**High School Dropouts Costly to American Economy**

Source: CBS Reports: Where America Stands

Sarae White is an all-too-typical student in Philadelphia -- she stopped going to

school last year, and was on her way to becoming one more dropout.

"The teachers didn't care, the students didn't care," White said. "Nobody cared, so why should I?"

In Philadelphia, the country's sixth largest school district, about one of every three students fails to graduate -- about the national average. CBS News correspondent Bill Whitaker reports that of the four million students who enter high school every year, one million of them will drop out before graduation. That's 7,000 every school day -- one

dropout every 26 seconds.

Michael Piscal, Headmaster of View Park Prep Charter School in Los Angeles

said, "It's not working for teachers, it's not working for students -- it's not working for

society.” The dropout problem is even worse in big cities. Almost half of all students in the country's 50 largest school districts fail to get a high school diploma. Thirty years ago the United States led the world in high school graduation. Today we rank 18th among industrial nations. Besides the intrinsic value of education itself, when Americans lack an education it hurts us all -- in the wallet.

Dropouts cost taxpayers more than $8 billion annually in public assistance

programs like food stamps. High school dropouts earn about $10,000 less a year than

workers with diplomas. That's $300 billion in lost earnings every year. They're more

likely to be unemployed: 15 percent are out of work versus a national average of 9.4

percent. They also are more likely to be incarcerated. Almost 60 percent of federal

inmates are high school dropouts.

"You have high schools in Los Angeles that send more kids to prison, than they

graduate from college," Piscal said. "It's time for a radical, radical change."

**Who Isn’t Graduating From High School?**

Source: Gretchen Gavett/ June 4, 2012,

As the season of mortarboard flinging, inspirational speeches and $5 billion in

congratulatory gifts is once again upon us, it’s worth pausing to consider that more than

1.3 million students drop out of high school each year — that’s about 7,000 per day. And while America’s graduation rate has been on a slow rise — it’s up to 75.5 percent (as compared to 72 percent in 2001) — there are still concerns that improvements are

piecemeal.

So who is most likely not walking with their classmates this month? A black,

Hispanic or American Indian teenager, whose graduation rates hover around 65 percent, according to a recent study [PDF] from the Everyone Graduates Center at the Johns Hopkins University School of Education. This is compared to 82 percent of whites and about 92 percent of Asian/Pacific Islanders.

If a student lives in one of a dozen states — including New Mexico, California

and Connecticut — he or she may have it even tougher. All three states’ graduation rates dropped between 2002 and 2009 and range from about 65 and 75 percent. Wisconsin has the highest rate at almost 90 percent.

The study also found that students who graduate earn about $130,000 more during their lifetimes, which is both good news for them, as well as the country as a whole — that’s $200,000 in higher tax revenue and lower government expenditures over the course of a person’s lifetime.

**By the Numbers: Dropping Out of High School**

Source: Jason M. Breslow/ September 21, 2012

How costly is the decision to drop out of high school? Consider a few figures

about life without a diploma:

**$20,241**

The average dropout can expect to earn an annual income of $20,241, according to the

U.S. Census Bureau (PDF). That’s a full $10,386 less than the typical high school

graduate, and $36,424 less than someone with a bachelor’s degree.

**12**

Of course, simply finding a job is also much more of a challenge for dropouts. While the

national unemployment rate stood at 8.1 percent in August, joblessness among those

without a high school degree measured 12 percent. Among college graduates, it was 4.1 percent.

**30.8**

The challenges hardly end there, particularly among young dropouts. Among those

between the ages of 18 and 24, dropouts were more than twice as likely as college

graduates to live in poverty according to the Department of Education. Dropouts

experienced a poverty rate of 30.8 percent, while those with at least a bachelor’s degree

had a poverty rate of 13.5 percent.

**63**

Among dropouts between the ages of 16 and 24, incarceration rates were a whopping 63 times higher than among college graduates, according to a study (PDF) by researchers at Northeastern University. To be sure, there is no direct link between prison and the decision to leave high school early. Rather, the data is further evidence that dropouts are exposed to many of the same socioeconomic forces that are often gateways to crime.

**$292,000**

The same study found that as a result — when compared to the typical high school

graduate — a dropout will end up costing taxpayers an average of $292,000 over a

lifetime due to the price tag associated with incarceration and other factors such as how

much less they pay in taxes.