennsylvania has turned the tide of “brain drain,” becoming a net “brain gain” state, welcoming a 51% increase in the number of college graduates moving into our state in 2023 alone.

More than 1 in 10 American Nobel Prize winners are affiliated with Pennsylvania's independent nonprofit colleges and universities, invigorating our economy with what's known as the "spillover effect." In fact, the school that graduates the most billionaire alumni in the world isn't Harvard or Stanford, but a university right here in Pennsylvania. Independent nonprofit colleges contribute \$24 billion to the Pennsylvania state economy each year, rivaling the GDP of nearly half the world's countries. These same schools have an even greater impact on our daily lives through their research and innovations that actually move the curve of economic possibilities, creating new wealth, new jobs, and new opportunities.

## **Magnet for talent**

Pennsylvania has the second highest positive net migration of college students in the United States, attracting both out-of-state and international students who want to study here. Counterintuitively, the federal government actually describes these inbound students as economic "exports" because by studying here, their spending is a net gain for the local community. Independent schools lead the sector in attracting out-of-state students to Pennsylvania, and in fact, we enroll 2 in 3 of all first-year out-of-staters who study in Pennsylvania. Each of these out-of-state students is a potential future resident.

## **From brain drain to brain gain**

Pennsylvania had long grappled with a fluctuating population, especially when college-educated residents seek opportunities elsewhere. A "brain drain" is problematic because it can escalate political divisions, and, it can even result in cultural and civic losses, when "those left behind may struggle to support churches, police athletic leagues, parent-teacher associations, and local businesses."

Things are starting to change for the better. A 2024 study that was covered in multiple news platforms nationwide found that PA is now among the top 8 states with net gains of people with a college degree who have moved into the state, a 51% gain in that demographic just in 2023. So, while Pennsylvania still has work to do in reversing the outgoing tide as select counties still lose residents, know that Pennsylvania's independent colleges are doing their part to attract talent.

## **1 in 10 American Nobel Prize winners**

More than 1 out of 10 American Nobel Prize winners are affiliated with an AICUP school — 66 of the 409 American laureates, or 16%, an outsized proportion considering that Pennsylvania’s population of 13 million is less than 4% of the US population of 334 million. While the Nobel Prize is only one of many possible indicators for achievement, it is nonetheless a significant metric to gauge the recognized talent and innovation in a given ecosystem.

## **Wealth of knowledge**

Why should it matter if there are more college-educated residents in your community, let alone ones with a Nobel Prize? Because this diversifies our economy and boosts the labor pool for businesses that need educated workers. There is a well-researched correlation between education and wealth creation, not just at the micro level but also at the macro level. Having an anchor college in your community has benefits for all neighbors, whether or not they have a college degree. This is what’s known as a “knowledge spillover,” which is a multiplier effect and benefit to the local economy that gives local companies access to “important knowledge sources to introduce innovations at a faster rate than rival firms located elsewhere.”

A study in the journal *Nature* published in April 2024 found that “the population segments with higher education had a significantly positive impact on GDP growth.” And a more educated workforce helps make a region wealthier, according to the Federal Reserve Bank, St. Louis: “Rich countries tend to have the most educated workforces.” You might also be surprised to learn that the school that graduates the most billionaire alumni in the world isn’t Harvard or Stanford, but a university right here in Pennsylvania, credited with minting 19 billionaires.

Higher education helps us all to do more with less. Consider how America, which represents only 4% of the world population, still represents 27% of the world economy (top GDP at \$29 trillion), 45% of all Nobel Prize winners, and it is home to 65% of the world’s 20 highest-ranked universities. In other words, the U.S. is a wealthy country because of its colleges, not in spite of them.

## **Pennsylvania’s economic partner**

For context, consider the scale and impact of the 85 independent nonprofit colleges and universities of Pennsylvania. We educate more than 275,000 students annually, the largest sector of higher education in the state, representing 52% of all four-year degree-seeking

students in Pennsylvania. 200,000 jobs, or about 1 in 32 jobs in PA, are supported in whole or in part by our schools, and AICUP member schools are the top employer in 3 counties, among the top 10 employers in 14 counties, and among the top 25 employers in 20 counties. Higher education has been called the “5th largest industry” in Pennsylvania (and AICUP schools represent more than half of that sector). These schools contribute \$24 billion annually to the state economy, a figure that even rivals the GDP of nearly half of the world’s economies.

Despite the often-repeated narrative that, “college isn’t worth it,” the truth is that by 2031, 72% of jobs in the U.S. will require postsecondary education and/or training. We’re doing our part to educate tomorrow’s workers, and the AICUP member schools already represent 69% of all nursing degrees (76% of minority nurses), 45% of all teacher certification candidates, and 55% of all the STEM degrees (“Science, technology, Engineering, Math”) in Pennsylvania.

I hope I’ve helped you to recognize a few of the many benefits and contributions of Pennsylvania’s independent nonprofit colleges and universities. We will continue to move the curve and create new possibilities for tomorrow’s economy in our labs, startup accelerators, classrooms and communities.

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