ABAC Economic Impact on South Georgia Reaches $329,844,725

TIFTON—For 75 years Abraham Baldwin Agricultural College offered only associate degrees. Students completed their course work in two or three years. Since 2008, ABAC has offered bachelor’s degrees. Students now complete their course work in four or five years.

Those extra years on the ABAC campus pay huge dividends for the South Georgia economy. A recent study commissioned by the Board of Regents of the University System of
Georgia (USG) shows ABAC had a total economic impact of $329,844,725 on Tift and surrounding counties during the 2014 fiscal year.

ABAC President David Bridges said the economic impact figure represents an all-time high in the 108-year history of the college.

“It’s an amazing number, and a variety of factors played a role in producing that number,” Bridges said. “We were fortunate to have four consecutive semesters of enrollment increases, and we are filling up every available residence hall space on the campus every fall semester.

“Students are staying at ABAC longer because of the bachelor’s degrees. They are eating in the restaurants, buying from the stores and contributing to the local economy. And some of them will find jobs here, settle down in the community, and contribute even more to the economy long term.”

Dr. Jeff Gibbs, professor emeritus of economics and the former dean of the ABAC business school, analyzed the data from the Selig Center for Economic Growth in the University of Georgia’s Terry College of Business.

“ABAC creates substantial economic impact in terms of output, value-added (gross regional product), labor income, and employment,” Gibbs said. “The economic impact of ABAC on its host community includes $112 million in output, $70 million in value added, $35 million in labor income, and 1,344 full and part-time jobs.”

Gibbs also included ABAC’s initial spending of $111,838,713 which covers personal services, operating expenses, student spending, and capital outlays in the economic impact figure.
“These projections are from identifiable direct expenditures by ABAC,” Gibbs said.
“There are other tangible economic benefits to the community from ABAC but not included in these calculations.”

Gibbs said those other benefits include but are not limited to spending by 132 ABAC retirees residing mostly in this service area, spending by visitors and short term housing in the residence halls by students from other institutions, income generated by vendors at the various activities at the Georgia Museum of Agriculture and Historic Village, the benefit that local businesses get from easy access to a pool of full time and part-time workers, spouses and other family members of faculty and staff who are employed locally, and non-scholarships gifts to the ABAC Foundation.

Bridges and Gibbs both agreed that there are many non-tangible benefits to the community provided by ABAC that include cultural and educational programs as well as facilities available to the general public.

“There is also a large inventory of human resource volunteers available for public service activities in the community and a larger and more diverse variety of businesses and other organizations due to a larger market generated by the presence of ABAC,” Gibbs said.

Bridges believes the economic impact figure will continue to climb.

“We just announced a brand new bachelor’s degree in nursing, and we’re getting a lot of interest from prospective students, existing students, and alumni about enrolling in that program,” Bridges said. “That degree alone will grow our figure of over 1,400 ABAC students who are already enrolled in bachelor’s degrees.”
ABAC contributed to the USG economic impact on the state which was estimated at $14.2 billion in output in fiscal year 2014. The study found that the USG generated 142,982 full and part-time jobs and directly employs more than 47,000 faculty and staff.

###