

Study: High school dropouts face steeper costs in U.S.

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WASHINGTON (AP) -- Dropping out of high school has its costs around the globe, but nowhere steeper than in the United States.

Adults who don't finish high school in the U.S. earn 65 percent of what people who have high school degrees make, according to a new report comparing industrialized nations. No other country had such a severe income gap.

Adults without a high school diploma typically make about 80 percent of the salaries earned by high school graduates in nations across Asia, Europe and elsewhere. Countries such as Finland, Belgium, Germany and Sweden have the smallest gaps in earnings between dropouts and graduates. The figures come from "Education at a Glance," an annual study by the Paris-based Organization for Economic Cooperation and Development. The report, released Tuesday, aims to help leaders see how their nations stack up.

The findings underscore the cost of a persistent dropout problem in the United States. It is rising as a national concern as politicians see the risks for the economy and for millions of kids.

Adults in their 20's and 30's have slightly lower high school completion rates than older adults.

"We, perhaps as parents, are doing better than our kids. And I have real worries about that," said Betsy Brand, director of the nonprofit American Youth Policy Forum.

The new report says 44 percent of adults without high school degrees in the United States have low incomes -- that is, they make half of the country's median income or less.

Only Denmark had a higher proportion of dropouts with low incomes.

Also, the United States is below the international average when it comes to its employment rate among adults age 25 to 64 who have no high school degree.

Even U.S. adult education and job training do little to close gaps, because too few dropouts take part, said Barbara Ischinger, director of education for the OECD.

"Those with poor initial qualifications remain disadvantaged throughout their life, because they have fewer opportunities to catch up later on," she said.

About one-third of students in the United States don't finish high school on time -- or at all. Estimates on that dropout rate vary, though, and state data are often shaky.

Policymakers know how to keep kids in school, Brand said. It takes specialized teaching, relationships with caring adults and coursework that's relevant to career plans.

What's missing, she said, is a sustained national effort and more "political will."

The importance of a high school degree on income varies across nations. It depends on the demands for skills, the supply of workers, minimum wage laws and the strength of unions.

The disparity is more pronounced in the United States, Ischinger said, partly because the U.S. labor market is more flexible. Other nations protect people with weak education qualifications through regulations or tax systems that favor the low skilled, she said.

On the other end of the spectrum, however, the United States more richly rewards those who go to college.

An adult with a university degree in the U.S. earns, on average, 72 percent more than someone with a high school degree. That's a much bigger difference than in most countries.

The study compares the United States to 29 other nations that belong to the economic organization, although not every country reported data on every indicator.

In perspective, the U.S. economy remains strong and competitive, the report says. The country has a high proportion of educated adults and greater gender equality than other nations.

But a troubling theme of the last couple years continues: The United States is losing ground internationally because other countries are making faster and bigger gains.

The high school and college graduation rates of recent U.S. students are now below the international average.

For example, among adults age 25 to 34, the U.S. ranks 11th among nations in the share of its population that has finished high school. It used to be first.

The United States remains, by far, the most popular place for international students to study. But there, too, the U.S. is losing its market share of students studying abroad.