Based on the data obtained in the "High School and Beyond" (HS&B) national longitudinal survey of 1980, dropouts, regardless of race, are significantly more likely to attain less economic independence and social mobility than are graduates or at risk graduates. Education is the most important factor in predicting a youth's future prospects. Racial comparisons among Whites, Blacks, and Hispanics are provided in statistical charts highlighting four major findings: (1) non-graduate females, married or not, are six times as likely as graduate females to have children; (2) non-graduate females are nine times as likely as graduate females to be on welfare; (3) non-graduates are at least four times as likely as graduates to engage in unlawful behavior; and (4) non-graduates are more likely to be unemployed. Future implications for public policy are considered with respect to education, employment, and budget. Definitions of terms are included. (AO)
A GRIM FUTURE awaits school dropouts, whether they be Whites, Blacks, or Hispanics. Dropping out means dropping off — off the ladder of achievement and economic independence into a life curtailed by poverty and lack of opportunity.

This is the inescapable conclusion to be drawn from a study of the data obtained in High School and Beyond—HSB—the national longitudinal survey of what happens to the nation's young people during and after their high school years.

With this issue, the Hispanic Policy Development Project—HPDP—begins publication of The Research Bulletin, a quarterly of timely, useful information derived from our analyses of the HSB data. This first issue deals with the big picture: where were the 1980 sophomores two years after they had graduated or should have graduated?

In answer, we present a general sketch of the three categories—high school graduates, at-risk graduates, and non-graduates—with respect to the major activities they are pursuing as young adults, and we look at these young people as members of groups: Hispanics, Blacks, and Whites.

Our major findings:
- Non-graduate females, married or not, are six times as likely as graduate females to have children.
- Non-graduate females are nine times as likely as graduate females to be on welfare.
- Non-graduates are at least four times as likely as graduates to engage in unlawful behavior.
- Graduates are more likely than non-graduates to be working, or enrolled in post-high school education or training, or serving in the armed forces, while non-graduates are more likely to be unemployed, looking for work, or keeping house.

In future issues we will present continuing analyses of the progress of these young adults who were first surveyed as high school sophomores in 1980. More information on the HSB survey can be found in "Definitions and Technical Notes" on page 7. Note, however, that data from non-HSB sources also will be used. At the conclusion of each analysis the reader will find a separate discussion of its policy implications. Our intent is to present the data in detail sufficient to enable readers to make their own interpretations.

Our aim is to highlight the association between the experiences and outcomes of high school, on the one hand, and the subsequent experiences of young adults. Already, however, we can say with assurance: for young Americans, education largely makes the difference between jobs and unemployment, welfare or independence, early parenthood or planned parenthood, and behavior that is within the law or not. Education status is more significant than either ethnic background or class background in predicting a youth's future prospects.

1980 High School Sophomores: Whites, Blacks, Hispanics—Where Are They Now?
Looking at the Big Picture

IN RESPONSE to the High-School-and-Beyond survey question: *What were you doing during the last month?* (February 1984), participants were asked to select one or more activities from a given list. Table 1 displays the percentage of 1980 sophomores who selected each activity. (For convenience we have grouped some of the activities; refer to "Definitions and Technical Notes" on page 7 for the complete list.)

The differences among the totals show that graduates are more involved in most of these activities than either at-risk graduates or non-graduates. (Because the 1980 sophomores could select more than one activity, the totals exceed 100%.) But it is the different combinations of activities, of course, that suggest the quality of the lives that the 1980 sophomores are now leading, and that indicate any continuing preparation they may be undertaking to achieve rich and fulfilling adult lives.

Working for pay is the most often cited activity for each of the three categories — graduate, at-risk graduate, and non-graduate — and in each of the three groups within each category — Hispanic, Black, and White. Yet non-graduates work for pay less than graduates, and are about three times as likely to be looking for work. It should be noted that these figures do not reveal occupational patterns, which vary widely among the categories. (Occupational patterns will be the focus of a future issue of the Bulletin.)

In the next two sets of activities, (1) academic education and vocational courses and (2) keeping house and other activities, distinct and contrary patterns emerge for the three categories.

Not surprisingly, graduates are much more involved than are at-risk graduates and non-graduates in continuing their academic education or pursuing vocational courses and training programs. (The non-graduate category, in fact, had so few cases that the 1% figure is unreliable.) Taken together, graduates and at-risk graduates are more than twice as likely as non-graduates to be enrolled in vocational courses and training programs. (Training programs include apprenticeships and government training programs, almost all of which are implemented under the Job Training Partnership Act of 1982. Participation was so small—about 1% for each of the groups — that we clustered these programs with the vocational courses.)

Conversely, non-graduates are from three to two and a half times as likely as graduates and at-risk graduates to be, taking care of children, sitting at home, or hanging out on street corners—keeping house and other activities.

Active duty in the armed forces is often viewed as a second-chance resource for training and education. Yet graduates and at-risk graduates are more likely to enlist in the armed services than non-graduates. The non-graduate category has so few
cases that the 2% figure is unreliable. It is true, of course, that today’s hi-tech, all-volunteer armed forces cannot afford to train the dropouts they once absorbed. In 1985, about 90% of Army and Navy recruits were at least high school graduates; in 1975 the rate was only about 33% (Insight, 6/16/86).

When we look at Blacks, Whites, and Hispanics, we find revealing differences in participation rates for some activities. The Hispanics among the graduates were most likely to be working for pay and least likely to be taking academic courses. Half the White graduates were taking academic courses. Blacks in each category clearly had the most trouble in both finding and holding jobs; in the case of Black non-graduates, almost as many were looking for work as had jobs.

Marriage and Babies

In Table 2 we see clearly why non-graduates are more likely than are graduates and at-risk graduates to be engaged in keeping house.

Non-graduate females, whether they have been married or not, are about six times as likely as graduates to be parents. The progression is clear: 10% of all graduates are parents; 21% of all at-risk graduates are parents, and a staggering 58% of all non-graduates are parents. The Hispanic rates are similar, and the especially high rate for non-graduates is not surprising. About 25% of the Hispanic female dropouts said, in the 1982 follow-up, that they had left school because of pregnancy. Among Hispanic mothers, in both the graduate and non-graduate categories, roughly one in three is not married. The comparable figure for Blacks is about three in four. Of Hispanic at-risk graduates, about one in two is not married, and for comparable Blacks, four in five.

If we look at marriage rates for the three categories, we find that all non-graduate females married at over two and a half times the rates for graduates and at-risk graduates.
Hispanic non-graduates were about twice as likely to have been married as Hispanic graduates and at-risk graduates.

The difference in rates of marriage and parenthood between females and males shown in Tables 2 and 3 is marked but not surprising; young women in their late teens and early twenties generally marry and/or have children not with their age contemporaries but with older males. Across all three categories, females had married from about three to two times as often as males and had become parents more than two-and-a-half times as often.

In all three categories, Hispanic females and males had married at higher rates than their Black and White counterparts, except for White female non-graduates who, at 60%, had the highest rate of marriage of any group or category.

The rates for Hispanic females and males with children are intermediate to the rates for Black and White, and in most cases are closer to the rates of their Black counterparts than to the Whites in the three categories. However, if we combine in each group the married and non-married parents, we find—contrary to the popular stereotype—that Hispanic and White female non-graduates have higher parenthood rates than do Black non-graduates. But Black female graduates, at-risk graduates, and non-graduates, taken together, are the most likely of either sex in all three groups to be parents. Black males are least likely to be married.

Babies and Welfare

Whether a young woman is married or not, early parenthood usually limits her opportunities for further education and the development of solid job skills. The presence of a husband, of course, does not mean automatic economic security for the young family. But a woman raising a family without a husband is more likely to be dependent on outside income such as welfare benefits.

Non-graduate females were nine times as likely as graduate females to be on welfare, and three times as likely as at-risk graduates. The rates for Hispanic females shown in Figure 3 parallel the rates for the overall categories, and the Black female rates are the highest for each category.

Unmarried non-graduates with children are especially likely to be dependent on welfare. Figure 4 illustrates the percentages of Hispanic, Black, and White female non-graduates who have children and have never married, as well as percentages for the three groups of female non-graduates who receive welfare benefits. Among Hispanic and White female non-graduates, the percentages for those with children and those receiving welfare benefits are almost the same; among Black female non-graduates, the rates for those with children are 10% higher than the rates for those receiving welfare benefits.

The 10% gap means that about 25% of Black unwed mothers in this category are not welfare recipients. This finding probably can be attributed to the large, disproportionate numbers of Blacks who live in the southern states, which in general provide meager welfare benefits. Some support for this explanation can be found in the regional analysis of this data: while 24% of female non-graduates in the north, 18% in the central states, and 14% in the west received welfare, only 9% in the south were welfare recipients. But the data cannot provide a really complete explanation.
MINORITIES, especially inhabitants of the inner cities, are associated in the public mind with inadequate education, limited adult opportunities, and welfare dependency. But our data have shown that in absolute numbers more Whites can be so characterized. (It is true, of course, that higher percentages of Blacks and Hispanics encounter these problems.)

- A basic finding, then, is that problems affecting non-graduates and at-risk graduates are not limited to minorities but affect large numbers of non-graduate and at-risk graduate Whites.

- A corollary finding is that a young person's success in school affects post-high school experiences and circumstances. Education preparation is clearly correlated in this society with what sociologists call an individual's life chances. (This is not to say because they reflect neither income nor welfare entitlement criteria.

Figure 5 represents the data for all respondents within each category who reported that by 1982 they had been in serious trouble with the law. While this question is ambiguous and surely subject to under-reporting in responses, the progression in rates for the three categories is clear: rising from 3% for graduates to 7% for at-risk graduates to 12% for non-graduates.

(Continued from page 4)

that minority status and social class do not matter; depending on the schools' response to these factors, innumerable studies have shown that they can affect substantially the quality of education received by students.) In terms of public policy, the conclusions to be drawn from the data we have presented fall into three broad categories: education, employment, and costs or budgets.

I. With respect to education, reforming schools so that we can improve the quality of education for everyone is obviously a top priority. But efforts to improve the quality of education must be complemented by efforts to retain students in school; otherwise the nation will pay in a variety of ways to support less-than-productive adults. The data presented in these pages clearly indicate that non-graduates and at-risk graduates require more public assistance, produce more children, and are more likely to get into trouble for breaking the law than are graduates.

This means that education policy makers at national, state, and local levels, as well as parents, teachers, and principals, must make greater efforts to understand why some students fail to learn, or simply drop out of school, and to devise remedies that will address these problems.

II. With respect to employment, our evolving economy cannot absorb the non-graduates it once did. Our society is undergoing a series of structural economic changes that involve the growth of service, technical, and information industries at the expense of our traditional manufacturing base. Most employers now require that a job seeker have at least a high school diploma. Possessing a strong back or nimble fingers no longer qualifies an applicant for entry-level work. Today's hi-tech, all-volunteer armed services also are not absorbing the dropouts they once did. A recent report from the Defense Department has indicated that almost all of today's 1.8 million enlisted active duty personnel are at least high school graduates.

Both business and the armed services will have to recruit during the coming years from considerably smaller cohorts of educated youth, and both increasingly must rely on at-risk graduates. Already, corporations that have been forced to employ at-risk graduates for entry-level slots have spent billions on basic remedial education for these workers. (U.S. News & World Report, 4/1/85.) About three-quarters of the major corporations now have remedial classes for their employees.

INCREASINGLY, these new workers will require the kind of attitudes and skills that only a solid high school education can provide. Educator Bill Honig, in his book Last Chance for Our Children, points out that "we are moving from a work force in which 38 percent have the computation, speaking, writing and thinking skills associated heretofore with the college-bound to a labor market in which nearly half the new hires will be expected to be so qualified." He concludes that "we should be attempting to educate at least two-thirds to three-quarters of our students to these higher levels of academic achievement." Such numbers would provide for those students who will go directly into the labor market, as well as those who will continue their education in college.
A special employment implications problem is the dilemma that many young women confront. While the young career-minded woman often foregoes early marriage and parenthood, our data reveal that her non-college-bound counterparts become parents shortly after leaving school, and -- at least for the short term -- forego career training and economic independence. The lack of corporate and governmental support for day care limits opportunities for many women, especially welfare recipients who want to train for jobs and become self-sufficient. Society must continue to grapple with this problem.

III. The budget implications of our data are immense. Plainly, we must be willing to spend our tax money on education: on research, teacher training, laboratories and textbooks, including a variety of other elements -- including parent involvement and community outreach -- that tend to produce successful schools.

Beyond these obvious implications, however, is another. Our data reveal a failure to spend public money on youth who do not go on to college. While we have spent billions in ad hoc, piece-meal job training programs for youth over the last 20 years, we still do not have an institutionalized, comprehensive approach to developing our human resources at this level. We certainly do not have any private sector system comparable to those of some other developed countries. Part of the problem is that many of our programs have been shaped to fight poverty; they are not strategies to enhance society's human resources. We need more. We need to pursue both strategies simultaneously. We need a system of training and jobs to develop the skills a work force necessary for our economy and defense. We need to provide non-graduates and others a second chance to lead productive and self-supporting lives.

Many opportunities await those who go to college. This is as it should be; we want to develop the best for our society. But it must be recognized that these opportunities are subsidized by society. The operation of public and private colleges and universities is financed by public funds and by private contributions which are deducted from taxes and, therefore, from the public treasury. During the 1984-85 school year, the states spent an average of $4,522.00 per college student (USA Today, 7/8/85: p.7A). In addition, loans and grants for tuition and living expenses are subsidized by public funds. And because college students usually are considered dependents until they are 21 years of age, benefits such as lower insurance and tax rates accrue to their parents.

As a nation we should provide opportunities and incentives for the non-college bound. But in recent years we actually have reduced such opportunities, especially for the poor. Before the Omnibus Reconciliation Act of 1981, 35 states provided AFDC assistance — Aid to Families with Dependent Children — to support students beyond the age of 19 who could be expected to complete high school or vocational school. Today, because of the prevailing national mood and because states would have to provide all the funds, only five states provide such assistance.

The withdrawal of the CETA program, in particular, has considerably reduced opportunities for disadvantaged youngsters. The JPTA program — a CETA substitute established by the Joint Partnership Training Act — is not serving this segment of the population, and no other major resource has been made available.

Our Conclusion

With respect to the nation's youth, we find serious gaps in public policy, and we find that some public policies in fact impede the development of our human resources.

At the same time, demographic and labor market projections clearly indicate a compelling need to conserve and develop these same human resources. We cannot afford to squander a part of each generation of Americans.

As a society, we face serious budget decisions and choices. We must determine what we can afford to do and what we can afford not to do. Quite aside from any considerations of compassion, the bottom line is this:

The costs of remedial education and training of non-productive citizens for employment, the costs of keeping individuals in jail, and the costs of keeping families on welfare unto the third and fourth generations, taken together, are greater than the costs of educating each and every child in the United States.

In Our Next Issue

Look for profiles, based on HSB and Census data, of graduates, at-risk graduates, and non-graduates. We want to learn why some students drop out while others, exhibiting the same characteristics, do not.

And in future issues, look for occupational profiles of HSB participants. Plus labor market projections for regions in which Hispanics reside. And much, much more.
Definitions and Technical Notes

Statistics presented in this and subsequent bulletins will be based, unless otherwise noted, on data from High School and Beyond (HSB), the national longitudinal survey of 1980 high school sophomores and seniors sponsored by the U.S. Center for Education Statistics. Data on the individuals sampled in 1980 also were collected in a follow-up survey in 1982 and in a second follow-up in 1984, and will be collected in subsequent follow-ups. While data from '80, '82, and '84 will be used in these analyses, most of the data will come from the '84 follow-up.

The High-School-and-Beyond survey design covered a highly stratified national probability sample. About 30,000 sophomores and 28,000 seniors enrolled in 1,015 public and private high schools across the nation participated in the base year survey. The total sample size for the 1980 sophomores who were surveyed again in 1982 was 25,875; almost half these individuals were surveyed again in 1984. All HSB data used in our analyses are based on the 1980 sophomore cohort only. We are using the data for all Hispanics, non-Hispanic Blacks (Blacks) and non-Hispanic Whites (Whites), which amounts to 1,954 Hispanics, 1,838 Blacks, and 7,946 Whites for a total of 11,738 cases (unweighted).

Hispanics outnumber Blacks in the unweighted sample because some Hispanic subgroups were oversampled to allow for comprehensive investigation and analysis of education outcomes for Hispanics. However, here all groups have been adjusted (or weighted) to their estimated representation in the general population. For this reason the various proportions given below and various percentages given elsewhere in the Bulletin cannot be applied to the raw or unweighted totals given above. Instead, the reader can apply these percentages to the following projected population totals based on the weighted sample: Hispanics-475,294; Blacks-458,196; Whites-2,747,194; total for the three groups: 3,680,684.

Non-graduate rates for the three groups—Whites, 8%, Blacks, 14%, and Hispanics, 15%—will appear low, especially for Hispanics, when compared to rates reported in the mass media. However, our rates—based on those who had not graduated two years after they should have—must not be confused with regular dropout or attrition rates. The HSB data do not present a complete picture of the nation's non-graduates. It is important to remember that HSB's base year survey of sophomores would not have picked up those students who dropped out of school before the tenth grade. It is estimated that 41% of all Hispanics who drop out of school do so before the tenth grade. (While we do not have estimates for Blacks and Whites, their pre-tenth grade dropout rates are likely to be lower than Hispanic rates because Blacks and Whites generally are not as over-age for grade level as are Hispanics.)

The lower the school grade from which students drop out, the less likely they are to return to and graduate from high school. To illustrate, about 40% of the students who dropped out in the twelfth grade later graduated, compared to about 27% of the tenth grade drop-outs. Presumably, those who dropped out before the tenth grade would be even less likely to graduate.

Therefore, the HSB data does not include the entire pool of non-graduates in that age group found in the general population. And therefore, based on Census data, we can say that HSB data represents an underestimate of at least 5% to 10%. For example, the rates of marriage and parenthood for comparable non-graduates and at-risk graduates in the general population would be higher than the rates for the same categories in the HSB sample. Underestimates in rates would be especially true for the two minority groups and for all non-graduates.

Thus the low HSB non-graduate rates result from the way in which the data were collected and from the definition of terms as well. Once qualifications are understood and adjustments have been made, these apparently low rates are not out of line with estimated attrition rates of about 35% to 40% for Hispanics, 20% to 25% for Blacks, and 15% or more for Whites. (The attrition rate is based on the number of students who start as 9th graders and drop out at some point in their high school careers.)

Non-graduates are defined here as 1980 sophomores who either had dropped out of school between the base year survey in the spring of 1980 and the first follow-up in the spring of 1982 had not returned to school by the time of the second follow-up in the spring of 1984, or had returned to school but had not yet graduated at the time of the second follow-up.

Graduates are defined here as students who graduated with a grade average of C+ or higher (based on school transcripts). Note: thus, in our usage, the expression graduates does not include at-risk graduates. Graduate rates for the three groups are Whites-68%, Blacks-45%, and Hispanics-49%.

At-risk graduates are defined here as students with grades of mostly C or lower (based on school transcripts) who nevertheless graduated from high school. At-risk graduate rates for the three groups are Whites-24%, Blacks-41%, and Hispanics-38%.

Here we use the expression at-risk graduate with two meanings: as a high school graduate (1) whose grades suggest that he or she might well have become a dropout and (2) whose poor academic preparation jeopardizes the possibility of living a fulfilling and productive adult life. (Research indicates that most high schoolers who ultimately drop out earn grades of mostly C and lower.)

Because terms such as "students at
risk" or "youth at risk" are fashionable, some discussion is warranted: When "at risk" is attached to "children" or "youth," it usually means that these individuals are more likely than "normal" or "average" children or youth to shift, for example, into poor physical or mental health, or into school failure or welfare dependency.

In education, "at risk" refers to a student who could become a dropout; the student already exhibits one or more of the characteristics that many dropouts exhibit while still in school, such as C-average or lower grades, absenteeism, tardiness, and misconduct.

It is important to understand why some students drop out while others with similar characteristics do not. In the next issue of the Bulletin we will profile both at-risk graduates and non-graduates, as well as graduates, along the following lines: grades, standardized test scores, grade retention, absence and tardiness records, personal attitudes, curriculum track, attributes of high school attendance, and background factors such as family socioeconomic status.

The Questions in '84

Following are the original and the recoded questions. Note that not every student answered every question.

I. What were you doing the first week of February 1984? (Mark one oval for each line.)
   a. Working for pay at a full-time or part-time job.
   b. Taking vocational or technical courses at any kind of school or college (for example, vocational, trade, business, or other career training school).
   c. Taking academic courses at a two-year or four-year college.
   d. Taking courses at a graduate or professional school (law, medicine, pharmacy, dentistry, etc.).
   e. Serving in an apprenticeship program or government training program.
   f. Serving on active duty in the Armed Forces (or service academy).
   g. Keeping house (without other job).  
   h. Holding a job but on temporary layoff from work or waiting to report to work.
   i. Looking for work.
   j. Taking a break from working and from school.
   k. Other (describe).

This question was recoded into the following categories: 1. Working for pay. 2. Taking vocational, technical, and apprenticeship courses or government training programs. 3. Taking academic or professional/graduate courses. 4. Active duty in the military. 5. Keeping house. 6. Temporary layoff, break from school or work, other activity. 7. Looking for work.

II. What was your marital status the first week of February 1984? (Mark one.)
   a. Divorced.
   b. Widowed.
   c. Separated.
   d. Never married.
   e. Not married but living with an unrelated adult of the opposite sex.
   f. Married.

III. Did you have any children (including adopted, foster-care, and stepchildren) as of the first week of February 1984? (Mark one.)
   a. Yes
   b. No

These two questions were recoded into a marital and parental variable: 1. Never married; has children. 2. Never married; has no children. 3. Previously or presently married; has children. 4. Previously or presently married; has no children.

IV. What is the best estimate of your income before taxes for all of 1983? If married include your spouse's income in the total.

V. Are the following statements about yourself true or false? (Mark one oval for each line.)
   a. I have been in serious trouble with the law. TRUE. FALSE....

If the answer to the last question was "true" the student was classified as having been in serious trouble with the law by his/her senior year.