There is no need for costly new state or federal dropout prevention programs because 87.1 percent of youth now complete a high school education by age 24, nearly achieving President George Bush's goal of a 90 percent graduation rate by the year 2000. Calculations of high national and urban dropout rates based on the number of students who do not graduate by age 18 have resulted in a "phantom crisis." Reforms are needed that encourage greater parental school involvement and give students greater incentives to stay in school. Many characteristics associated with high dropout rates, such as parental educational attainment and criminal involvement, are not school-related and may not have school-based solutions. Those factors that can be traced to schools should be addressed through programs that offer the student a choice among competing schools. Compulsory attendance regulations, which prohibit students from transferring to nonassigned schools, often make these choices unavailable. In areas with open enrollment policies, sole choice programs have encouraged dropouts to complete their education. Minnesota, Washington, West Virginia, and Wisconsin have developed innovative programs that combine both choice and incentives. Statistical data are presented in two tables. (FMW)
INTRODUCTION

In his first State of the Union Address, George Bush this January set six goals to strengthen American education. One of them is to reduce the national high school dropout rate to 10 percent by the end of the decade. Currently, according to Bush, the rate is 25 percent. This high rate, it is said, saddles the United States with an undereducated work force which, in turn, retards economic and social development. Dropouts also cost the nation billions of dollars in lost tax revenues and in welfare, unemployment, and crime prevention programs.1

Since the speech, Congress has approved with little or no debate new spending to reduce the dropout rate. Examples: a $50 million extension of the School Dropout Demonstration Program of the Elementary and Secondary Education Act of 1965 was approved unanimously by the Senate on February 20. Then on July 10, the House voted $1.9 billion extra to increase the number of federally funded dropout prevention programs. And July 20, the House passed the Equity and Excellence in Education Act of 1990, which further expands these programs.

Disappointing Results. The trouble is that dropout prevention programs, even when well funded, have not had impressive results. A study, released this May 15, prepared for the New York City Board of Education by researchers at Columbia University's Teachers College, finds that after the New York City School District spent more than $120 million between 1985 and 1989 on an elaborate dropout prevention program, fewer than 40 percent of the participants improved attendance patterns and more than half dropped out by the third year of the program. The study's most significant finding is that it made no difference whether students participated for only one year or for the full three years. Attendance for both groups declined equally and both had the same dropout rates. At a cost of more than $8,000 per student, this program failed to assist even half of the participants.

Before lawmakers vote even more money to prevent dropouts they should investigate what works and what does not work.

Exaggerated Estimates. They also must investigate the dimensions and causes of the high school dropout problem. In doing so, they will discover that the extent of the problem is greatly exaggerated. While it is true that, by age 18, some 25 percent of Americans drop out of high school, about half of them eventually return to some kind of classroom and complete their studies. The U.S. Department of Education estimates that in 1988 a record high 87.1 percent of students completed high school or its equivalent by age 24. This high school completion rate by age 24 means that Bush's stated goal of a 90 percent completion rate is all but achieved. If so, expansion of federally funded dropout "demonstration" programs is not needed and may impede efforts to reduce the dropout rate even further.

The dropout crisis invoked by those calling for more federal spending—like the Children's Defense Fund and the National Education Association—does not exist. Not only do far fewer Americans drop out than is assumed, but for those who do drop out, several states already have found strategies to tackle the problem.

There are serious problems with American education. Dropouts is not one of them. What is needed to keep students in school is not billions of new dollars in dropout prevention programs and increased federal regulatory oversight. What is needed are such education reforms as:

- Expanded School Choice. The recent widely acclaimed study by John E. Chubb, a senior fellow at the Brookings Institution in Washington, and Terry M. Moe, a professor of political science at Stanford University, concludes that only by forcing schools to compete for students can the quality of American education rise. They propose students be given "scholarships" based on their share of the state education budget. Students with special

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needs would have their scholarships increased to meet these needs. Such a system generally is known as “choice” in education. It would allow parents and students to take their share of state education funds and use them in the public or private schools of their choice. It would reduce the dropout rate by giving educators an economic incentive to open dropout re-entry schools that would focus on the academic and behavioral needs of “at-risk” students, many of whom drop out because of trouble with their assigned school. Because many dropouts are several years older than typical high school students when they consider returning to school, they often decide against returning. Dropout re-entry schools would allow them to finish their education with students of similar age and background.

- Tougher Academic and Attendance Standards. Critics of higher standards often charge that raising academic standards will drive at-risk students out of school. Evidence suggests, however, that higher expectations spur higher achievement and reduce dropout rates. Though teachers’ unions reflexively have fought tougher standards, the Urban Superintendents Network, a group of public school administrators organized by the U.S. Department of Education to search for solutions to problems of urban education, in 1987 endorsed higher standards to combat their dropout problems.

- Back to Basics. Studies indicate that students who are passed on to the next grade level without the requisite basic skills are the most likely to drop out. Expensive basics programs for students in the eleventh and twelfth grades are often too late. It is in the elementary grades that students must acquire basic skills before being passed into the next grade. This would prevent students from becoming frustrated and consequently keep them in school.

CALCULATING THE DROPOUT RATE

For years, education analysts have put the national dropout rate at between 24 percent and 29 percent. In some urban areas they estimate the dropout rate to be double that. These estimates have been based on the percentage of ninth grade students who graduate within four years. Other estimates, such as those published by the U.S. Department of Education’s National Center for Education Statistics put the national dropout rate at between 12 percent and 18 percent. Accounting for the wide differential between these two estimates are the criteria used to define a dropout and the methods used to measure them.

Typically, figures cited to establish an alarmingly high dropout rate are taken from the Department of Education’s annual State Education Performance Chart, commonly known as the “Secretary’s Wall Chart.” This is com-
piled from graduation estimates reported by education agencies of all 50 states and the District of Columbia. Last year the average national graduation rate of 18- to 19-year-olds was 71.1 percent. Simple subtraction then yields a national dropout rate of 28.9 percent of 18- to 19-year-olds.

In truth, this is not the dropout rate at all; it merely is the rate of those not graduating “on time.” It ignores those 18- and 19-year-olds who graduate early, those who are still enrolled in high school but have not graduated, and those in high school equivalency programs. And, of course, this dropout rate completely ignores those who subsequently complete their education. To make matters more confusing, state education departments do not use uniform criteria to count graduates.

More Accurate Measure. A more appropriate definition of the dropout rate is that used by the Census Bureau’s Current Population Survey. It defines the rate as the percentage of 16- to 24-year-olds who have not graduated and are not enrolled in school or an equivalency program. This more accurately reveals the extent of failure to complete a high school education because it accounts for those who, for a variety of reasons, take longer to complete their education. Using the Census Bureau’s definition, the National Center for Education Statistics estimates the dropout rate at 12.9 percent.

The National Center’s statistics suggest that most “dropouts” quickly discover that their opportunities in the job market are severely restricted by their lack of education; they then, apparently, decide to finish school. The Condition of Education, published by the Department of Education in 1986, found that students take multiple routes to complete high school or receive an equivalency degree. Some leave and return to the system several times before earning their degrees. The majority complete their education by receiving an equivalency degree. Use of the General Educational Development Test (GED), the most widely used equivalency degree, has risen almost 250 percent between 1967 and 1987. Although completion of the GED does not require “regular” classroom attendance, it does require proficiency in core subjects. Yet, these students routinely are counted as dropouts.

Because states and school districts calculate dropout rates using varying definitions, it is often impossible to determine if the same criteria are being compared. The Dallas school district, for example, tracks students between ages 13 and 21, while the Atlanta school district tracks students in all grades—including elementary. The result: dropout rate comparisons are meaningless between Dallas and Atlanta.

4 Ibid. p. 16
5 Ibid. p. 35.
HIGH SCHOOL COMPLETION TRENDS

Despite the talk about a dropout crisis, more American students are getting a high school diploma or its equivalent now than at any other time in the nation's history. Only within the past half-century has there been an emphasis on graduating from high school. In 1910, for example, only 13.5 percent of the population age 25 and over had completed at least four years of high school. By 1940 this had climbed to 24.5 percent, and by 1970 to 55.2 percent. Among those between ages 25 and 29, these rates rose at an even faster pace. In 1940 the percentage of "young adults" with at least four years of high school was 38 percent; by 1988 this had risen to 86 percent.7 The high school completion rates for black students between ages 25 and 29 has risen from 11.6 in 1940 to 81 percent in 1988.8

Graduation rates for both whites and minorities have been rising steadily over the past two decades while disparities between them have been narrowing. In 1968 white graduation rates by age 24 were nearly 86 percent higher than black graduation rates, with the national black dropout rate at approximately 28 percent and the white dropout rate at approximately 15 percent. In the twenty years after 1968, the white dropout rate fell to 12.6 percent while the black dropout rate fell to slightly below 15 percent. When parental education levels and other background factors are equated, black dropout rates are the same as those for whites and in some cases are even lower.9

By contrast, Hispanic dropout rates have been climbing. The National Center for Education Statistics reports that the Hispanic dropout rate is 35.8 percent. There is a reason for this. Not only is the Hispanic population growing faster than any other ethnic group in the U.S., over a third of this population

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are immigrants, with half of them arriving in the past decade.\textsuperscript{10} When statistics cover all Hispanics in the U.S., the dropout rate seems alarmingly high. But when census data are used that account for length of residence and time of arrival, native-born Hispanics are found to be faring almost as well as white Americans in median education attainment. In the 1980 census, the median education attainment for U.S.-born Hispanic-Americans was 11.7 years; it was 12.5 years for whites. For foreign-born Hispanic-Americans the median attainment was 9 years. When the median education attainment for native-born and foreign-born Hispanic-Americans was measured without differentiating between them, the average was 10.8 years.

**Skewed Figures.** Analyzing the Mexican-American population, often cited as having the lowest high school completion rate, reveals the need to take account of length of residence and time of arrival when calculating dropout rates. Among the Mexican-origin population, ages 25-34, only 53 percent appear to complete high school. This rate is based on the March 1988 Census Bureau Current Population Survey; this does not take account of length of residence and time of arrival. If it would, the high school completion rate for U.S.-born Mexicans would jump to 78 percent; and the completion rate for foreign-born Mexican-Americans would fall to 28 percent.\textsuperscript{11} What skews the figures even more, if no account is made between U.S.-born and foreign-born Mexican-Americans, is that a majority of them come to the U.S. several years older than the high school graduation age. They thus never attend American schools. This means they never could have dropped out of American schools because they have never entered them.\textsuperscript{12}

This failure to distinguish between native and foreign-born Hispanics is what makes it seem that all Hispanics are faring poorly. For Hispanics that do not speak English, the dropout rate is between three and four times as high as Hispanics who do. The recent, rapid increase in the number of foreign-born Hispanic immigrants with little or no English skill may help explain the current high dropout rates among this ethnic group.\textsuperscript{13}


\textsuperscript{13} Linda Chavez, "Tequila Sunrise," \textit{Policy Review} Number 48, pp. 64-67. Data are from the 1980 decennial census. The Census Bureau's Population Characteristics Series of the Current Population Survey (CPS) does not make distinctions among Hispanic subgroups by nativity or length of residence in the U.S. To provide more accurate data, the Census Bureau should report this information in the CPS as it does in the decennial census.
Other immigrant groups have experienced similar patterns of school attendance. Example: during the 1930s educators struggled to understand the high rate of attrition among the Italian population. Today, no one talks about an "Italian Dropout Crisis."

Some educators push bilingual education as a strategy to reduce the Hispanic dropout rate, assuming that difficulty with English drives many Hispanics out of school. Students in a typical bilingual education setting usually are taught in Spanish and have little exposure to English. Yet evidence suggests that students who do not speak English or have little exposure to English are at a much greater risk of dropping out. Students who are expected to learn and use English quickly score higher on achievement tests and have a higher rate of high school graduation that students who are taught in bilingual settings.

CHARACTERISTICS OF HIGH SCHOOL DROPOUTS

Some characteristics are common to a majority of dropouts: attendance patterns, family and ethnic background, geographic location, and socioeconomic status. Not surprisingly, those who have problems with truancy or trouble with the law or those whose grades are below average are more likely to drop out than other students. A parent's educational background also seems to influence whether a student drops out. In 1985, some 55.1 percent of high school dropouts came from families in which the head of the household had not completed four years of high school. One study found that students

14 Ibid. at 3, pp. 24-33.
whose fathers did not complete high school were 250 percent more likely to drop out than children whose fathers were college graduates.  

The most comprehensive study of issues relating to dropping out, entitled *Descriptive Information from High School and Beyond* (HS&B), published in a series beginning in 1981 by the Department of Education, tracks the 1980 high school sophomore class from that year until 1986.  

The HS&B study finds:

That students from families with little or no English-speaking background drop out at a much higher rate than those from an English-speaking household;

That students with one parent drop out at a much higher rate than those where both parents were present; and

That students from public schools drop out more frequently than those from Catholic schools.

Fewer than 5 percent of all students were pregnant or married by the first follow-up in 1982. However, of those that dropped out by 1982, approximately 20 percent were pregnant or married.

**THE COSTS OF DROPPING OUT**

Those who fail to complete high school, even by age 24, are at an enormous disadvantage in the labor force. Unemployment rates among male high school dropouts are much higher than those for high school graduates. Among male dropouts in October 1988, the most current year for which statistics are available, the unemployment rate was nearly 20 percent; for high school graduates with no college education, the unemployment rate was slightly below 10 percent. As the job market requires greater skills, many dropouts may find themselves completely locked out of an increasing variety of jobs as employers begin demanding a high school diploma as the minimum job qualification.

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17 The first follow-up was conducted at the class’s expected graduation date in spring 1982. The second and third follow-ups were conducted in 1984 and 1986. Approximately 30,000 sophomores participated in the first follow-up; by the third follow-up approximately 13,400 participated.


19 *Statistical Abstract of the U.S. 1990*, Table 250.
Typically, most male dropouts find jobs as machine operators, common laborers, and as maintenance and repair personnel. This sector of the labor force is unstable and prone to market fluctuations that can constrict job opportunities or lead to layoffs at a greater rate than other sectors of the economy. Housing and building construction, one of the most common areas of employment for male dropouts, is greatly affected by seasonal and economic fluctuations.

Many dropouts correctly conclude that their employment opportunities are limited and they then complete their education. As the job market becomes increasingly selective, dropouts, as well as high school graduates who lack basic skills, will be forced to supplement incomplete or inadequate educations.

DROPPING IN

Contrary to some predictions, dropping out of high school is not a permanent condition that leads to a lifetime of poverty and dependance. Nearly half of the dropouts in the HS&B survey had dropped back in, returning to complete their education within four years of their expected graduation date. Many do not return to the traditional school setting but pursue an equivalency degree. According to the National Center for Education Statistics survey, *Dropouts in the United States: 1988,* "dropping out is not so much an event that occurs at a specific point in time, but a process representing a gradual disengagement from school over time." 20 Like dropping out, returning to school for many is a gradual process.

Among the 1980 sophomore dropout cohort tracked in the HS&B survey, 46.5 percent had completed high school or received an equivalent degree within four years of their expected graduation date of June, 1982; another 12 percent were pursuing that goal. 21 Those with characteristics of lower dropout rates, such as higher socioeconomic status and English language backgrounds, were more likely to return and complete their education.

Second Chance. Within four years of their expected graduation, about one-third of the returning HS&B dropouts completed their education by earning a high school diploma, while the other two-thirds received some form of equivalency. Administered by the American Council on Education in Washington, D.C., the Test of General Educational Development tests for

21 Ibid. at 3, p. 34.
proficiency in five subject areas: mathematics, reading skills, science, social studies, and writing skills. Studies indicate that GED recipients have greater labor force participation rates and earn more than do those high school dropouts with no educational credentials; the GED recipients, however, have higher unemployment rates and earn less on average than high school graduates. A 1986 study in the Denver Metropolitan Area found that 83 percent of employers would consider hiring equally GED holders and high school graduates and that only 16 percent preferred a high school graduate over a GED recipient. These studies indicate that as use of the GED has risen, acceptance by employers has followed. For many dropouts, the GED is a valuable “second chance” to complete their education and offers them opportunities in the labor force not available to dropouts who never return.

ACCOMMODATING “AT-RISK” STUDENTS

Chester E. Finn, Jr., a former undersecretary at the U.S. Department of Education and now Professor of Education at Vanderbilt University, explains that many educators incorrectly blame education standards for driving out students who, they say, are frustrated by their failure to meet high educational expectations. The experience of many schools confirms Finn’s conclusion that the dropout problem cannot be blamed on high standards. Parochial schools, which are usually regarded as having higher academic standards than most public schools, have much lower dropout rates.

Many educators ignore this evidence and dilute the curriculum in the hopes of keeping students in the classroom. This compounds the problem. A 1988 University of Pittsburgh study by professors of Special Education Sandra E. Miller, Gaca Leinhardt, and Naomi Zigmond concludes that “...accommodation, although it may keep students in school, may not only limit adolescents’ acquisition of formal knowledge, but may also be a poor model for preparing adolescents for the world beyond school.” The study compares the high school learning-experiences of learning-disabled and non-learning-disabled students in a blue-collar community of 24,000 people. Learning disabled students were characterized by poor academic performance, difficulties in social

interactions with peers, and low self-esteem. All of the students had low skill levels and the demands placed upon them by the school were extremely low. Tracking the students through an academic year, the study finds that the school sought to “accommodate” the students in three ways: Teachers did not select challenging academic material for any of the students; teachers did not grade homework assignments for accuracy, but gave credit for simply turning something in; and students with truancy problems were able to “buy back” unexcused absences and clear their records.

Limiting Education’s Values. The study concludes that reducing the dropout rate through a non-competitive curriculum limits the value of every student’s education. While retaining students through graduation is desirable, says the study, the primary goal of education is to provide them with “educationally worthwhile experiences while they are there.”

Similar conclusions on the benefits of rigorous academic tracking have been drawn by University of Chicago Professor of Sociology and Education James Coleman and by Brookings scholars Chubb and Moe.

Lowering the quality of education hurts other students in the learning environment without sufficiently assisting potential dropouts. Says former Duvall County, Florida, Superintendent of Public Instruction Herb A. Sang: “...When we enacted rigorous promotional policies, student achievement improved. Some people anticipated that higher standards would lead to a higher dropout rate. But this hasn’t happened.”

Ignoring the wealth of evidence that diluting standards fails to address the dropout problem, the National Education Association’s 1986 Blueprint for Success calls for non-competitive instruction and cooperative group learning as an effective strategy to reduce the dropout rate.

Forcing students who have little or no interest in learning to stay in an academic environment not only disrupts the learning of other students but could increase drug-related crime and violence in the halls and classrooms of American public high schools.

**STATE DROPOUT PREVENTION INITIATIVES**

Some dropout prevention programs appear to be succeeding. Examples:

**Minnesota.** In addition to its now famous “open enrollment” choice option, by which students may attend schools outside their resident district, Minnesota’s 1985 law includes programs for high school dropouts and poten-

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25 Ibid, p. 485
tial dropouts. The Post Secondary Options program, for example, offers specific incentives for students who exhibit such “at risk” characteristics as low test scores or grades, drug or alcohol addictions, excessive truancy records, teen pregnancy, and expulsion. Such incentives include earning college credit for courses not offered in the traditional high school curriculum, the ability to transfer out of an unsatisfactory school, and reimbursement of tutorial and transportation costs. The Post Secondary Options program, when college courses are taken for high school credit, also allows public school students in the eleventh and twelfth grades to enroll full- or part-time in courses at universities, colleges, and vocational institutions. Of the 5,700 students who took part in the program’s first year, 6 percent were returning high school dropouts. Another program, the High School Graduation Incentives, allows students to attend a school outside their resident district if the receiving district has room and the move would not negatively affect desegregation. In 1987, the program’s first year, 1,500 students enrolled in it. More than half of these were re-enrolled dropouts.

Washington State. Educational Clinics, Inc. (ECI) of Seattle, a private school, prepares its students to re-enter high school or to pass the GED and find employment. The state-funded program, begun in 1977, places students in five skill levels where class sizes average approximately 15 and where the students progress at their own speed. Students entering the program with severe learning deficiencies (skills below the fifth grade level) attend special tutorial classes. Students in the ECI program must adhere to a code of ethics demanding courtesy, responsibility, and honesty. Washington State saves money overall from ECI. According to surveys conducted 30 months after a student leaves the program, the participants are 70 percent less likely to be jailed and 50 percent less likely to be receiving welfare than before entering the program.27 Similar success was found with respect to employment. Prior to the ECI program, only 16 percent of the students were employed either full- or part-time; 30 months after leaving the program, the employment rate for ECI students was 64.3 percent. Reductions in welfare dependency and increased tax revenues have made the program cost effective, with a 110.9 percent annual rate of payback on the initial cost to the state.

West Virginia. One of the more controversial dropout-prevention approaches is West Virginia’s No School/No Drive program. In 1988, the West Virginia legislature granted its Department of Motor Vehicles authority to revoke driver’s licenses of 16- to 18-year-olds who accumulate ten consecutive unexcused school absences or miss more than fifteen unexcused days in a semester. Before a revoked licence is returned, students must pay a $15 fee and reduce the number of unexcused school absences during a probationary pe

period of between four weeks and an entire semester. Licenses are returned at the completion of the probationary period. Between September 1988, when the program began, and this January, 1,003 licenses had been revoked. The number of high-school-age dropouts in the state fell from approximately 5,000 in 1988 to 3,400 in 1989. Critics of the program dispute the value of forcing school attendance on those who have little desire to learn, and similar proposals have languished in state legislatures around the country.

Wisconsin. One of the most innovative state welfare/education reform programs of the 1980s, Learnfare was initiated by Republican Governor Tommy Thompson of Wisconsin during the 1988-1989 school year. Since then other states have expressed interest in it. The program operates under a waiver from the U.S. Department of Health and Human Services and requires all teenagers between ages thirteen and nineteen who receive an Aid to Families with Dependant Children (AFDC) grant to be enrolled in school and comply with attendance requirements. The families of students who fail to meet the attendance guidelines or who drop out of school are subject to a reduction in monthly AFDC benefits until compliance is documented or a “good-cause” exemption is granted. The program attempts to link education attainment to breaking the cycle of welfare dependency. Thompson has been granted an extension of the Learnfare waiver to cover children between the ages of six and twelve in AFDC families to address dropout prevention at the elementary level, where most education analysts believe problems begin.

CONCLUSION

More young Americans are now completing their high school education by age 24 than at any other time in the nation’s history. Some 87.1 percent are doing so. As such, George Bush’s goal of a 90 percent graduation rate by the year 2000 nearly has been achieved. There thus is no need for costly new federal or state programs to attack what turns out to be a phantom “dropout crisis.” What is needed are reforms that encourage greater parental school involvement and give students greater incentives to stay in school.

Just as there is no single cause for dropping out of school, no single solution exists for retaining all students within the educational system. Indeed, many characteristics associated with high dropout rates, such as parental education attainment and criminal involvement, are not school-related and may not have school-based solutions.

Offering Choice. Those factors that can be traced to the school should be addressed through programs that offer the student a choice among competing schools. Compulsory attendance regulations, which prohibit students from transferring to non-assigned schools, often make these choices unavailable. In areas with open enrollment policies some choice programs have encouraged dropouts to complete their education.
Billions of additional federal dollars and bureaucratic intervention from Washington will do little to decrease the school dropout rate. In fact, such expenditures and regulations actually may prove harmful to the education excellence movement by lowering standards without appreciably helping “at risk” students stay in school. A successful approach to reducing the dropout rate should ensure a quality education through tougher academic standards and choice among competing schools.

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