High School Dropout and Graduation Rates
The high school dropout rate is a problem that directly impacts the economic vitality of the state. Students who do not complete high school will not have the sufficient background to find a livable-wage job, and, therefore, are likely to have low levels of income. The Alliance for Excellent Education looked at the impact of high school dropout rates on lost wages and taxes of students who were in 9th grade in 2000-01 and who did not graduate from high school. The total lost lifetime earnings for the United States dropouts was estimated at $325,622,960,000, and the total lost lifetime earnings for Illinois dropouts was estimated at $10,847,520,000.

To address the dropout problem, Illinois increased the mandatory school age from 16 to 17 years old and implemented provisions for penalties to those who are found truant. The high school senior dropout rates reported by the Illinois State Board of Education decreased from 7.0% in 1994 to 4.0% in 2005. This metric looks at the attrition in the final years of high school.

A more comprehensive approach to assessing dropout rates involves a longitudinal assessment of all of the dropouts that occur for a cohort of students who begin 9th grade and complete high school four years later. A 2005 project at the Manhattan Institute computed high school graduation rates by looking at the 9th grade cohort, correcting for changes in population, and examining the number of diplomas issued. Using this methodology, the metric can be interpreted as both a graduation rate and a dropout rate. The U.S. graduation rate has changed slightly from 72% in 1991 to 70% in 2003, and the authors of the study would conclude the dropout rate of the 9th grade U.S. cohort graduating in 2003 was 30%. For Illinois, the 2003 graduation rate was 73%, with a dropout rate of 27%. Illinois students, in aggregate, are very similar to the U.S. average, and Illinois ranked 26th in the nation.

The tables below, however, points out the large discrepancies in the graduation/dropout rates based on ethnicity and gender:

- On the positive side, significantly more white and Asian students in Illinois, both male and female, graduate as compared to their U.S. peers.
- The percentages of graduating Hispanic students are very similar for the U.S. and Illinois; however, the graduation rates of Hispanic students are still rather low compared to the rates of their white and Asian peers.
- For black students, the statistics are rather bleak: significantly more male and female black students in Illinois drop out than their U.S. peers.

Over half of the black male and Hispanic male students dropped out of school before graduation, creating a large cadre of unskilled workers in Illinois. Given the demographic characteristics of Chicago, it is not surprising that it ranked 88th out of the 100 largest school districts in the nation and had an overall dropout rate of 50%.
According to the Education Trust, reported graduation rates for Illinois using other methodologies ranged from around 86% to 75%. Regardless of the method, the conclusions are the same: too few students are completing high school, and black and Hispanic students are not completing high school at the same rates as their peers.

### Table 8  Comparison of Graduation Rates for Illinois

<table>
<thead>
<tr>
<th></th>
<th>Illinois Reported 2002-2003 (Senior to Graduation)</th>
<th>Manhattan Project Based on Students Entering 9th Grade 2000-2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black</td>
<td>73%</td>
<td>48%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>78%</td>
<td>58%</td>
</tr>
<tr>
<td>All</td>
<td>86%</td>
<td>75%</td>
</tr>
</tbody>
</table>

Illinois faces a daunting challenge. The predicted demographic changes in Illinois will result in increasing numbers of students from the populations most likely to drop out of school. At the same time, the state will be facing a potential shortage of skilled workers, as discussed in Chapter I. Keeping Illinois competitive requires solving the dropout problem. Perhaps the first step is to determine why students, especially the black and Hispanic male students, do not complete high school. According to a Gates Foundation report, 88% of the high school dropouts have passing grades and many leave because they are bored. Part of the solution appears to be connected to the high school curriculum and delivery of instruction.

### Readiness for College

Students who enter college unprepared are less likely to succeed, and, if they are not ready for college, they often are not ready for gainful employment either. What makes a student ready for college? Current national discussions are debating what “college readiness” means. Some studies include a broad definition and include academic indicators as well as other characteristics. One contingent of researchers is looking at courses taken in high school, especially the completion of a college core or participation in Advanced Placement (AP) courses.