Published: June 22, 2006

The Down Staircase

The economic and social prospects for young people who don't finish high school are increasingly bleak.

By Lynn Olson

"It was like frustration and anger. Feeling like, 'Is anybody looking after me as an individual, or just sticking to their systems and getting paid?'"
Sabrina RatCliff, 18, describing how she felt when she dropped out of an Indianapolis public school in her sophomore year. She is now working toward a diploma at Indianapolis Met Charter School.

Americans have long thought of education as the engine of economic growth and the purveyor of opportunity. But in the school year that just ended, an estimated 1.2 million teenagers fell by the wayside, failing to earn that most basic of education credentials: a high school diploma.

Without that passport, young people face bleak prospects, economically and socially.

In an increasingly competitive global economy, their chances of earning a living wage are grim. In 2003, high school graduates earned, on average, 34 percent more than those without a high school diploma. College graduates made a whopping 132 percent more.

Students who don't finish high school also are four times more likely than college graduates to be unemployed. They are far more likely to wind up in prison or on welfare, and they die, on average, at a younger age. Beyond the individual costs, the United States' failure to graduate so many young people takes a huge societal toll in lost tax revenues and increased expenditures for health care, corrections, food stamps, subsidized housing, and public assistance.

"The costs of producing an additional graduate are not cheap," says Henry M. Levin, a professor of economics and education at Teachers College, Columbia University, "but they're so low relative to all the benefits that you lose that it's a very good investment."

Yet public school data analyzed for this report suggest graduation rates across the United States are far worse than is often acknowledged. Of the students

enrolled in the 9th grade in 2002, an estimated 30 percent will fail to graduate in four years. That translates into losing about 7,000 students per school day.

And the graduation rates are far worse for members of most minority groups and for boys. For the 2002-03 school year, the most recent year for which data are available, only 51.6 percent of black students, 47.4 percent of American Indian and Alaskan Native students, and 55.6 percent of Hispanic students graduated from high school on time with a standard diploma, according to calculations for *Diplomas Count* by the Editorial Projects in Education Research Center.

For boys, the figures are 44.3 percent for blacks, 42.7 percent for American Indians and Alaskan Natives, and 50.1 percent for Hispanics.

"For the past 10 years, we've been pushing really hard to raise standards, which has been a very important agenda for schools and for kids," says Adria Steinberg, a vice president at Jobs for the Future, a Boston-based nonprofit organization focused on education and workforce-development issues. "We need to, at this point, put an equal weight and emphasis on the young people who are not on track to graduate. We can't meet the equity imperative without this dual agenda."

A Lost Opportunity

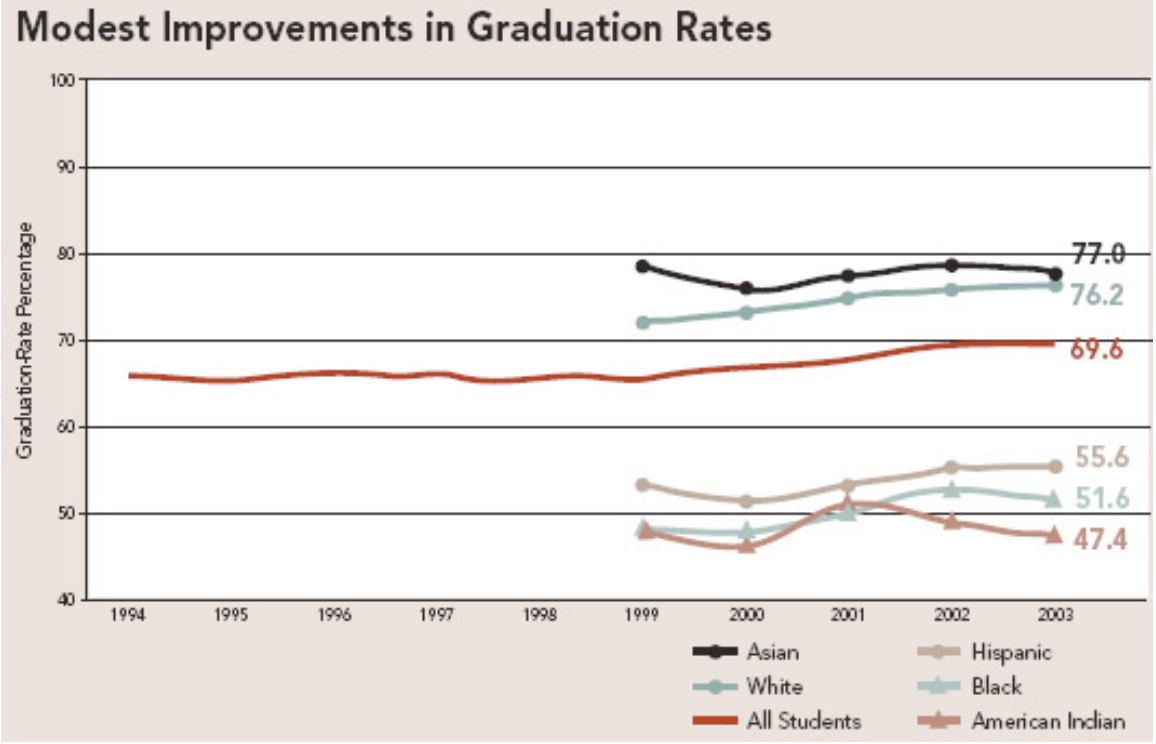
Because earning a diploma is so crucial, Congress made high school graduation rates one element for measuring school and district performance under the federal No Child Left Behind Act, which President Bush signed into law in 2002. By making graduation rates part of the calculations for whether high schools and districts make adequate yearly progress under the law, federal legislators hoped to discourage schools from pushing out students who were unlikely to meet achievement targets.

But the law's implementation has failed to live up to its promise, according to many educators and policy experts. During the regulatory process, the U.S. Department of Education interpreted the law to mean that graduation rates for subgroups of students—such as those who are poor, are members of minority groups, have disabilities, or speak limited English—would not be included in the primary measure of whether schools and districts have met performance targets.

Modest Improvements in Graduation Rates

The percent of high school students graduating with a diploma stagnated during much of the 1990s, hovering around 66 percent. Since then, graduation rates have slowly but steadily improved. Although most groups show improvement, large racial and ethnic gaps in graduation rates persist.

SOURCE: EPE Research Center, 2006



The department also allowed each state to propose its own method for calculating graduation rates and to set its own goals for how much improvement schools and districts must make each year. The result, critics say, has been a hodge-podge of methods for counting who graduates and who does not, and minimal improvement targets that are so modest that, in some cases, standing still is considered good enough.

"Most states don't do graduation-rate accountability," says Daniel Losen, a senior education law and policy associate at the Civil Rights Project at Harvard University. "They have goals as low as 50 percent, and timelines that could literally take hundreds of years to meet those goals. It's basically a total sham. And it's something that could be remedied."

The problem has been compounded by a lack of strong data systems and quality-control measures to ensure that the information that goes into calculating graduation rates is reliable and meaningful. That's led to enormous confusion about how serious the problem really is—and to unwarranted public complacency.

In fact, when the calculations used in this *Education Week* report are compared with state-reported graduation rates, the differences can be sizable.

The situation is even starker at the district level. In many urban districts, entering freshmen have only a 50-50 chance of graduating four years later. Those prospects plunge even further for certain groups of young people.

School Role Matters

While people generally assume that educating and keeping students through high school graduation is one of the fundamental jobs of public school systems, many educators appear to believe that whether students drop out is largely beyond the control of schools and teachers.

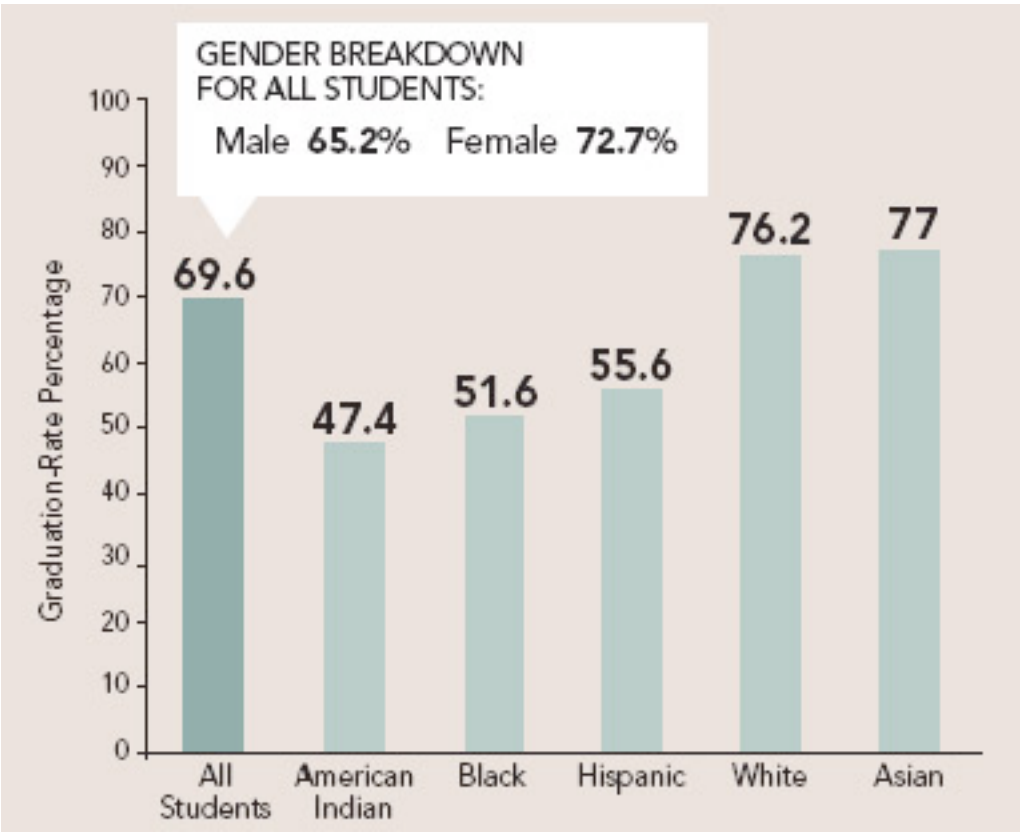
A 2005 survey of Boston teachers conducted for the Boston Youth Transitions Task Force, a citywide effort to improve options and outcomes for struggling and out-of-school youths, found that more than two-thirds of the teachers responding believe that student success or failure is beyond the teachers' control. Almost two-thirds disagreed with the idea that keeping students from dropping out of school is the responsibility of teachers.

"Many teachers feel that social and emotional problems are important factors in students' decisions to drop out, and they often feel powerless to affect them," the first-year report from the task force says.

National Graduation Rates, 2002-03

About 70 percent of all students in the nation graduate from high school with a regular diploma. However, large disparities are found across racial and ethnic groups, with about half of American Indian and black students graduating compared with more than three-quarters of whites and Asians. Male students are also consistently less likely to graduate than females.

*Click image to see the full chart.



SOURCE: EPE Research Center, 2006

Yet research has found that while no one factor predicts which students will graduate and which will not, schools play a pivotal role. In particular, high schools with smaller enrollments, better relationships between students and adults, teachers who are more supportive of students, and a curriculum that is both focused and rigorous tend to have lower dropout rates.

At the same time, other schools appear to be fueling the graduation crisis. Researchers Robert Balfanz and Nettie Legters of Johns Hopkins University in Baltimore found that in 900 to 1,000 high schools around the country, graduating is at best a 50-50 proposition. Nearly half the nation's African-American students and nearly 40 percent of its Latino students, compared with only 11 percent of non-Hispanic white students, attend high schools in which graduation is not the norm.

It's true that students with certain characteristics are at greater risk of dropping out, including those who are poor, are members of minority groups, are male, come from single-parent families, have a mother who dropped out, or must shoulder adult responsibilities, such as being parents themselves. But students' educational experiences matter a lot.

Low grades, low test scores, F's in core academic subjects, high rates of absenteeism or truancy, poor classroom behavior, falling behind in course credits, and repeating a grade all make students less likely to earn a diploma. And all those factors are, at least to some extent, within educators' ability to influence.

In a recent survey of 16- to 25-year-olds who identified themselves as high school dropouts, nearly half said a major reason for dropping out was that classes were not interesting. Nearly seven in 10 said they were not motivated or inspired to work hard in school; two-thirds said they would have worked harder if more had been demanded of them; and 70 percent were confident they could have graduated if they had tried. The survey was commissioned by the Bill & Melinda Gates Foundation, which underwrote *Diplomas Count.*

In hindsight, according to the survey report, "The Silent Epidemic: Perspectives of High School Dropouts," those young people almost universally expressed great remorse for having left high school without a diploma, and strong interest in re-entering with students their own age.

National Efforts Growing

Students who "drop out" or "stop out" of school often do try to re-enter the education system. But their path is often bumpy. A recent analysis of federal longitudinal data by Jobs for the Future found that while some 60 percent of dropouts eventually earn a high school credential, most do not earn a standard diploma. And only 10 percent of those who make it into the postsecondary system eventually earn a degree.

Luckily, researchers know more than ever before about the warning signs that students are headed for dropping out, as well as the dangerous shoals upon which they often stumble—especially, the transitions to middle and high school.

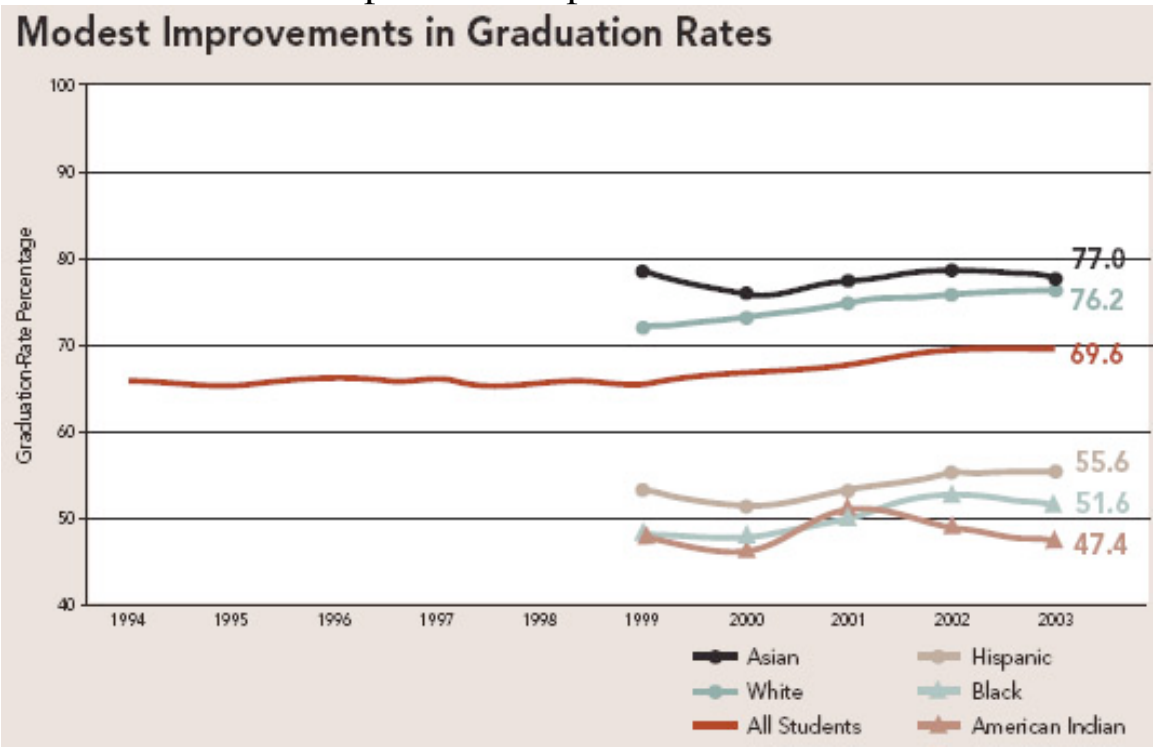
1.2 Million Students Will Fail to Graduate This Year; Most Are Members of Minority Groups

The Cumulative Promotion Index (CPI) used to measure graduation rates in this report estimates the percent of 9th grade students who will receive a high school diploma four school years later. Multiplying the CPI for 2002-03 by the number of 9th graders enrolled that year, we can project the expected number of

graduates and nongraduates for the 2005-06 school year.
4 million 9th graders in 2002-03 x 69.6% CPI = 2.8 million graduates in 2005-06.

4 million 9th graders - 2.8 million graduates = 1.2 million nongraduates.

We performed similar projections for specific racial and ethnic groups. That analysis shows that members of racial and ethnic minorities make up more than half of nongraduates, even though minorities account for less than half of the total public high school population. This overrepresentation of minorities among nongraduates results from their much lower graduation rates compared with those of their non-Hispanic white peers.



*Click image to see the full chart.

SOURCE: EPE Research Center, 2006

Growing recognition of the importance of earning a high school diploma, while meeting high standards, also has brought a surge of national efforts to address the problem.

In December 2005, the governors of the 50 states and leaders of 12 national organizations signed a compact in which they agreed to adopt a common definition for the high school graduation rate.

“Most folks hope this will be a first step toward eventually having meaningful

accountability for improving graduation rates," says Losen of the Civil Rights Project.

Since then, 10 national groups have teamed up to launch the Data Quality Campaign, designed to help states improve the collection, availability, and use of high-quality education data.

Achieve Inc., a Washington-based policy group formed by governors and corporate leaders, is working with 22 states to better prepare all high school students for college and careers. It also is working with three states—Indiana, Kentucky, and Massachusetts—as well as a district in each of those states, to learn more about what states can do to raise graduation rates while maintaining high expectations for students.

That's particularly important given concerns that requiring students to pass exit or end-of-course tests to earn a diploma could encourage more students to drop out. Some recent studies suggest that to be the case, although the research remains inconclusive.

"We know that there's pushback or concern that raising graduation requirements will inevitably lead more kids to drop out," says Michael Cohen, the president of Achieve. "We don't think that is or has to be true. And, in any event, the challenge facing the country is to do both."
EdWeek, Vol. 25, Issue 41S, Pages 5-6, 10-11

"The Silent Epidemic: Perspectives of High School Dropouts" (March 2006) is available from the **Bill & Melinda Gates Foundation**.

The **Boston Youth Transitions Task Force** recently released its report "Too Big to Be Seen: The Invisible Dropout Crisis in Boston and Amercia." (May 2006.) Related reports are also available.

Publications on **educational achievement and workforce development** are available from Jobs for the Future.

The **Data Quality Campaign** provides tools and resources for improving data collection and access.

http://www.edweek.org/ew/articles/2006/06/22/41s_overview.h25.html