

High School Dropouts in America

Over a million of the students who enter ninth grade each fall fail to graduate with their peers four years later. In fact, about seven thousand students drop out every school day. Perhaps this statistic was acceptable fifty years ago, but the era in which a high school dropout could earn a living wage has ended in the United States. Dropouts significantly diminish their chances to secure a good job and a promising future. Moreover, not only do the individuals themselves suffer, but each class of dropouts is responsible for substantial financial and social costs to the communities, states, and country in which they live.

Although graduation rates are a fundamental indicator of how schools are ultimately performing, only recently have those rates been rigorously scrutinized and the extent of the crisis in America's high school been revealed. For decades, schools and districts published misleading or inaccurate graduation rates, and as a result, the American public knew little of the scope and gravity of the problems faced by far too many of the nation's high schools. Reputable, independent research has exposed alarmingly low graduation rates that were previously hidden behind inaccurate calculations and inadequate data.

Who Is Dropping Out?

Overall, far too many students are not graduating on time with a regular diploma; low-income and minority students fare the worst in the dropout epidemic.

- Each year, approximately 1.2 million students fail to graduate from high school, more than half of whom are from minority groups.¹
- Nationally, about 71 percent of all students graduate from high school on time with a regular diploma, but barely half of African American and Hispanic students earn diplomas with their peers. In many states the difference between white and minority graduation rates is stunning; in several cases there is a gap of as many as 40 or 50 percentage points.²
- A sixteen- to twenty-four-year-old coming from the highest quartile of family income is about seven times as likely to have completed high school as a sixteen- to twenty-four-year-old coming from the lowest quartile.³

Where Are Students Dropping Out?

A relatively small number of chronically underperforming high schools are responsible for more than half of the nation's dropouts.

- Approximately two thousand high schools (about 12 percent of American high schools) produce more than half of the nation's dropouts. In these "dropout factories," the number of seniors enrolled is routinely 60 percent or less than the number of freshmen three years earlier.⁴
- Eighty percent of the high schools that produce the most dropouts can be found in a subset of just fifteen states. The majority of dropout factories are located in northern and western cities and throughout the southern states.⁵

- Dropout factories produce 69 percent of all African American dropouts and 63 percent of all Hispanic dropouts, compared to 30 percent of all white dropouts.⁶

Why Do Students Drop Out?

While there is no single reason that students drop out, research indicates that difficult transitions to high school, deficient basic skills, and a lack of engagement serve as prominent barriers to graduation.

- Most dropouts are already on the path to failure in the middle grades and engage in behaviors that strongly correlate to dropping out in high school. Various researchers have identified specific risk factors, such as low attendance or a failing grade, which can identify future dropouts—in some cases as early as sixth grade.⁷
- Ninth grade serves as a bottleneck for many students who begin their freshman year only to find that their academic skills are insufficient for high school-level work. Up to 40 percent of ninth grade students in cities with the highest dropout rates repeat ninth grade; only 10 to 15 percent of those repeaters go on to graduate.⁸
- Academic success in ninth grade course work is highly predictive of eventual graduation; it is even more telling than demographic characteristics or prior academic achievement.⁹ Unfortunately, many students are not given the extra support they need to successfully make the transition to high school. As a result, over one third of all dropouts are lost in ninth grade.¹⁰
- The six million secondary students who comprise the lowest 25 percent of achievement are twenty times more likely to drop out of high school than students in the top-performing quartile.¹¹
- Both academic and social engagement are integral components of successfully navigating the education pipeline. Research shows that a lack of student engagement is predictive of dropping out, even after controlling for academic achievement and student background.¹²

What Are the Costs of Dropping Out of High School?

Dropouts suffer from reduced earnings and lost opportunities; there is also a significant social and economic cost to the rest of the nation.

- Over the course of his or her lifetime, a high school dropout earns, on average, about \$260,000 less than a high school graduate.¹³
- Dropouts from the Class of 2008 alone will cost the nation more than \$319 billion in lost wages over the course of their lifetimes.¹⁴
- If the United States' likely dropouts from the Class of 2006 had graduated, the nation could have saved more than \$17 billion in Medicaid and expenditures for uninsured health care over the course of those young people's lifetimes.¹⁵
- If U.S. high schools and colleges raise the graduation rates of Hispanic, African American, and Native American students to the levels of white students by 2020, the potential increase in personal income would add more than \$310 billion to the U.S. economy.¹⁶
- Increasing the graduation rate and college matriculation of male students in the United States by just 5 percent could lead to combined savings and revenue of almost \$8 billion each year by reducing crime-related costs.¹⁷



Endnotes

- ¹ Editorial Projects in Education, "Diplomas Count 2008: Diplomas Count 2008. School to College: Can State P-16 Councils Ease the Transition?," special issue, *Education Week* 26, no. 40 (2008).
- ² Ibid.
- ³ U.S. Department of Education, National Center for Education Statistics, *Digest of Education Statistics 2006* (NCES 2007-017) (Washington, DC: U.S. Government Printing Office, 2007).
- ⁴ R. Balfanz, "Locating and Transforming the Low Performing High Schools Which Produce the Nation's Dropouts," paper presented at Turning Around Low-Performing High Schools : Lessons for Federal Policy from Research and Practice, August 16, 2007, Washington, DC.
- ⁵ R. Balfanz and N. Legters, *Locating the Dropout Crisis: Which High Schools Produce the Nation's Dropouts? Where Are They Located? Who Attends Them?* (Baltimore, MD: John Hopkins University Center for Social Organization of Schools, 2004).
- ⁶ Balfanz, "Locating and Transforming the Low Performing High Schools Which Produce the Nation's Dropouts."
- ⁷ C. Jerald, "Dropping Out is Hard to Do," (Washington, DC: The Center for Comprehensive School Reform and Improvement, 2006).
- ⁸ R. Balfanz and N. Legters, "Closing 'Dropout Factories': The Graduation Rate Crisis We Know and What Can Be Done About It," *Education Week* 25, no. 42 (2006): 42-43.
- ⁹ E. Allensworth and J. Easton, *What Matters for Staying On-Track and Graduating in Chicago Public High Schools: A Close Look at Course Grades, Failures and Attendance in the Freshman Year* (Chicago, IL: Consortium on Chicago School Research at the University of Chicago, University Publications Office, 2007).
- ¹⁰ Editorial Projects in Education, "Diplomas Count 2007: Ready for What? Preparing Students for College, Careers, and Life After High School," special issue, *Education Week* 26, no. 40 (2007).
- ¹¹ A. Carnevale, *Help Wanted...College Required. ETS Leadership 2000 Series* (Princeton, NJ: Educational Testing Service, 2001).
- ¹² R. Rumberger, "Why Students Drop Out of School," in *Dropouts in America: Confronting the Graduation Rate Crisis* ed. G. Orfield, 131-155 (Cambridge, MA: Harvard Education Press, 2004).
- ¹³ C. Rouse, "Labor Market Consequences of an Inadequate Education," paper prepared for the symposium on the Social Costs of Inadequate Education," October 24, 2005, New York.
- ¹⁴ Alliance for Excellent Education, "The High Cost of High School Dropouts: What the Nation Pays for Inadequate High Schools," (Washington, DC: Author, 2008).
- ¹⁵ ———, "Healthier and Wealthier: Decreasing Health Care Costs by Increasing Educational Attainment," (Washington, DC: Author, 2006).
- ¹⁶ ———, "Demography as Destiny: How America Can Build a Better Future," (Washington, DC: Author, 2006).
- ¹⁷ ———, "Saving Futures, Saving Dollars: The Impact of Education on Crime Reduction and Earnings," (Washington, DC: Author, 2006).



What are the differences between the dropout rate and the graduation rate?

Dropout Rate

The dropout rate is a **one-year** calculation.

The dropout rate uses enrollment information from grades **7-12**.

A student can be reported in the dropout rate over **multiple** years. If a student dropped out in 2006-07, they would be reported as a dropout. If they returned in 2007-08 and dropped out again, they would be included in that year as a dropout as well.

If a student comes back as a 5th year senior and drops out, **they are counted** in the dropout rate for that year.

The dropout rate includes any student in grades **7-12** who dropped out in that **specific year**.

Graduation Rate

The graduation rate is an estimated **four-year** cohort calculation.

The graduation rate uses enrollment from grades **9-12**.

In the graduation rate calculation, the numbers are unduplicated so a student who drops out multiple times is only counted **once** in the calculation.

If a student comes back as a 5th year senior and does not graduate, it has **no impact** on the graduation rate. The senior is removed from the calculation because they were already counted against the school as a continuing COA student the previous year.

If a student comes back as a 5th year senior and does graduate, it **helps** the graduation rate because the student is counted as a graduate in that school year.

The graduation rate includes the **9-12** cumulative unduplicated dropouts over the **4-year cohort**.