

Every Nine Seconds in America a Student Becomes a Dropout

Mentor Research Institute

In 2004, more than 6,277,000 of 18-24-year-olds (22%) had not yet completed high school.

- In 2003, annual earnings of male dropouts fell to \$21,447. High school graduates earned an average of \$32,266; those with associate's degrees earned \$43,462; bachelor's degree holders earned \$63,084—about triple that of dropouts.
- Dropouts cost our nation more than \$260 billion dollar in lost wages, lost taxes, and lost productivity over their lifetimes.
- Federal investments in second-chance education and training programs fell from \$15 billion in the late 1970s to \$3 billion (inflation-adjusted) in 2005.
- Three-quarters of state prison inmates are dropouts.

The Dropout Problem in Numbers

School Year 2002-2003, US public schools awarded 2.7 million diplomas and the National Center for Education Statistics calculated the graduation rate to be 73.9%. Graduation rates varied greatly by state, from 87% in New Jersey to under 60% in the District of Columbia and South Carolina. Thirty-nine states increased their graduation rates from 2001 to 2003 while most southern states, plus Alaska, the District of Columbia, and New York, experienced declines. (1) Other authoritative research found the 2002 graduation rate to be 71%, little changed from 1991's 72%. (2)

In 2004, there were 27,819,000 18-24-year-olds in the United States. Of these, 21,542,000 (78%) had either graduated from high school, earned a GED, completed some college, or earned an associate's or bachelor's degree. The balance, 6,277,000 (22%), had not yet completed high school. (3) Some scholars exclude GED holders, resulting in a much higher non-completion figure. Similarly, if researchers count the adult population over age 24, the high school noncompletion rate would be higher still. (4)

An estimated 3.8 million youth ages 18-24 are neither employed nor in school - 15% of all young adults. From 2000 to 2004, the ranks of these disconnected young adults grew by 700,000. (5)

From 1990 to 2000, high school completion rates declined in all but seven states and the rate of students dropping out between 9th and 10th grades increased. (6) Members of some demographic groups are at much greater risk of dropping out of school.

Nationally, only about two-thirds of all students who enter 9th grade graduate with regular high school diplomas four years later. For minority males, these figures are far lower. (7) In 2001, on average, 72% of female students, but only 64% of male students graduated. African American students had a graduation rate of 50%, the lowest of racial and ethnic groups identified; the other student groups graduated at the following rates: American Indian, 51%; Latino, 53%; White, 75%; and Asian and Pacific Islander, 77%. But there were enormous disparities among state graduation levels, and even larger disparities by ethnicity and gender within the same states.⁸

School Year 2000-2001, high school students from low income families (the lowest 20%) dropped out of school at six times the rate of their peers from higher-income families. (9)

School Year 2000-2001, only 47.6% of persons with disabilities ages 14 and older graduated with standard diplomas while 41.1% dropped out. (10) When young people drop out of school, they - and American society at large - face multiple negative consequences.

Of those who fail to graduate with their peers, one-quarter eventually earn a diploma, one-quarter earn the GED, and about one-half do not earn a high school credential. (11) There is no generally-accepted definition of a dropout. Some use school enrollment figures; others rely on US Census population surveys. Some include GED recipients; others do not. Some keep records of transfer students; many do not. (source: viii American Youth Policy forum)

Three-quarters of state prison inmates are dropouts, as are 59% of federal inmates. (12) In fact, dropouts are 3.5 times more likely than high school graduates to be incarcerated in their lifetime. (13) African American men are disproportionately incarcerated. Of all African American male dropouts in their early 30s, 52% have been imprisoned. (14) 90% of the 11,000 youth in adult detention facilities have no more than a 9th grade education. (15)

The earning power of dropouts has been in almost continuous decline over the past three decades. In 1971, male dropouts earned \$35,087 (in 2002

dollars), but this fell 35% to \$23,903 in 2002. Earnings for female dropouts fell from \$19,888 to \$17,114. (16) The mean earnings of Latino young adults who finish high school are 43% higher than those who dropout. (17)

The earnings gap widens with years of schooling and formal training. In 2003, annual earnings of male dropouts fell to \$21,447. High school graduates earned an average of \$32,266; those with associate's degrees earned \$43,462; bachelor's degree holders earned \$63,084—about triple that of dropouts. (18)

2001, only 55% of young adult dropouts were employed, compared with 74% of high school graduates and 87% of four-year College graduates. (19)

Between 1997 and 2001, more than one-quarter of all dropouts were unemployed for one year or longer, compared with 11% of those with a high school diploma or GED. (20) In 2003, more than one-half of African American young adult male dropouts in Chicago were unemployed. (21)

The US death rate for persons with fewer than 12 years of education is 2.5 times higher than for those with 13 or more years of education. (22)

Dropouts are substantially more likely to rely on public assistance than those with a high school diploma. (23) The estimated lifetime revenue loss for male dropouts ages 25-34 is \$944 billion. The cost to the public of their crime and welfare benefits is estimated to total \$24 billion annually. (24)

Dropouts contribute to state and federal tax coffers at only about one-half the rate of high school graduates; over a working lifetime about \$60,000 less, or \$50 billion annually for the 23 million high school non-completers, ages 18-67. (25)

The US would save \$41.8 billion in health care costs if the 600,000 young people who dropped out in 2004 were to complete one additional year of education. If only one-third of high school dropouts were to earn a high school diploma, federal savings in reduced costs for food stamps, housing assistance, and Temporary Assistance for Needy Families would amount to \$10.8 billion annually. (26)

Increasing the high school completion rate by 1% for all men ages 20-60 would save the United States \$1.4 billion annually in reduced costs associated with crime. (27)

Federal investments in second-chance education and training programs fell from \$15 billion in the late 1970s to \$3 billion (inflation-adjusted) today. (28)

Dropouts “cost our nation more than \$260 billion dollars...That's in lost wages, lost taxes, and lost productivity over their lifetimes. In federal dollars, that will buy you ten years of research at the National Institutes of Health.” (29)

Every nine seconds in America a student becomes a dropout. (30)

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