



New report clearly demonstrates Value of a high school education

Lew Armistead

While educators have long argued that when local schools are successful, local communities benefit; there's now clear evidence that is the case. A new report, "The Economic Benefits from Halving the Dropout Rate: A Boom to Businesses in the Nation's Largest Metropolitan Areas," released in January by the Alliance for Excellent Education demonstrates growth in many economic areas from a lower dropout rate.

"The report underscores the notion that the best economic stimulus package is a high school diploma," said Bob Wise, Alliance president and former West Virginia governor. "If the U.S. is to improve its competitiveness in the global economy, it must have an education system that meets the fast-growing demand for high-level skills."

The Alliance analyzed the local economies of the 50 largest cities and their surrounding areas using a model developed by Economic Modeling Specialists, an Idaho-based firm working in socioeconomics. Economic projections for each metropolitan area were made in such key areas as individual earnings, home and auto sales, job and economic growth, spending and investment, and tax revenue.

A number of the communities studied are involved in The Principals' Partnership: Chicago, Denver, El Paso, Fresno, Houston, Kansas City (MO), Los Angeles-Long Beach, Milwaukee, Omaha, Portland, Sacramento, San Antonio, Seattle, Tucson, and Wichita.

Among the local findings—

Chicago

Reducing the 2008 dropout rate by 50 percent in Chicago schools, would have—

- Created economic growth of \$290 million,
- Increased earnings by \$211 million,
- Created 1,750 new jobs,

- Created an additional \$147 million in spending and \$57 million in investing; and
- Increased home sales by \$577 million and auto sales by \$18 million.

Houston

Reducing the 2008 dropout rate by 50 percent in Houston schools, would have—

- Created economic growth of \$218 million,
- Increased earnings by \$165 million,
- Created 1,150 new jobs,
- Created an additional \$120 million in spending and \$44 million in investing; and
- Increased home sales by \$257 million and auto sales by \$13 million.

Milwaukee

Reducing the 2008 dropout rate by 50 percent in Milwaukee schools, would have—

- Created economic growth of \$51 million,
- Increased earnings by \$41 million,
- Created 300 new jobs,
- Created an additional \$28 million in spending and \$10 million in investing; and
- Increased home sales by \$100 million and auto sales by \$3 million.

Los Angeles-Long Beach

Reducing the 2008 dropout rate by 50 percent in schools in Los Angeles and Long Beach, would have—

- Created economic growth of \$772 million,
- Increased earnings by \$575 million,
- Created 4,700 new jobs,
- Created an additional \$390 million in spending and \$151 million in investing; and
- Increased home sales by \$1.8 billion and auto sales by \$42 million.

The complete report and data on each of the communities studied can be viewed at <http://www.all4ed.org/files/EconBeneCityCardBooklet011210.pdf>.

Using the report

The information in this study can produce greater community support for high schools if

community leaders become aware of its findings, but it's up to high school principals and school system communicators to make sure there is widespread knowledge of the report in their community.

"Few people realize the impact that high school dropouts have on a community's economic, social and civic health," the report reads. "Business owners and residents—in particular those without school-aged children—may not be aware that they may have much at stake in the success of their local high schools. Indeed everyone—from car dealers and realtors to bank managers and local business owners—benefits when more students graduate from high school."

To encourage more support from these individuals in their community, principals may want to take these steps—

- Assure that school district leaders, including the district public relations professional if there is one, is aware of the report and the local data;
- Develop a handout of the data from your area which can be distributed to community leaders;
- Use this handout to compose articles for your school website and newsletter and district website and publications;
- Develop a presentation on the report and local data for your Chamber of Commerce and civic groups;
- Submit a news release or guest column on the data to your local newspaper; and
- Present the information at a school board meeting.

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LACommunications

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