



RECENT REPORTS GREATLY UNDERSTATE HIGH SCHOOL GRADUATION RATES

Actual black and Hispanic dropout rates are much lower than reported but sizable race/ethnic gaps remain; New study, based on more reliable data, documents four decades of significant progress in narrowing graduation gap

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Recent reports that only two-thirds of all students and half of minorities end up with a high school diploma have been cited so often that these alarming data have been accepted as gospel. But a new Economic Policy Institute report finds this much-repeated refrain is seriously inaccurate, and that a wealth of better data shows high school completion rates are much higher, with about 75% of black and Hispanic students receiving diplomas nationally. Although substantial gaps remain between the graduation rates of whites and either blacks or Hispanics, the report documents that graduation rates have been growing and racial/ethnic gaps closing over the past four decades.

Claims that black and Hispanic students have only a 50-50 chance of completing high school rely on data collected by the U.S. Department of Education from state databases. These data have been too unquestioningly accepted even though the results they yield differ substantially from findings based on a wealth of other government data on high school completion, including the National Education Longitudinal Study (NELS), considered the best available on this issue.

In *Rethinking High School Graduation Rates and Trends*, EPI president Lawrence Mishel and economist Joydeep Roy provide a rigorous examination of all of the possible data sources. The gold standard NELS data, which track individual students over time and verify diplomas against actual transcripts, show overall national graduation rates of 82%, and rates for black and Hispanic students of about 75%.

The authors show that other national surveys that either track individual students or survey households, such as the decennial Census and the Current Population Survey used to track unemployment, confirm these higher graduation rates. The decennial Census data for 2000, when corrected for various measurement problems, show that whites graduate with a regular diploma at a rate about 15 percentage points higher than blacks and about 13 points higher than Hispanics. However, the black-white graduation gap has shrunk greatly since the 1960s and the Hispanic-white gap has shrunk over the last 10 years (the only period for which the necessary data are available).

“The very low graduation rates that are being cited are out of sync with what the most reliable data sources tell us,” said Mishel. “We hope this report will clear the fog, create a better understanding of the true challenges we face and the progress we’ve made, and help lead the way to better targeted solutions for continuing to close the remaining gaps. Understanding where we are and how far we’ve come can help identify what has been working in American public education.”

The low-graduation rate story exaggerates dropout rates partly because it computes these rates by dividing the number of diplomas awarded by the number of students who were in ninth grade four years earlier. But these calculations fail to adequately account for a national phenomenon known as the “ninth-grade bulge,” which causes ninth-grade enrollment, especially for minorities, to greatly exceed the number of “entering ninth-graders.” Growing public pressure against “social promotion” has led more students to be retained in ninth grade. In the 2000 school year, for example, there were 13% more ninth than eighth graders overall, and 26% more black and Hispanic students in ninth than in eighth grade. Calculating from this atypically high ninth grade enrollment yields graduation

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rates that are inaccurately low. What's more, the bulge has grown over the past 20 years, leading to the erroneous finding from these data that graduation rates have fallen.

The authors show how NELS and other longitudinal data sets – which track individual students and their experiences over their high school years, even keeping track of transfers – produce more accurate graduation rates. Here are some of the book's major findings:

- Estimates of the black high school graduation rate with a regular diploma range between 69-75%, with the NELS showing about a 74% rate. Of the one-quarter of black students who drop out, about half go on to receive a GED (general education development), which qualifies them for entry into post-secondary institutions and the military.
- Hispanic students are also doing better than perceived. Their rate of graduation with a regular diploma ranges between 61% and 74%, the figure estimated by NELS. An additional 9%-12% of Hispanics receive a GED. Overall, the Hispanic completion rate – either by diploma or GED – grew from 76% in 1994 to 81.3% in 2004.
- The overall high school graduation rate with a regular diploma, with the best data from NELS, shows an 82% rate.
- Substantial race/ethnic gaps remain in graduation rates with *regular diplomas*. Analysis of Census data shows in 2000, for those aged 25-29, a black-white gap of about 15 percentage points and a Hispanic-white gap of 23 points in regular diplomas, excluding GEDs.
- The black-white gap in total high school completion, including GEDs, shrank by double digits from the 1960s to the present day. Among those aged 25-29, the authors found that gap was 27.6 percentage points in 1962 and about 10 points in 2000.

In addition, the authors examined longitudinal data developed from individual student school records for Florida, Chicago, and New York City. The Florida and New York City data show much higher graduation rates than those computed from enrollment and diploma data based on the same underlying school records. Graduation rates from Chicago longitudinal data diverge less from those obtained via enrollment/diploma count-based measures, but show a more positive trend over time.

“Whether we look at the level of graduation rates or at the trends over time in particular locations, graduation rates computed from school enrollment and diploma data seem to be seriously inaccurate,” said Joydeep Roy, the report's co-author.

The authors caution that an accurate report of the relatively higher national graduation rates for minorities should not be used to obscure the unacceptably and shockingly low graduation rates in inner cities, particularly for black males. In Chicago public schools, for example, the black male graduation rate is less than 40%.

The authors address some researchers' criticisms that data like the CPS overstate graduation rates because they do not include those in prisons, who are likely to have higher dropout rates. The authors find, however, that any bias from excluding prisoners is offset by exclusion of the military population, which has almost universal high school graduation rates. The exception is for black men, whose very high and growing rate of incarceration causes household surveys to overstate the level and growth in their graduation rates by as much as 3 percentage points.

Rethinking High School Graduation Rates and Trends reveals that high school completion has been increasing nationally and the gap between minority and white students has narrowed over the last 40 years, although improvements have been modest over the last decade. It also underlines the need to continue to narrow the gap and to improve educational outcomes, especially for black male students and in major cities like Chicago and New York.

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