

THE ECONOMIC BENEFITS

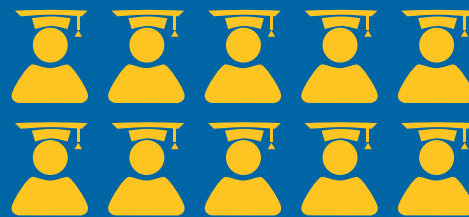
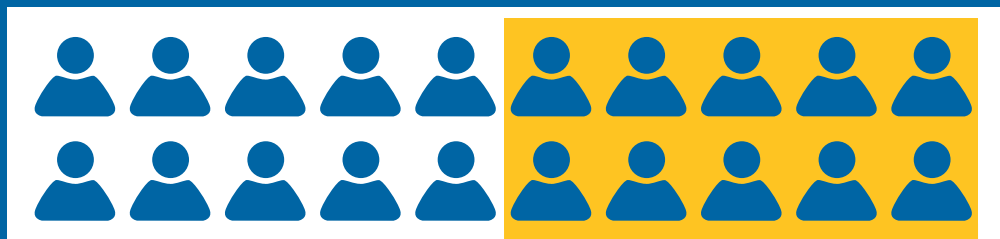
of Helping High School Dropouts Earn
Both High School Diplomas and
College Degrees



December 2011

WHAT IF ...

... half of Texas's 135,100 dropouts from the Class of 2010 had stayed in school and earned a high school diploma?



THE BENEFITS WOULD BE HUGE



\$593
million
in increased
earnings



\$470
million
in increased
spending



\$786
million
in increased
home sales
\$61
million
in increased
auto sales



3,950
new jobs



\$715
million
in increased
gross state
product



\$43
million
in increased
state tax
revenue

BUT ...

... the reality is high school just isn't enough today.

Unfortunately, only **27%** of those new graduates would likely earn some type of college degree or credential.



WHAT IF ...

... **60%** of those 67,550 new high school graduates earned a college credential or degree?

Vocational certification

From a projected

15%

to a goal of

33%

2-year degree

From a projected

9%

to a goal of

19%

4-year degree

From a projected

4%

to a goal of

8%

THE BENEFITS WOULD BE EVEN GREATER



\$1 billion
in increased earnings

An increase of ...

+\$407 million



\$731 million
in increased spending

+\$261 million



\$1.5 billion
in increased home sales

+\$714 million

\$82 million
in increased auto sales

+\$21 million



6,850
new jobs

+2,900 jobs



\$1.2 billion
in increased gross state product

+\$485 million



\$71 million
in increased state tax revenue

+\$28 million

The best economic stimulus package is a diploma.

This document presents new information on the link between education and the economy that builds on the Alliance for Excellent Education's previous work released in spring 2011. With generous support from State Farm® and using an economic model developed by Economic Modeling Specialists Inc., a firm specializing in socioeconomic impact tools, the Alliance analyzed the economies of more than 200 metropolitan statistical areas, all 50 states, and the District of Columbia to determine the economic benefits states and local communities could see by improving high school and college graduation rates overall and among students of color. For more information, visit www.all4ed.org/econ.

