

# High-Stakes Testing and the Rise of the GED\*

Andrew Halpern-Manners, John Robert Warren, and Eric Grodsky  
*University of Minnesota*

## Abstract

In this paper, we investigate whether growth in GED certification can be attributed, at least in part, to the rise of state high school exit examinations (HSEEs). Legislation mandating that students pass HSEEs before completing high school has been enacted in many states over the past three decades, and existing HSEEs have become increasingly difficult. There is considerable evidence to suggest that HSEEs increase high school dropout rates, but few studies have examined their consequences for rates of GED testing and certification. In an effort to remedy this situation, we use aggregate data from the GED Testing Service, the American Community Survey, the decennial census, and the Common Core of Data to examine the consequences of state HSEEs for rates of GED testing and certification among 16-19 year olds since 1980.

Between 1980 and 2009 the General Educational Development (GED) Testing Service issued 23.4 million GEDs, constituting nearly one-sixth of all high school-leaving credentials in the United States (GED Testing Service 2010). Although returns to a GED may be beneficial for certain portions of the population, particularly high school dropouts with fewer cognitive skills (Tyler, Murnane, and Willett 2000), most social scientists agree that the credential is not a profitable alternative to standard high school diplomas for the majority of youth and young adults (Cameron and Heckman 1993;

---

\*Paper prepared for presentation at the annual meeting of the Population Association of America, Washington, D.C., March 2011. All errors and omissions are the sole responsibility of the authors. Please do not cite or quote without permission. Correspondence can be directed to Andrew Halpern-Manners, Department of Sociology, University of Minnesota, 909 Social Sciences, 267 19th Avenue South, Minneapolis, MN 55455 or via email at andy@pop.umn.edu.

Heckman and LaFontaine 2006; Murnane, Willett, and Boudett 1999). As GED holders make up an increasingly large share of the adult population, it is therefore natural to ask *why* the test has become such a popular route to high school completion.

In this paper, we consider whether the rise in GED certification over the past three decades can partly be attributed to the rise of state-mandated high school exit examinations (HSEEs). State HSEEs have been adopted in many states in recent years, and existing HSEEs have become increasingly challenging. There is sound empirical evidence that state HSEEs increase high school dropout rates (Warren, Jenkins, and Kulick 2006), but little evidence about their consequences for rates of GED certification. To fill this gap in the literature, we use state-level data from the GED Testing Service, the American Community Survey (ACS), the decennial census, and the Common Core of Data (CCD) to investigate the consequences of state HSEEs—in terms of whether they exist, how stringent they are, and how they are administered—for rates of GED testing and certification since 1980.<sup>1</sup>

At the core of our analyses are a series of state and year fixed effect models that include controls for state-year time-varying covariates. As we will discuss in substantially more detail in the full version of the paper, these models systematically account for (1) all aspects of states that remain constant over time but vary across states; (2) all aspects of years that are constant across states but vary over time; and (3) a set of time-varying variables that are plausibly related to state HSEE policies *and* levels of GED receipt among high school aged individuals. To estimate the models, we use the

---

<sup>1</sup>Evaluating the effect of how HSEEs are administered is particularly important given that many states have, over the past decade, elected to move away from comprehensive testing and toward end-of-course exams (Center on Education Policy 2009). To our knowledge, there is no evidence whatsoever as to whether these “new” HSEEs matter any more or less for high school dropout and/or subsequent GED certification.

least-squares dummy variable approach, in which dummy variables are introduced for each of the  $i-1$  states ( $i = 1 \dots 51$ ) and for each of the  $t-1$  years ( $t = 1 \dots 30$ ).<sup>2</sup>

After recovering estimates of the association between state HSEE policies and rates of GED test taking and certification, we next consider whether these relationships are stronger in states with more racial/ethnic minorities and higher poverty rates. To do so, we introduce interaction terms between states' HSEE requirements and poverty rates and between states' HSEE requirements and racial and ethnic composition. Results from these analyses will shed light on whether the “GED effects” associated with states' high-stakes testing policies are any more or less pronounced among certain sub-groups and populations.

---

<sup>2</sup>For the purposes of our analyses, we count the District of Columbia as a state.

## References

- Cameron, Stephen V. and James J. Heckman. 1993. "The Nonequivalence of High School Equivalents." *Journal of Labor Economics* 11:1–47.
- Center on Education Policy. 2009. "State High School Exit Exams: Trends in Test Programs, Alternate Pathways, and Pass Rates." Washington, D.C.: Center on Education Policy.
- GED Testing Service. 2010. "2009 GED Testing Program Statistical Report." Washington, D.C.: American Council on Education.
- Heckman, James J. and Paul A. LaFontaine. 2006. "Bias-Corrected Estimates of GED Returns." *Journal of Labor Economics* 24:661–700.
- Murnane, Richard J., John B. Willett, and Katherine P. Boudett. 1999. "Do Male Dropouts Benefit from Obtaining a GED, Post-Secondary Education and Training?" *Evaluation Review* 13:475–502.
- Tyler, John H., Richard J. Murnane, and John B. Willett. 2000. "Estimating the Labor Market Signaling Value of the GED." *The Quarterly Journal of Economics* 115:431–468.
- Warren, John Robert, Krista N. Jenkins, and Rachael B. Kulick. 2006. "High School Exit Examinations and State-Level Completion and GED Rates, 1975 Through 2002." *Educational Evaluation and Policy Analysis* 28:131–152.