Hispanicity and Educational Inequality:
Risks, Opportunities and the Nation’s Future

by Marta Tienda
Hispanicity and Educational Inequality: Risks, Opportunities and the Nation’s Future

The 25th Tomás Rivera Lecture presented at the annual conference of the American Association of Hispanics in Higher Education (AAHHE), San Antonio, TX, March 2009

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Educational Testing Service is pleased to join with the American Association of Hispanics in Higher Education (AAHHE) to publish the 2009 Tomás Rivera lecture, delivered by Marta Tienda of Princeton University at AAHHE’s annual conference in San Antonio, Texas, in March 2009.

Professor Tienda joins a roster of prestigious lecturers — including ETS’s chair of the Board of Trustees, Piedad Robertson — who have honored the legacy of the late Tomás Rivera. He was an ETS trustee from 1981 until his death in 1984, and a giant in advocacy for education for Hispanic Americans. Tienda renders a great service in clearly documenting Hispanic demographics, growth trends, educational attainment, bottlenecks undergirding Hispanics’ underrepresentation in higher education and the challenges that lie ahead.

The Los Angeles-based Tomás Rivera Policy Institute reported recently that the nation’s 10 largest school districts have majorities or near majorities of Hispanics in first grade. This fact alone should serve as a “wake-up call” to administrators and educators about the future needs of our education systems.

Tienda cites a 2006 Pew Hispanic Center report that notes that Hispanics account for more than one third of the 100 million persons added to the U.S. population between 1967 and 2006. This rapid and continuing increase, she adds, coincides with a period of rising socioeconomic inequality and ageing of the numerically dominant non-Hispanic White population.

She underscores the fact that despite educational progress, the Hispanic achievement gap persists. This is particularly worrisome, she says, “because postsecondary schooling is becoming the norm, as high school completion was during the 1960s, and because Hispanics will comprise a larger segment of the labor force in the years ahead.”

It is hard to argue with her conclusion that our global competitiveness “will be impacted significantly by the progress that Hispanics make at all levels of the educational system, but especially college completion.”

Kurt M. Landgraf
President and Chief Executive Officer
Educational Testing Service

(Note: ETS is pleased that the release of this report coincides with Hispanic Heritage Month, September 15 – October 15.)
About the Tomás Rivera Lecture

Each year a distinguished scholar or prominent leader is selected to present the Tomás Rivera Lecture. In the tradition of the former Hispanic Caucus of the American Association for Higher Education, AAHHE is continuing this lecture at its annual conference. It is named in honor of the late Dr. Tomás Rivera, professor, scholar, poet and former president of the University of California, Riverside.

About Tomás Rivera

Author, poet, teacher and lifelong learner, Tomás Rivera was born in Texas to farm laborers who were Mexican immigrants. Neither parent had a formal education.

He received B.S. and M.Ed. degrees in English and administration from Southwest Texas State University, and his M.A. in Spanish literature and a Ph.D. in Romance languages and literature from the University of Oklahoma. Rivera also studied Spanish culture and civilization at the University of Texas, Austin and in Guadalajara, Mexico.

He taught at Sam Houston State University and was a member of the planning team that built the University of Texas, San Antonio, where he also served as chair of the Romance Languages Department, associate dean and vice president.

In 1978, Rivera became the chief executive officer at the University of Texas, El Paso, and in 1979 he became chancellor of the University of California, Riverside. Rivera was an active author, poet and artist. By age 11 or 12, he was writing creatively about Chicano themes, documenting the struggles of migrant workers. He did not write about politics and did not view his work as political. He published several poems, short prose pieces, and essays on literature and higher education.

He served on the boards of Educational Testing Service, the Carnegie Foundation for the Advancement of Teaching, the American Association for Higher Education and the American Council on Education. In addition, Rivera was active in many charitable organizations and received many honors and awards. He was a founder and president of the National Council of Chicanos in Higher Education and served on commissions on higher education under Presidents Carter and Reagan.
Past Tomás Rivera Lecturers

2009 Marta Tienda
2008 Jaime Merisotis
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ACKNOWLEDGMENTS

This publication reproduces the keynote address delivered at the annual conference of the American Association of Hispanics in Higher Education (AAHHE) in March 2009, in San Antonio, Texas. The research on which this lecture was based was supported by grants from the Ford, Mellon, Hewlett and Spencer Foundations, and benefitted from research conducted for the Panel on Hispanics sponsored by the National Academy of Sciences, which the author chaired. The institutional support of the Office of Population Research of the National Institute of Child Health and Human Development is gratefully acknowledged. Steve Brown and Diana Sacke of Princeton University provided technical assistance in preparing statistical material. At Educational Testing Service, editorial and production direction and support were provided by Sally Acquaviva, Richard Coley, Frank Gómez, Marita Gray, Eileen Kerrigan, and Bill Petzinger. The author gratefully acknowledges the guidance and support of the American Association of Hispanics in Higher Education (AAHHE) and particularly its President, Loui Olivas, in the publication of the lecture by ETS. Errors of fact or interpretation are those of the author.
Hispanics’ ascendance as the largest minority population in 2003 was big news, even though demographers had predicted the event for years. Today, one of every two people added to the U.S. population are Hispanic (U.S. Census Bureau, 2006a). Subsumed under the pan-ethnic label “Hispanics” are 20 different nationalities, descendants of early Spanish settlers in the Southwest, multiple cohorts of immigrants from Latin America, and, importantly, the children and grandchildren of recent and prior immigrants.

Besides rapid growth and diversification by national origins and generational status, Hispanics differ from African Americans and contemporary Asian immigrants in that they share a common language; in their youthful age structure; in their large share of undocumented among the foreign-born; and, notably, in their growing educational disparities vis-à-vis the majority White population. None of these attributes are distinguishing by themselves, but collectively they define a profile that differs from that of most ethnic and immigrant minority groups today. That Hispanics are falling behind in their educational attainment is worrisome not only because advanced schooling is becoming ever more important for labor market success and meaningful civic engagement, but also because the offspring of Latin American immigrants are the fastest-growing segment in U.S. schools.

In this essay, I discuss the significance of the growing Hispanic presence through the lens of education. To frame the challenges — and promises — of Hispanics’ educational futures, I first provide a demographic retrospective, which brings into focus several features that bear on the demand for education and contours of inequality. These include the pace of population growth and diversification; the unprecedented generational transition; and aging of the majority White population. Subsequently, I provide a broad overview of recent educational trends and differentials, and discuss barriers and bottlenecks undergirding Hispanics’ underrepresentation in higher education. In the interest of parsimony, I do not dwell on differences among Hispanic national origin groups. Instead, I emphasize comparisons by nativity because these are particularly salient for understanding contemporary and future contours of educational inequality. The concluding section discusses the social and economic significance of the burgeoning second generation. To underscore the urgency of closing Hispanic-White educational achievement gaps, I consider demographic projections that highlight future challenges for the nation as the baby boom generation retires from the labor force.

A Demographic Retrospective

The United States is more diverse ethnically and racially than at any time in its history. As shown in Figure 1, between 1900 and 1960, the racial composition of the U.S. population changed very little: Whites comprised about 87 percent of the total, and Blacks were the dominant minority group during this period of relatively slow demographic growth. With Blacks representing 12 percent of all residents, all other groups combined made up only about 1 percent of the population. Even as recently as 1960,
the Black-White racial divide dominated the U.S. ethno-racial landscape. Although Hispanics accounted for approximately 4 percent of the total population, their regional concentration — Mexicans in the Southwest, Puerto Ricans in the Northeast, and Cubans in the Northeast and Florida — rendered them less visible nationally compared with Blacks (Bean and Tienda, 1987). Jim Crow laws maintained a rigid racial divide in the South, just as de facto residential segregation separated Blacks from Whites in the urban north and Mexicans from Anglos in the Southwest.

FIGURE 1

U.S. Ethno-Racial Composition 1900 – 2007

http://www.census.gov/population/www/documentation/twps0056/twps0056.html (Table 1: United States – Race and Hispanic Origin 1790 to 1990)
Immigration changed the ethno-racial contours of the U.S. population, but differential fertility also played a significant role in the contemporary demographic narrative. Through most of the past century, African Americans represented between 11 and 13 percent of all U.S. residents. In sharp contrast to Blacks’ roughly stable population share, Hispanic representation more than trebled since 1960; by 2007 Hispanics represented 15 percent of all U.S. residents (Pew Hispanic Center, 2007; U.S. Census Bureau, 2006b). Put differently, Hispanics — both immigrants and their offspring — account for over one-third of the 100 million persons added to the U.S. population between 1967 and 2006 (Pew Hispanic Center, 2006a). As I elaborate below, the social and economic significance of Hispanics’ rapid increase stems from its coincidence with a period of rising socioeconomic inequality and aging of the numerically dominant non-Hispanic White population (Tienda and Mitchell, 2006).

In particular, the components of growth shown in Figure 2 are important for understanding the current and future demand for education, and postsecondary schooling in particular. During the 1960s, births outpaced immigrants by about two to one, respectively adding 2.6 and 1.3 million persons over the decade. These growth components equalized during the following decade at about 3 million, but immigration once again eclipsed fertility as the driver of Hispanic population growth during the last two decades of the 20th century. Less than 20 percent of the Hispanic population was foreign-born around 1967, when the U.S. population reached 200 million (U.S. Bureau of the Census, 1973: Table 5), but by 2006, over 40 percent of Hispanics were born abroad (Pew Hispanic Center, 2006b).1 Although immigration will continue to spur Hispanic demographic growth for the foreseeable future, fertility will drive Hispanic population growth in the 21st century. Not only is Hispanic fertility higher than that of White and Black women, on average, but fertility differentials also have widened over time. In 1980, the Total Fertility Rate (TFR) for each Hispanic subgroup except Cubans was higher than that of non-Hispanic Whites, which had already fallen below replacement (Tienda and Mitchell, 2006; Landale, Oropesa and Bradatan, 2006).2 As mass migration from Latin America gained momentum during the 1980s and 1990s, the Mexican TFR rose 13 percent, reaching 3.3 in 2000. Immigration of women in their reproductive ages also pushed the TFR of other Hispanic women from 2.1 to 3 during the surge of mass migration from Latin America (Landale, et al., 2006: Table 5-1). Despite a slight uptick during this period, the White TFR remained below replacement levels and Black fertility dropped a tad, stabilizing around replacement.

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1 The Census Bureau first used the Spanish origin item in the 1970 census; the percent foreign-born based on the Spanish surname population was 15 percent (U.S. Bureau of the Census, 1963: Table 1).

2 The total fertility rate represents the average number of children women will have by the end of their reproductive period based on prevailing age-specific rates.
Current age-specific fertility rates imply that Mexican, Puerto Rican and Other Hispanic women combined can expect to bear one child more than the average non-Hispanic White woman. Thus, even though immigration is expected to reach an all-time high of 15 million in the first decade of the 21st century (Meissner, et al., 2006), Hispanic births are projected to exceed numbers added via immigration by 17 percent. Even if immigration drops significantly in the next decade, Hispanics will dominate the U.S. diversification narrative for several decades because native- and foreign-born women of reproductive ages who currently reside in the U.S. will determine the size of future birth cohorts, and, importantly, the size of the school-age population.

Figure 3 shows that U.S. classrooms not only are more diverse than the national population (Figure 1), but also that diversification evolved at a faster clip among school-age youth. In 1970, Whites comprised 86 percent of the school-age population, compared to 83 percent of the total; by 2007, they represented approximately three in five school-age children compared to nearly two-thirds of all persons. Stated differently, minority youth made up 41 percent of persons age 5 to 24 in 2007, which is well below their 14 percent share in 1970 — just before the most recent surge in mass migration.
That fertility is now the motor of Hispanic population growth is manifested in two demographic features that influence both the demand for education and the diversity of our schools — namely, age structure and generational composition. Age structure is shorthand for the contours of elderly and child dependency, which determine the need for health services and education, respectively; generational composition signals the potential for socioeconomic mobility between parents and their offspring, as immigrant and U.S.-born children are socialized in the educational system, but also proficiency in English and cultural assimilation.

As Figure 4 illustrates, fertility and immigration trends alter the age structure and thus also the demand for schooling. Differences in the size and shape of the 1960 Hispanic and White age structures are striking. For non-Hispanic Whites, the large
baby boom cohorts are the main story, the echoes of which play out in the demand for college today. Also significant are the relative cohort sizes at the high end of the age distribution. In 1960, as the baby boom tapered off, about 10 percent of the non-Hispanic White population was of retirement age or older, but less than 3 percent of Hispanics so qualified. At the time, over half of Hispanics were under 20 years of age, compared to just over one in three non-Hispanic Whites. When Mexican Americans comprised over 60 percent of all Hispanics, their high fertility rates contributed to a bottom-heavy age structure. Because Hispanics comprised less than 4 percent of the U.S. population in 1960, however, their share of the total U.S. school-age population was small by comparison to non-Hispanic Whites.

FIGURE 4

Age Pyramids for Hispanic and White Populations (in 000s), 1960 and 2000

Forty years later, and with over 100 million additional U.S. residents, the large baby boom cohorts nearing retirement age are the main act. Today, the echoes of White population aging play out in the demand for college as their offspring compete for slots at the most competitive institutions, especially in rapidly growing states like California and Texas. Specifically, by 2000, the non-Hispanic White population of retirement age or older had grown to 12 percent, but the Hispanic share remained under 5 percent. At the other end of the age spectrum, one-quarter of non-Hispanic Whites were under
age 20, compared to about 37 percent of Hispanics. At mid-decade, Hispanics’ median age of 27.2 was 9 years below that of non-Hispanic Whites (Tienda and Mitchell, 2006). Thus, in the near to medium term, Hispanics will generate large waves in the schools and labor market, but how much they contribute to the Social Security coffers will depend on their educational attainment and earnings capacity.

Besides slowing U.S. population aging, Hispanic fertility has set in motion an unprecedented yet pivotal generational transition whose social and economic significance will depend crucially on educational investments in the children (and grandchildren) of immigrants. Figure 5 shows that nearly half of all Hispanics were third generation or higher in 1960, and an additional 38 percent were children of immigrants. Not counting naturalized citizens, at least 86 percent of Hispanics were born in the United States in 1960; less than 6 percent of the total population was foreign-born, and the direct offspring of immigrants accounted for an additional 14 percent. After 30 years of mass migration, the U.S. foreign-born population rose to nearly 12 percent, and their offspring accounted for an additional 25 percent. Because immigration was a key driver of Hispanic demographic growth during the 1980s and 1990s, their generational transition is more dramatic than the national average: By 2000, over one in four Hispanic residents were second generation and just under 30 percent were third generation or higher. Put differently, in 2000 over 70 percent of U.S. Hispanics were either born abroad or the citizen offspring of immigrants.

FIGURE 5

Generational Transition of Hispanic and U.S. Population:
1960 and 2000

Source: Tienda, Marta and Faith Mitchell, eds. 2006. Multiple Origins, Uncertain Destinies: Hispanics and the American Future. Washington, DC: National Academy Press. (Figure 4-2)
The components of Hispanic population growth manifest themselves in the nativity composition of the school-age population, which influences the need for transitional language programs. Approximately one in four Hispanic youth of school age were born abroad, and an additional 45 percent were born in the United States to foreign-born parents. By comparison, less than 5 percent of Black and White school-age youth were born abroad (see Figure 6). Only Asians have higher shares of school-age youth with immigrant backgrounds than Hispanics: 33 percent were born abroad and an additional 54 percent are U.S.-born to immigrant parents. Curiously, large shares of U.S.-born Hispanics — both second- and third-generation students — are classified as English-Language Learners, meaning they lack the proficiency in English to master academic subjects (Tienda, 2008). I raise this point only because language is identified as a key barrier to Hispanic educational success, yet the vast majority of Hispanic youth — nearly 90 percent — attend U.S. schools from early ages.

**FIGURE 6**

School-Age Population by Generation Status, 2006

Demography is not destiny, of course, but recent demographic trends — rate of growth, age structure and generational composition — have direct implications for the current and future contours of inequality.


Demography is not destiny, of course, but recent demographic trends — rate of growth, age structure and generational composition — have direct implications for the current and future contours of inequality. Hispanics are particularly vulnerable to
declining fortunes because their educational attainment lags behind that of White, Asian and African American residents. I argue that the burgeoning Hispanic school-age population represents a unique opportunity to reap a demographic dividend (that is, a productivity boost enabled by a youthful age structure), but also a potential fault line for future inequality. As the next section illustrates, recent educational trends provide grounds for both optimism and pessimism about the prospects for harnessing the Hispanic demographic dividend. I first summarize changes in educational levels over time, focusing on high school and college completion rates and relative gaps, and subsequently identify opportunities to narrow the gaps.

“... the burgeoning Hispanic school-age population represents a unique opportunity to reap a demographic dividend ...”
There is much to celebrate in Hispanic educational trends. Although Hispanics have trailed Whites, Blacks and Asians in average attainment levels since before 1970 (U.S. Census Bureau, 2006c), there are indisputable signs of improvement. Only 32 percent of adult Hispanics were high school graduates in 1970, compared to 60 percent by 2006. Yet, this achievement put them roughly where Whites were approximately three decades ago. The share of Hispanic adults with college degrees has more than doubled since 1970, rising from 5 to 12 percent of all persons age 25 and over, yet they remain more than three decades behind their White peers in their college completion rate. Moreover, the Hispanic-White gap trebled, rising from 6 percentage points in 1970 to 18 points in 2006. Furthermore, Blacks and Hispanics had roughly comparable rates of college completion in 1970 and 1980, but Blacks surpassed Hispanics on this crucial metric in 1990. By 2006, 17 percent of Blacks age 25 and above completed college degrees, fully 5 percentage points above similarly aged Hispanics. Given their differing age structures and relative group sizes, this trend is worrisome.

FIGURE 7

High School and College Graduation Rates:

Sources:
- Detailed Tables
- Table 10: Educational Attainment of the Population 25 Years and Over, by Citizenship, Nativity and Period of Entry, Age, Sex, Race, and Hispanic Origin
These average trends, however, conceal large nativity differentials. On the heels of three decades of high immigration levels, distinguishing between the native and foreign-born is essential to fully appreciate Hispanics’ educational improvement. Because workers with low levels of education have dominated the migrant flows from Latin America since 1980, failure to disaggregate trends by nativity conflates immigration and underachievement in maintaining educational inequality. Furthermore, in order to minimize group differences in age structure, I focus on a single young cohort — namely, persons age 25 to 34 who, for the most part, have completed their formal schooling.

Once again, there is ample evidence of Hispanic educational progress, albeit more at the secondary than the post-secondary levels. Figure 8 shows that the share of young U.S.-born Hispanics with at least a high school diploma rose 16 percentage points in 20 years. The 22 percent point difference between graduation rates of U.S.-born Hispanics and Whites in 1980 was more than halved by 2006, mainly owing to the larger shares of Hispanics earning high school diplomas. Among foreign-born Hispanics, however, the graduation gap proved more resistant to change. Only half of foreign-born Hispanics age 25 to 34 graduated from high school in 2006, compared to 83 percent of U.S.-born Hispanics, 86 percent of Blacks, and 94 percent of non-Hispanic Whites. Although this represents an improvement of 8 percentage points since 1980, when only 43 percent of Hispanics born abroad received diplomas or GED certificates, the gap vis-à-vis native Whites barely changed, dropping a mere 2 percentage points. Thus, the apparent stagnation of Hispanics’ average high school graduation rate reflects the downward pull from the influx of low-skill immigrants from Latin America during the 1980s and 1990s, including large shares of undocumented workers.

Post-secondary trends also are disquieting. Even as Hispanic college graduation rates climb to all-time highs, disparities between them and majority Whites appear to have widened (foreign-born) or stagnated (native-born). As Figure 9 reveals, the 16 – 17 point Hispanic-White gap in college graduation rates among 25 to 34 year-olds remained unchanged for the native-born, and grew from 17 to 25 points for the foreign-born by 2000, where it has since stagnated. As of 2006, White adults were almost twice as likely as U.S.-born Hispanics, and over three times as likely as foreign-born Hispanics, to receive a baccalaureate degree. If the arrival of unskilled immigrants from Latin America explains the widening gap between foreign-born Hispanics and non-Hispanic Whites, it cannot account for the persisting disparities for the U.S.-born.
Although instructive about the dimensions of the educational challenges Hispanics face in the years ahead, these trends and differentials say little about the prospects of closing the gaps and positioning Hispanic workers to compete for high-paying jobs in the future. Doing so requires a solid understanding of the factors that have dampened Hispanic participation in higher education, beginning in the early grades and continuing through high school.
“Even as Hispanic college graduation rates climb to all-time highs, disparities between them and majority Whites appear to have widened (foreign-born) or stagnated (native-born).”


Detailed Tables
Table 10: Educational Attainment of the Population 25 Years and Over, by Citizenship, Nativity and Period of Entry, Age, Sex, Race, and Hispanic Origin
The determinants of Hispanic educational achievement are no different from those of other groups, but several circumstances render them particularly vulnerable to underachievement in school. These include the disproportionate shares with parents who lack either college credentials or high school diplomas; the large numbers raised in homes with parents who do not speak English fluently; and the growing numbers attending large, segregated, underperforming schools (Swail, et al., 2003; Schneider, et al., 2006). No single factor can account for the persisting educational disparities vis-à-vis Whites, but collectively these circumstances define a profile conducive to poor secondary outcomes that, in turn, presage their underrepresentation in post-secondary institutions.

In a recent survey article about the barriers to Hispanic educational achievement, Schneider and her colleagues (2006) identified numerous factors that place Hispanic youth at unequal starting lines beginning in the early grades. One manifestation of low parental education is the delayed school enrollment of Hispanic preschool-age children. Although the share of Hispanic 3- and 4-year-olds enrolled in a preschool program rose slightly between 1980 and 2000, from 28 to 36 percent, the Hispanic-White differential rose, placing larger numbers of Hispanic children at a relative disadvantage during the crucial early years (NCES, 2003a, Table 7).

Another manifestation of low parental education on scholastic achievement is the level of school readiness among preschool-age children. Because low-education parents are less likely to read to their children, a substantial share of Hispanic youth has limited opportunity to acquire pre-literacy skills, particularly those reared in Spanish-dominant homes. Already in kindergarten, Hispanics trail their classmates in math and reading skills. These gaps are decidedly larger for Mexican-origin children, also the fastest-growing segment of the elementary school population. To be clear, the lower pre-literacy skills are not due to language spoken at home, but rather to their parents’ low educational attainment (Schneider, et al., 2006). Importantly, this disadvantage is remediable — by ensuring that second-generation Hispanic children have access to preschool programs, such as Head Start.

Not only do accumulating deficits in basic reading and numeracy skills carry over to other subjects, but Hispanic middle and high school students’ growing concentration in large urban schools also undermines their scholastic success. Schneider and her associates (2006) report that compared with White and Black students, Hispanics have weaker relations with middle school teachers. In turn, these poor relations diminish their motivation for academic work and lower their post-secondary aspirations. Although the transition from middle to high school is difficult under optimal circumstances, alienation from teachers, counselors and academic work renders the transition even more difficult.
School segregation and concentrated poverty also pose formidable barriers to academic success; thus, the rising levels of Hispanic school segregation since school districts were allowed to end their court-ordered segregation plans bodes ill for Hispanic students (Logan, Stowell, and Oakely, 2002). In 2000, for example, Hispanic students disproportionately attended segregated schools where upwards of two-thirds of students were low income (Orfield and Lee, 2004). Furthermore, nearly 40 percent of Hispanic students attend high schools where less than 60 percent of entering freshmen graduate in four years (Carnevale, 1999).

There is considerable disagreement about the measurement of secondary school dropout rates, yet there is widespread consensus that Hispanics are less likely to graduate from high school than other demographic groups. Despite improvement in their high school graduation rates, in 2001 the status dropout rate of Hispanics was more than double that of Blacks and Whites (Schneider, et al., 2006; Figure 6-11). Rising Hispanic high school enrollment rates provide optimistic signs that growing numbers will qualify for college. Between 1980 and 2000, the Hispanic enrollment rate of 16- to 17-year-olds rose from 82 to 87 percent, but the White-Hispanic enrollment gap barely changed because White rates rose by a comparable amount (NCES, 2003a, Chapter 1: Table 2). Specifically, high school enrollment of White 16- to 17-year-olds ranged from 89 to 94 percent over the period, while the comparable Black rate remained stable, around 92 percent.

Weak guidance in secondary school further exacerbates Hispanics’ lower rates of completing advanced math and science courses, both of which are important predictors of college attendance (Bellessa-Frost, 2006). The Pew Hispanic Center (2005) reported that in 2000 only 31 percent of Hispanic high school graduates completed calculus, trigonometry or other advanced math courses, and just over half (56 percent) completed advanced science courses. By comparison, 47 and 64 percent of non-Hispanic White graduates completed advanced math and science courses, respectively. Taking advanced math and science courses is a powerful predictor of college enrollment (Schneider, et al., 2006).

A survey of Texas high school seniors bears out the significance of weak counseling to orient students toward college from an early age.3 In response to a question about when they began thinking about college, Hispanic youth were significantly more likely than White, Black and Asian youth to report that they only began thinking about college during high school (see Figure 10). Approximately 70 percent of White and Asian seniors indicated that they began thinking about college during primary school, compared to just over half of Hispanic seniors. Less than 20 percent of Black, Asian or White seniors

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reported that they did not consider college until high school, compared to 27 percent of Hispanic seniors. Although not necessarily foreclosing the prospects of post-secondary education, failure to take the required courses, particularly sequenced math and science classes, ultimately constrains college options.

FIGURE 10

When Did You First Think About Going To College? (Texas High School Seniors)

![Bar chart showing the percentage of students from different races who first thought about going to college during elementary school, middle school, or high school.]

Source: Texas Higher Education Opportunity Project, Senior Survey Data.
Even as Hispanics’ participation in higher education continues to rise, three circumstances taken together differentiate them from their White peers: namely, their high likelihood of graduating without qualifications needed to succeed in college; their high propensity to attend two-year institutions; and their possession of several risk factors that undermine college success, including low parental education, limited financial resources and insufficient access to information about college. Each has direct implications for the likelihood of completing the baccalaureate degree.

Swail and associates (2003) provide a rather grim overview of Hispanics’ pathways to college. Importantly, they develop an index that approximates college admission criteria, and stratify high school graduates into three groups according to their college readiness: not qualified, minimally qualified, and qualified. Only 25 percent of Hispanic high school graduates were classified as qualified for college level study, compared to 56 percent of Asian, 46 percent of White, and 22 percent of Black diploma recipients. College readiness levels not only influenced students’ choice of post-secondary institution, but also the likelihood of completion. Only about one in three Hispanic and White students classified as unqualified for college work eventually completed a baccalaureate degree. College graduation prospects were especially dim for Hispanic diploma recipients who enrolled in two-year colleges: only one in 20 successfully completed a four-year program — roughly half the share of similarly situated White students.

Raising high school graduation rates is a necessary — albeit insufficient — condition to increase Hispanic participation in higher education. Unfortunately, inadequate information about college options, especially cost and financing alternatives, continues to depress Hispanic college-going rates, even for high-achieving students. For example, research on the Texas “Top 10% ” law, which guarantees admission to students who graduate in the top 10 percent of their high school class, indicates that minority students who qualify for the admission guarantee are significantly less likely to enroll in a post-secondary institution upon graduating from high school (Niu, Sullivan, and Tienda, 2008). Furthermore, among college-bound students, Hispanics are significantly more likely than White students to indicate that financial aid is an important consideration in selection of their post-secondary institution (Tienda and Niu, 2006).

Even as Hispanic high school graduation rates and college enrollment rates improve, they are falling further behind Whites and African Americans. Table 1 shows the widening college enrollment gap, which bodes ill for Hispanics’ economic future and that of the nation. In 1980, 30 percent of Hispanic high school graduates age 18 to 24 enrolled in college, compared to 28 percent of Black and 32 percent of White diploma recipients. Twenty-six years later, the Hispanic college enrollment rate among high school graduates rose to 36 percent, while the comparable rates for Blacks and Whites reached 39 percent.

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4 This index is based on criteria such as G.P.A., class rank, standardized test scores, etc. Institutions with open admissions not only are most likely to admit students who are not qualified for college level work, but they also feature the lowest graduation rates.
and 44 percent, respectively. Thus, not only were Hispanics surpassed by Blacks in their college enrollment, conditional on graduating from high school, but their enrollment disparity vis-à-vis Whites widened from two to eight points. That Hispanics are less likely to graduate from high school only exacerbates the growing average disparities, as the upper panel of Table 1 illustrates.

**TABLE 1**

**College Enrollment Rates for Youth Ages 18 – 24 by Race and Hispanic Origin, 1980 – 2006**

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These average rates conceal variation in post-secondary enrollment by nativity and citizenships status. Hispanic youth born in the U.S. are more likely than their foreign-born counterparts to enroll in college. In 1980, less than 5 percent of all students enrolled in colleges and universities were Hispanic, compared to 10 percent by 2000 (NCES, 2003b, 97). Hispanic U.S. citizens who graduated from high school enrolled in college at rates comparable to those of White high school graduates, according to the National Center for Education Statistics (NCES, 2003b: 94). Most future growth in the Hispanic college-age population will involve U.S.-born children, but what this portends for raising their post-secondary participation in the years ahead depends on whether high school failure rates can be reduced and whether high school graduates can secure the necessary financial support to pursue post-secondary education. Both remain significant obstacles for Hispanics’ college enrollment and successful completion.
Furthermore, among high school graduates who qualify for post-secondary study, college prospects are more promising, yet Swail and his colleagues (2003) show that Hispanics fare considerably worse than their White counterparts who are college-ready. Specifically, for every 10 college-qualified White high school graduates, there are seven Hispanics with similar credentials. From these pools, moreover, 73 percent of White students enroll in 4-year colleges, compared to only 62 percent of similarly qualified Hispanic students. About one in three Hispanic high school graduates prepared for college-level academic work enroll at two-year institutions versus less than one-quarter of similarly qualified White students. Most disturbing is their claim that 80 percent of qualified White students complete a baccalaureate degree, but only 57 percent of similarly situated Hispanics do so. Given Swail and associates’ (2003) focus on college-ready students, failure to achieve any post-secondary credential represents a formidable loss of talent — 43 percent of Hispanic diploma recipients versus 20 percent of their White counterparts. A difference in the propensity to attend two- versus four-year colleges contributes to Hispanics’ underachievement of B.A. degrees.

Despite their intentions to receive a college degree, students who begin their college careers at two-year institutions are far less likely to achieve this goal (Schneider, et al., 2006; Fry, 2002; Velez, 1985). In both 1980 and 2000, college-bound Hispanics were twice as likely to attend a two-year as compared to a four-year institution. As Table 2 shows, 6 percent of students enrolled at two-year colleges in 1980 were Hispanic, compared with only 3 percent at four-year institutions. Over the next 25 years, the Hispanic share of total college enrollment rose to 15 and 8 percent, respectively, at two- and four-year institutions. Representation of Black students rose more gradually over the period and their enrollment shares at two- and four-year institutions differed by only one to two percentage points. Attendance at two-year colleges permits cost savings from living at home, but often this arrangement proves suboptimal for academic success, particularly for first-generation college students and low-income students who often lack convenient places to study. Hispanic students have notoriously low transfer rates from two-year to four-year institutions, which means that large numbers fail to complete baccalaureate degrees (Fry, 2002; Velez, 1985; Swail, et al., 2003).

On a more optimistic note, Hispanics have improved their representation at selective four-year institutions. Although the share of students enrolled at the more competitive institutions remains low, between 1982 and 1992 the share of Hispanic college students enrolled at more competitive colleges and universities more than doubled, rising from 3 to over 7 percent (Alon and Tienda, 2005). This development is highly significant because graduation prospects are appreciably better for students who attend selective institutions (Alon and Tienda, 2005). Nevertheless, the Hispanic-White gap grew because Whites also increased their representation at the most selective institutions by a larger amount.

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5 Alon and Tienda (2005) report that based on the 1,650 institutions listed in the 2003 Barron’s Guide, only 64 institutions, or 3.9 percent, are classified as “most competitive.”
Finally, in addition to their higher tendency to graduate from underperforming high schools that do not adequately prepare them for college-level work and their disproportionate representation among students attending two-year post-secondary institutions, Hispanics face formidable personal obstacles to completing a degree because they are disproportionately represented among first-generation college-goers and they are more likely to combine work and school, often also assuming family responsibilities while enrolled. According to Swail and associates (2003:47), “At almost every level fathomable, [Hispanic] youth face an upward struggle” that undermines their post-secondary educational achievement.

In summary, recent trends in Hispanic postsecondary enrollment and graduation are both encouraging and worrisome. On the one hand, Hispanic college enrollment rates have been on the rise since the 1970s, most especially for students who are U.S.-born. On the other hand, large gaps remain vis-à-vis White students. The National Center for Public Policy and Higher Education (2005) aptly summarized Hispanics’ educational pipeline: Of every 100 ninth graders, 53 graduate from high school within four years, and only 27 attend college immediately after high school. Of this original cohort, 10 graduate within six years of beginning college. This is less than half the number of non-Hispanic Whites. Juxtaposed on recent demographic trends, these outcomes are not consistent with maintaining U.S. competitiveness in a globalized world.

### TABLE 2

<table>
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<tr>
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</table>

FIGURE 11

U.S. Educational Pipeline by Race and Ethnicity, 2001

Source: National Center for Public Policy and Higher Education. 2005, "Income of U.S. Workforce Projected to Decline if Education Doesn’t Improve.” Policy Alert. National Center for Public Policy and Higher Education. (Figure 6)
Looking forward, Hispanics will continue to drive the U.S. diversification scenario at least through the first three decades of the 21st century. By 2030, over 40 percent of the U.S. population is projected to be “minority,” with Hispanics comprising at least half of that share, or at least one in five U.S. residents. Among the school-age population, moreover, the diversification narrative will be even more pronounced. Roughly three in five school-age youth were White in 2000, but this share is projected to drop to less than half, and Hispanics will represent close to one in three residents between age 5 and 24. Over this period, Blacks will marginally decrease their population share as Asians increase theirs from 4 to 5 percent of school-age youth.

**FIGURE 12**

U.S. Total and School-Age Population by Race and Ethnic Group, 2000 and 2030

![Graph showing population distribution by race and ethnic group for 2000 and 2030.]

Note: School age includes ages 5 to 24.


Even if the volume of immigration slows in the near future — and it likely will do so — the growth of the Hispanic population through natural increase will continue for the foreseeable future. Figure 13 shows that fertility eclipsed immigration as a component of Hispanic population growth during the first decade of the 21st century, reflecting partly the youthfulness of the foreign-born population and partly the higher fertility rates of Hispanic women (Landale, et al., 2006). As U.S. immigration reaches a new historic high of 15 million in the current decade, Hispanic births are projected to exceed the number of immigrants admitted by 17 percent; by 2030, births are expected to exceed immigration by nearly 40 percent. Because low-education women bear more children, on average, than their better-educated counterparts, these changes in the components of Hispanic population growth could alter the course of ethnic economic inequality. Demography is not destiny, however; the social and economic fates of their children, and the nation, are neither predetermined nor predictable from a schedule of fertility rates. Social policy determines the social significance of demographic trends.

FIGURE 13

Hispanic Births and Net Immigration by Decade: 1960 – 2030

The generational transition now underway will gain momentum during the early decades of the 21st century as aging of the baby boom generation proceeds apace. Growth projections imply that by 2030, just under one in three Hispanics will be...
second-generation, and a comparable share will be third-generation or higher. Although these changes represent a modest increase since 2000, when just over one in four Hispanics were second-generation, the shift is profound for two reasons. First, the numbers involved are much larger — 26 million by 2030 versus 10 million in 2000. Second, the age structure involved is dramatically different. With a median age under 13, the majority of the second generation is now in school; by 2030, the majority of the second generation will be in their prime working ages (Figure 14). Demographers project that nearly one-quarter of non-Hispanic Whites will be 65 years or older by 2030, but only 10 percent of Hispanics will be of retirement age then. Yet, one-third of Hispanics will be under age 20 in 2030 compared with less than one in four non-Hispanic Whites (Tienda and Mitchell, 2006).

FIGURE 14

Hispanic Generations by Age, 2000 and 2030

Source: Tienda, Marta and Faith Mitchell, eds. 2006. Multiple Origins, Uncertain Destinies: Hispanics and the American Future. Washington, DC: National Academy Press. (Figure 6-1).

The infusion of a youthful minority population into an aging White majority is potentially a positive development, but only if the requisite educational investments are made to harness the productive potential of these future labor force entrants. Specifically, the
temporal coincidence of a large Hispanic second generation and an aging White majority represents an opportunity to attenuate the consequences of rising old age dependency for the common good. As growing numbers of young Hispanics replace White retirees in the labor force, they can not only help attenuate the labor shortages currently experienced by our industrialized peers, but also retain the nation’s competitiveness in global markets, including cultivating the Latin American market. That Hispanics are coming of age in an aging society also poses significant risks if politicians and elderly voters consider educational expenditures “costs” rather than “investments.”

Despite significant educational progress among Hispanics over the last quarter of the 20th century, substantial Hispanic-White disparities in high school and college attainment persist. These are especially worrisome both because post-secondary schooling is becoming the norm, as high school completion was during the 1960s, and because Hispanics will comprise a larger segment of the labor force in the years ahead. Put differently, U.S. international competitiveness in the global economy will be impacted significantly by the progress that Hispanics make at all levels of the educational system, but especially college completion.

The rising demand for college by a rapidly growing Hispanic college-age population presumes an adequate supply of college slots. Hispanics’ current and projected age structure indicates that demand for college is likely to rise, especially in states that experienced high immigration for a protracted period, like Texas and California, but also including the new Hispanic destination states like North Carolina, Nevada, Georgia and several others. As the college squeeze intensifies, at least two states with the largest Hispanic populations — Texas and California — have underinvested in higher education such that demand exceeds the number of available slots (Tienda and Sullivan, 2009). Both states are facing a college squeeze — where demand exceeds supply of seats — that poses formidable barriers for expanding Hispanic college access, particularly at the most competitive of the state institutions. For the nation, the economic costs of educational underinvestment are enormous. For example, the two-year average education gap between all Hispanics and Whites costs about $100 billion in lost earnings (Tienda and Mitchell, 2006, p. 125). Given the Hispanic generational shift now under way, lost earnings due to educational underinvestment could double by 2030, rising to over $212 billion in current dollars (Tienda and Mitchell, 2006, p.125).

It is too early to tell whether Hispanicity will become a symbolic identity for people of Latin American descent, or a signal of membership in an economically and socially disadvantaged class. The answer depends on closing educational attainment gaps at all levels, but especially raising Hispanics’ post-secondary enrollment and graduation rates. More than ever before, higher education is necessary to harness the demographic dividend afforded by the continued infusion of young Hispanics into an aging population.
The burgeoning second generation can deliver on that promise if states move quickly and act decisively to close education gaps at all levels. Harnessing the Hispanic demographic dividend to raise economic productivity and enhance the nation’s global competitiveness requires educational investments in order to position young Hispanic workers to compete for high-paying jobs. These goals are achievable, but timing is crucial because fertility is declining throughout Latin America, which means lower immigration even in the absence of future U.S. restrictions. Given political will, in the richest country in the world, closing Hispanic-White educational achievement gaps at all levels is not only an achievable goal, but also an opportunity to thwart future ethnic economic and social inequality.


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