



United States Senate
WASHINGTON, D.C. 20510

Dear Friend,

Working in partnership with the Children's Defense Fund, I recently introduced S.294, The Foundations for Success Act, to address the serious crisis in child care and early education that exists in our nation. With a huge number of households where both parents work, with an increasing number of households with single working parents, with an increasing number of children growing up in poverty, too many American children do not receive the high quality early care they need, missing out on the educational support they need as the basis for success in school. This difficult situation results, over time, in a huge cost to both our children and to our economy. Many studies have shown that huge disparities in cognitive and socio-emotional abilities exist in children prior to their entering kindergarten, making it increasingly difficult, if not impossible, for many children to catch up with their peers even before they enter the second grade.

Not investing sufficiently in our children from birth through age four is costing us dearly. The performance of our youth in international education rankings has dropped steeply. It is not just a deteriorating education system. The costs of remediating the effects of not providing adequate care and early education are growing precipitously. Seven thousand high school students drop out of our schools every day, while too many of those who graduate do not have sufficient skills to meet many employers' needs. To continue on a path of insufficient investment in our young children, a path which leaves too many lacking the cognitive and interpersonal skills necessary for a successful adulthood, threatens both our economic and national security. If we do not have a well-educated workforce, other nations, and their economies, will grow faster than ours. If we do not have a well-educated and physically fit society, our military – and this is already the case – will have more and more difficulty recruiting young people who can defend our nation. In a society with our resources, it is unconscionable to allow this failure to properly invest in our children from the very first stages of their lives to continue.

I think you will find in this booklet, "The Early Care and Education Crisis in America," ample information on the increase in child poverty in America, and on how our lack of investment in children has had a negative impact on our domestic and international competitiveness. You will also find a survey of the limits of our current modest investment in high quality early care and education, the variation in program quality, and what this failure to invest is costing the United States.

I hope you will be convinced by the information provided on the benefits of making this investment, for we'd like you to support us in moving The Foundations for Success Act forward. Investment in our children during their earliest years is, I believe, excellent policy on many levels. It is a good investment – dollars invested early in education are better spent than more expensive interventions later, be they special education or prisons or accommodating unemployed individuals. It is the single best way, in my mind, to support American families, which are under assault in so many ways, to stay together as a family. Investment in our children is also the fulfillment of one of America's greatest promises, that for every child in America a bright future beckons.

Sincerely,

A handwritten signature in black ink that reads "Bernie".

Bernard Sanders
United States Senator

THE EARLY CARE AND EDUCATION CRISIS IN AMERICA

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Child Poverty in America

In 2008, the United States had a child poverty rate of 20.6%, ranking the United States fourth out of thirty countries in child poverty.¹ In 2009, the percent of children in America living in poverty grew to 20.7%.² This is a rate of more than one in five children, totaling 15.5 million children. Just as concerning is the fact that the number of American children living in poverty grew by 2 million from 2008 to 2009. Out of the four most developed countries in the world, the United States has the highest rate of childhood poverty.

Further compounding the problem is the fact that the middle class in the United States is disappearing as wealth is increasingly being redistributed to the top. The “Gini Coefficient” is an international measurement of the distribution of income, with a “0” representing equality of the distribution and a “1” representing inequality. The United States received a rating of .46, a rating equal to that of Mexico.³ Even more concerning is that in American society, about half of the inequality in the present value of lifetime earnings is due to factors determined by the age of eighteen.⁴

Children growing up in poverty face a significant number of challenges. The recession will send between 2.6 and 3.3 million children into poverty and one result will be that fewer children will be able to participate in early care and education programs. A drop in income has been shown to reduce educational achievement by threatening early childhood nutrition and education, thereby reducing a family’s ability to provide a supportive learning environment. These increasing numbers of disadvantaged families are least likely to have the economic and social resources to provide the early developmental experiences every child needs as a basic opportunity for future success in school, college, career, and life.⁵

These gaps in achievement emerge early in children and persist. Most of the gaps at age eighteen that help to explain gaps in adult outcomes are present at age five, when children enter school. According to the National Center for Children in Poverty, at age four, children who live below the poverty line are eighteen months below what is normal for their age group, by age ten that gap is still present. For children living in the poorest families, the gap is even larger. By the time children from middle-income families with well-educated parents are in third grade, they know about 12,000 words. Third grade children from low-income families with

undereducated parents have vocabularies of around 4,000 words, one-third as many words as their middle-income peers. There is a direct link between accessible, affordable child care and the shrinking of childhood poverty.⁶

Despite the increasing number of disadvantaged children, the United States is doing little to invest in their potential. In 2006, federal investment in children, broadly estimated, was 1.6 percent of the GDP. For investment in children alone, 0.4 percent of the GDP went to education and research, 0.3 percent to work supports, and 0.9 percent to social supports. Combined, federal investment in children made up between 0.4 and 1.6 percent of the GDP.⁷ Nationwide, state spending on each pre-k child averages one-third of the average dollars spent on each public-school student in K-12. We are investing relatively little in birth to five programs compared to K-12 programs despite the clear evidence that this investment drives better outcomes in education, health, and economic productivity.

There is also inconsistency in the quality of the programs provided, resulting in a significant number of children entering kindergarten up to two years behind their peers before they even reach the age of six. These gaps persist and become increasingly difficult to overcome, resulting in a slowdown in American productivity and competitiveness. We need to invest properly in raising the overall quality of these programs by sharing and bringing to scale the best practices in the field. Investing in improving both access and quality will result in greater personal achievement and economic productivity.

The United States: Our Global Ranking in Education

International Comparisons

Once at the forefront of education, the United States is currently far behind other nations in critical measurements of educational achievement. The United States ranks 17th in reading, 31st in math, 23rd in science, and 18th overall in secondary education out of 36 nations. The United States ranks 52nd out of 139 countries in the World Economic Forum's report on math and science education.⁸ From the 1960s to 2006, the United States fell from 1st to 18th out of 24 industrialized nations in high school graduation rates.⁹

Even more concerning is the link between socioeconomic status and educational opportunity in the United States as compared to other nations. The United States has also dropped from 1st to 12th in the world in the share of adults (age 25-34) who have a postsecondary degree.¹⁰ Twenty percent of the United States' performance was attributed to social background, far higher than in other nations. There is a strong connection between social and economic status and educational outcomes, with some great exceptions. In the Asian countries that are outperforming the United States, economic disadvantages are not a barrier to success.¹¹ The United States does not distribute financial resources or quality teachers equally. The United States is only one of three countries that give more to advantaged schools than disadvantaged schools.¹²

These disparities in educational opportunities are recognizable early on, yet we as a nation are not making the investments needed. Our international standing illustrates that what we are doing isn't working. In the words of Deborah Phillips, who has served on the Task Force on Meeting the Needs of Young Children of the Carnegie Corporation and the Research Task Force of the U.S. Department of Health and Human Services' Advisory Committee on Head Start Quality and Expansion – “Every environment is an intervention in how the child develops...How can we race to the top if there is a five year delayed start?”

Where the Gap Begins

Up to one-half of the gap in achievement scores in school can be attributed to gaps already evident at the time of school entry.¹³ A U.S. Department of Education study indicates that African-American and Hispanic children are substantially behind their White peers when they enter kindergarten and African American and American Indian children are almost twice as likely as White children to be retained in a grade.

Young children who participate in high quality early learning programs experience significant cognitive, social, emotional, and physical gains compared to their counterparts (social and emotional skills refers in part to character skills such as motivation, sociability and the ability to work with others, attention, self regulation, self esteem, ability to defer gratification, and health and mental health). It is both cognitive and character skills that are determinates of life success. At the time children from low-income families enter Head Start, their average vocabulary test scores are already one full standard deviation or more below national norms, that is, the number of words whose meanings they know is thousands of words smaller than the number the typical non-poor child can identify at the same age.¹⁴ In addition to cognition, these programs improve socio-emotional learning achievement as well. The development of the latter in particular results in better education, health, and adult outcomes, regardless of any cognitive drop off that may occur once a child leaves these programs.



Schooling after second grade plays only a minor role in alleviating these gaps. Enriched early environments can compensate in part for risk features of disadvantaged environments. It is much more difficult to compensate for the effects of adverse environments on cognitive endowments in adolescents than it is at a very young age. Skill begets skill and early skill makes later skill acquisition easier. If a child is not motivated and stimulated to learn and engage early on in life, they are more likely to fail socially and economically as an adult.¹⁵ Exposure to the type of parenting where children are provided with enrichment activities and are read to and spoken to daily lead to substantial differences in verbal skills. Children raised in less advantaged environments are less likely to be exposed to these activities. We must support parents in providing this type of environment as early as possible.

The most effective means to support the cognitive and character skills of a child is to focus on parental ability to generate these skills and abilities in early childhood development. It is not a lack of income, but rather a lack of education, health, and socio-emotional resources to provide effective early childhood development. The deterministic factors of genetic, parental, and environmental resources can be overcome through investments in quality early childhood education that provide children and their parents with the resources they need to properly develop the cognitive and character packages that drives productivity.¹⁶ Early investment produces the greatest returns in human capital. Waiting until age five to begin formal education is too late for many disadvantaged children, as we miss the opportunity to build a solid foundation for success.¹⁷

Without uniform systems of standards and practices in early care and education, children who are born into disadvantaged homes enter kindergarten significantly behind their peers. The most economically efficient time to develop these skills and abilities is in the very early years when developmental education is most effective and is more cost effective than remediation. The best way to improve schools is to improve the students sent to them.¹⁸ If we choose to make the investment, we can break the cycle of disadvantage.

Limited Access to Early Care and Education Programs

Although there are numerous existing federal programs with the purpose of providing support for disadvantaged children under the age of six, access to these programs is extremely limited, even for those who qualify. The U.S. Department of Health and Human Services estimates that only 17% of eligible children receive fee assistance through the Child Care and Development Block Grant. Approximately 50% of children under the age of three receive non-parental care or education and this is more likely to be home-based than center care. Infants and toddlers in low-income families are more likely to be at home with their parents and approximately 40% receive regular non-parental care.

In addition to lengthy waitlists for programs for those who do qualify, there are numerous lower and middle class families who do not meet the income requirement and therefore do not qualify for these programs. Almost sixty percent of women with children under the age of six participate in the labor force.¹⁹ Many of these families are struggling to afford high quality early care and education programs. Since 2000, the cost of child care has increased twice as fast as the median income of families with children.²⁰ In 40 states, the average annual cost for center-based care for an infant was higher than a year's tuition and related fees at a four-year public college. The average annual cost of center-based care for a four year old is 40% of the income of a two-parent family living at the poverty level (\$18,310). The average cost for center-based care is almost 25% of income for families living at 200% of the poverty level (\$36,620).

The federal government provides child care tax credits that reimburse



between 20% and 35% of what parents pay, up to a maximum, but this program has its limitations. This type of program also tends to favor higher income families and not those living at or near poverty levels. Approximately 6.6 million people claimed this credit in 2007 and more than half of the four billion dollars credited was for children under the age of five. More than 70% of the credit is estimated to be received by families in the top 40% of the income distribution.

Furthermore, federal programs designated for the poor are insufficient to meet their needs. With an enrollment of approximately 900,000 children, Head Start serves less than half the nation's over two million three and four year olds living in poverty. Ten percent of Head Start enrollees are permitted to be above the poverty line and additional children may be enrolled up to 130% of the poverty line if all children under the poverty line are served in a given area. Considering the existing waitlists, most of these families are unlikely to be served. In addition, poverty is a moving target and families often fall in and out of qualification, creating an even more instable environment for children and their families. Even more concerning is that Early Head Start serves only 6% of eligible children and only 10% of this 6% served are under the age of three. Federal and state programs for children under the age of three are basically non-existent.

Although some states have begun efforts to provide programs for three and four years olds, these programs are not sufficiently far-reaching, and in some instances, these efforts have been scaled back due to the economy. State-funded pre-k programs currently serve only 3.7% of all three year olds. Only three states currently make pre-k available to all four year olds. Only five states and the District of Columbia have multi-year plans to implement pre-k for all four year olds. Twelve states have no state-funded pre-k program at all. Only two states serve 50% or more of the four year olds in the state. Only thirteen states and the District of Columbia require their school districts to offer full day kindergarten. Few states are leveraging Title I dollars to support early child care and education programs. Only 3% of districts use Title I funds for these types of services for children under the age of five and less than 1% of the dollars are used on programs serving children under the age of three.

What is evident is that there is limited access to early care and education programs for both lower and middle class families.

Inconsistent Quality in Early Care and Education Programs

According to the National Association of Child Care Resource & Referral Agencies, each day, over eleven million children under the age of five spend time outside the care of their parents in early learning settings that vary greatly in terms of quality. Part of this variation in quality can be explained by the lack of investment federal, state, and local governments make in these programs. Nationwide, state spending on each pre-k child averages about one-third of the average dollars spent on each public-school student in K-12. In 2008, only twelve states included pre-k as part of their state funding formula. State spending on pre-k programs varies from \$1,686 per pre-k child to almost \$11,000. In large part due to the recession, state funding per child has declined in twenty-four of the thirty-eight states with programs (after adjusting for inflation). Only sixteen states can be verified as providing enough funding to meet all ten benchmarks for quality standards and *fewer than ten percent of all child care centers are accredited nationally* (only 11,220 centers out of 119,197).



Federal, state, and local governments also fail to invest in early care and education teacher quality, resulting in less qualified teachers and an extremely high turnover among staff. There is a 30% turnover rate for early care and education teachers, the highest turnover rate tracked by the Department of Labor. Out of the nearly eight hundred occupations annually surveyed by the Bureau of Labor Statistics, only eighteen report lower average wages than child care workers, who make less than bellhops, tree trimmers, and animal trainers. The average pre-k teacher earns less than half of what the average elementary school teacher earns. About seventy percent of pre-k teachers report earning a salary below 200% of federal poverty guidelines.

The result is that too few qualified teachers are working in these programs. Twenty-one states do not require all of their state-funded pre-k teachers to have a four-year college degree. Eight of these states do not require *any* state pre-k teachers to have a bachelor's degree. Twenty-three of thirty-eight states failed to fully meet NIEER's benchmarks for teacher qualifications and twenty-six failed to meet benchmarks for assistant teacher qualifications.

The Cost of Failing to Invest in Our Children

The failure to properly invest in our children costs us dearly in terms of productivity and development. The most effective way to boost our economy and regain our global standing is to make greater investments in our children.

Limitations on Skill, Labor, and Earning Potential

What has become increasingly apparent is that there is an existing, and growing, mismatch between the jobs available and the skill set of those seeking employment. Fifty percent of U.S. employers report a sizeable gap between their current needs and the skills of their employees.²¹ Ninety percent of manufacturers are experiencing a shortage of qualified skilled production employees, including machinists, operators, craft workers, distributors and technicians.²² By 2018, nearly two-thirds of new and replacement jobs will require at least some post-secondary education. More than half of these jobs will require a bachelor's degree or higher.²³

Despite this growing need, we are witnessing a decline in both the high school graduation rates and in the ability to afford higher education for those who do graduate from high school. In addition, participation in the GED program is growing. Currently twenty percent of high school “graduates” are dropouts who exam-certify. A substantial body of scholarship shows that the GED program does not benefit most participants and that GEDs perform at the level of dropouts in the U.S. labor market.²⁴ The GED program also conceals major problems in American society.²⁵ A significant portion of the racial convergence in education reported in official statistics is due to black males obtaining GED credentials in prison. Research shows that, when released, those who receive prison GEDs earn at the same rate as non-GED prisoners. Furthermore, the GED does not reduce recidivism.²⁶

Ten percent of those who are age 16–26 are neither in school nor participating in the workforce, often referred to as “disconnected youth”.²⁷ Only about 53% of Americans earn some degree or credential after high school, a figure that drops to about 25% for low-income students.²⁸ In October of 2010, the unemployment rate for those without a high school diploma was 15.3% and for those with just a high school diploma, the rate was 10.1%. This is compared to a 4.7% unemployment rate for college

graduates.²⁹ The real wages of high school dropouts have also declined since the late 1970s, while those of more skilled workers have risen.

America will produce less than half of the growth in college graduates than it produced in the previous 20 years despite the growth in size of the total population. The decline in high school graduation rates since 1970 (for cohorts born after 1950) has flattened college attendance and completion rates, as well as growth in the skill level of the U.S. workforce. According to the Business Roundtable, the fastest growing occupations are those that require higher levels of education and greater technical competence. We are doing little to ensure that we are providing the character and cognitive skills necessary for individuals to fill and succeed in these jobs.

The Drastic Affects on our Economy

We are seeing the results of this failure to invest in the current state of our economy. From the 1960s to 2006, the United States fell from 1st to 18th out of twenty-four industrialized nations in high school graduation rates. Closing this achievement gap with other nations could have increased the 2008 U.S. GDP by \$2.3 trillion.³⁰

If all of the students who dropped out of the class of 2007 had graduated, their combined lifetime incomes would have boosted the American economy by \$329 billion.³¹ America loses \$192 billion (1.6% of its GDP) in income and tax revenue with each cohort of eighteen year olds who never complete high school. The annual loss of federal and state income taxes associated with the twenty-three million U.S. high school dropouts (ages 18-67) is over \$50 billion compared to what they would have paid if they had graduated.³²

As mentioned previously, a large percentage of the unemployed are those with only a high school diploma and an even larger number are those without a high school diploma. Federal spending on unemployment benefits could reach \$168 billion for FY2010, more than five times the cost of benefits in the years immediately preceding the downturn.³³ The cost of providing a year of employment training for unemployed youths is \$2,492.³⁴ Educational quality relates directly to GDP. If the United States became a top performing nation by 2025, our 2037 GDP would be 5% higher, and by 2080, it would be 36% higher.³⁵

Businesses would also receive additional benefits regarding their current

employees. A 1996 General Accounting Office (GAO) report indicates that a lack of adequate child care affects clients' ability to complete job training successfully. Nearly thirty percent of workers knew employees who quit their jobs because of inadequate child care. Child care breakdowns leading to employee absences cost businesses \$3 billion annually in the United States.³⁶ Twenty nine percent of employed parents experienced some kind of child care breakdown within the previous three months, and those child care breakdowns were associated with absenteeism, tardiness, and reduced concentration at work. Investing in these programs benefits employees and businesses.

Investing in Our Children Rather than Our Prisons

The current system not only harms our economic growth, but has created a system where we invest more money incarcerating those we have failed rather than investing that money in creating the proper foundation for their success. States spend on average almost three times as much per prisoner as per public school pupil.³⁷ The average annual per prisoner cost is \$22,650. In 1987, states spent a total of \$10.6 billion on incarceration costs. This cost has more than quadrupled in the last twenty years with states now spending more than \$44 billion per year in incarceration costs.³⁸ An additional \$5 billion is spent from bonds and the federal government.

Eighty-two percent of those in prison are high school dropouts³⁹ and 50% are functionally illiterate.⁴⁰ High school dropouts are eight times more likely to be incarcerated.⁴¹ One in ten young, male dropouts is in a jail or a juvenile detention center, compared to one in thirty-three high school graduates. The incidence of institutionalization among young high school dropouts was more than sixty-three times higher than the amount for four-year college graduates. Those with low levels of cognitive and non-cognitive skills are much more likely to be incarcerated. Of those students retained more than once, 80% dropped out of school and of those retained in both elementary and middle school, 94% dropped out of school. It is estimated that society could save \$209,000 in prison and other costs for every potential dropout who could be helped to complete high school.⁴²

Other nations that invest early on in the lives of young children have overwhelmingly low incarceration rates. Denmark and Sweden invest about four times as much on child care than other member states. They spend between 2 and 2.5% of their GDP and cover about 65% of birth to three year olds and about 90% of three year olds to school age children.

Whereas the U.S. has the highest prison population in the world (748 prisoners per 100,000 people), Denmark ranks 166th and Sweden ranks 161st in prison population.

Threatening Our National Security

Not only does this failure to invest harm our economy, it threatens our national security. Seventy-five percent of American youth who apply to the military are ineligible to serve because of low cognitive capacities, criminal records, or obesity.⁴³ Nearly one in four high school graduates who took the military basic entrance exam (the AFQT) don't meet the Army's minimum requirements of competency in reading, math, science, and problem-solving and the Army's cutoff is the lowest of all the military branches. This does not include the estimated 30% of young Americans who do not receive a high school diploma or the estimated 10 percent who cannot enlist due to their criminal record. Nearly three in ten Hispanics and four in ten African Americans fall short of the Army's eligibility mark. Those who do clear the mark do so with lower scores than white peers, narrowing their future pathway in the military.⁴⁴ Although military services are currently meeting recruitment goals, Defense Department officials have acknowledged that there have been recruiting challenges in the past and anticipate even more serious ones in the future.

The Efficiency of Investing Earlier Rather Than Later

It is more efficient and beneficial to invest in our children as soon as possible. The younger the age of investment in human capital, the higher the rate of the return.⁴⁵ If society invests early enough, it can raise cognitive and socio-emotional levels and the health of disadvantaged children. Early investments promote schooling, reduce crime, foster workforce productivity, promote health, and reduce teenage pregnancy. Investing in early childhood development for disadvantaged children provides up to a 10% rate of return to society through increased personal achievement and social productivity. Districts can anticipate savings from decreased grade retention and special education placements, improved graduation rates, and greater success in college through adulthood.⁴⁶ For example, children who graduated from Head Start are less likely to repeat a grade or need special education, and are more likely to graduate from High School than their peers who have not participated.

Interventions early in the life cycle of disadvantaged children have much higher economic returns than later interventions. The longer society waits to intervene in the life cycle of a disadvantaged child, the more costly it is to remediate disadvantage. The most economically efficient time to develop these skills and abilities is in the very early years when developmental education is most effective.⁴⁷ Assuming that a dollar is initially invested in each year after age three, the return to the next dollar is less than the return viewed prospectively. When the initial base is substantially compromised, so are the returns to later investment.⁴⁸ This position is supported by the National Commission on Fiscal Responsibility and Reform that states that our goal should be to increase college graduation rates and recommends increasing our high priority investments, including education. The strongest, most efficient and effective, social policy is that which is directed towards the early, most malleable years.

“We can gain money by investing early to close disparities and prevent achievement gaps, or we can continue to drive up deficit spending by paying to remediate disparities when they are harder and more expensive to do. Either way we are going to pay. And, we’ll have to do both for awhile. But, there is an important difference between the two. Investing early allows us to shape the future and build equity; investing later chains us to fixing the missed opportunities of the past – for which we will pay dearly.” –James Heckman

The Benefits of Investing in the Early Care and Education of Our Children

Although all members of society will benefit from the investment in birth to kindergarten programs, the benefits are particularly high for those most disadvantaged. The measurement of disadvantage is the quality of parenting, not income per se. Children from advantaged environments by and large receive substantial early investment, whereas children from disadvantaged environments do not. Enriched early environments can compensate in part for risk features of disadvantaged environments. It is much more difficult to compensate for the effects of adverse environments on cognitive endowments in adolescents than it is at a very young age.⁴⁹

Income disparities in cognitive outcomes emerge as early as nine months and become more distinct at twenty-four months. Young children who participate in high quality early learning programs experience significant cognitive, social, emotional, and physical gains compared to their counterparts. If a child is not motivated and stimulated to learn and engage early on in life, they are more likely to fail socially and economically as an adult.⁵⁰

Demonstrated Success

Studies on the impact of Early Head Start Programs indicate a reduction in aggressive behavior problems, which are predictive of late behavior problems, and low school engagement and attention, as well as positive impacts on parents reading to children and learning stimulation, which are linked to positive outcomes later on.

The Oklahoma Universal Pre-K program produced positive results across all groups of participants. The program was lead by teachers with a college degree and early childhood certification, paid a regular public school wage, and provided with targeted and sustained professional development. Students received high levels of instructional, social, and emotional supports. As a result, when entering kindergarten, participants were:

- Nine months ahead of their peers in pre-reading skills
- Seven months ahead of their peers in writing
- Five months ahead of their peers in math

In addition, this pre-k program resulted in significant gains for Hispanic children, and even greater gains for those who primarily speak Spanish at home. Nearly half of all Hispanic children in public schools are English language learners and are less likely to begin school with valuable pre-reading, writing, and math skills. They are also less likely to enroll in preschool programs than members of other racial or ethnic groups.

The Perry School Program in Ypsilanti, Michigan shows a 7-10% per year return on investment. A long term study on the Abecedarian early education program found that the children who participated in the program were two and a half times more likely to be attending a four-year college at age 21 than those who did not participate. A long-term study of the Child-Parent Centers in Chicago found that at-risk children participating in the program were 29% more likely to complete high school by age 20 than their peers who did not participate. The Chicago Child Parent Center Study estimates \$48,000 in benefits to the public per child just from half-day public preschool for at-risk children. Participants at age twenty were estimated to be more likely to have finished high school and less likely to have been held back, need remedial help, or have been arrested. The estimated return on investment was \$7 for every dollar invested. In



Illinois, a five percent increase in male high school graduation rates is estimated to save \$379 million in incarceration costs and crime-related expenditures. It is estimated that a high school graduate brings in \$400,000 more in lifetime earnings than a high school dropout. Illinois households would have \$2.8 billion more in accumulated wealth if all members of households had graduated from high school.

There are also significant health benefits worth noting. A study conducted by researchers at Columbia University's Mailman School of Public Health examines this issue, using data from the Carolina Abecedarian Project (ABC), found that individuals who had received the intensive education intervention starting in infancy had significantly better health and better health behaviors as young adults. Furthermore, these findings were independent of IQ, educational attainment or health insurance status (The health measures were the number of self-reported health problems since 15 years of age, a depression index score, and the number of hospitalizations in the past year. Behavioral risk factors concerned traffic safety, drug use, and access to primary care). The research demonstrates that this type of educational intervention also reduces health risks like smoking and improved health outcomes as early as age 21. The study also finds that these interventions may be more cost effective than many traditional medical and public health approaches to improving population health.

“The short-term costs are more than offset by the immediate and long-term benefits through reduction in the need for special education and remediation, better health outcomes, reduced need for social services, lower criminal justice costs and productivity among families. Effective early childhood education packages cognitive skills with character skills such as attentiveness, impulse control, persistence and teamwork. Together, cognition and character drive education, career and life success. The return on investment is based on increased school and career achievement, as well as reduced costs in remedial education, health and criminal justice expenditures.” – James Heckman

What We Need to Do

A substantial body of research shows that earnings, employment, labor force experience, college attendance, teenage pregnancy, participation in risky activities, compliance with health protocols and participation in crime are strongly affected by cognitive and non-cognitive abilities. The longer society waits to intervene in the life cycle of a disadvantaged child, the more costly it is to remediate that disadvantage.⁵¹ Nevertheless, we are not making the early investment needed in developing these abilities.

America will generate less than half of the number of college graduates than it produced in the previous twenty years despite its growth in the size of total population. We will continue to decline unless we increase our investments in our children and do so as early as possible. We must support schools by creating a greater emphasis on improving parent resources in the early years and become a society that focuses more on preventing problems rather than remediating them. The consequences for not doing so are increasingly affecting our economy, our national security, our society as a whole, and overwhelmingly, our most disadvantaged. It is both our fiscal and moral responsibility to do something or we will continue down a path that is costly to us in every sense of the word.



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- 32 Campaign for Educational Equity.
- 33 PEW Economic Policy Group, based on data from the Congressional Budget Office.
- 34 Children's Defense Fund.
- 35 Council of Chief State School Officers.
- 36 The National Economic Development and Law Center.
- 37 Children's Defense Fund.
- 38 National Association of State Budgeting Officers, 2007.
- 39 U.S. Department of Justice, 1998.
- 40 Linda Darling-Hammond.
- 41 Communities in Schools.
- 42 Teachers College, Princeton, and CUNY study.
- 43 Heckman and Masterov.
- 44 Education Trust.
- 45 Heckman
- 46 Id.
- 47 Id.
- 48 Id.
- 49 Id.
- 50 Id.
- 51 Id.