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From The Work-Life Clearinghouse

The case just keeps getting stronger

Over the past ten years, study after study has demonstrated that putting our money into quality childcare can easily save enough to solve Social Security and other financial challenges. Why isn't anyone listening?

An overwhelming array of evidence

Talk about a tipping point – the latest study just pushed us over the edge. It comes at the end of a decade packed with evidence – an overwhelming array of it – for the payoff of early childhood education. This one, reported in the November issue of *The American Prospect*, points out that a study of pre-kindergarten programs in Oklahoma, a state that offers universal Pre-K for four-year-olds, found strong positive effects on children's language and cognitive test scores. That's nice to know, but it's just a drop in a bucket that now runneth over, one of a dozen studies in the past few years that demand action. We thought it might be high time to review some of them in light of the current skills shortage, the federal deficit and the lack of state funds.

Quality care means 50% better readiness

Some have to do with the impact of quality pre-school care on school readiness. In 1999, for instance, researchers from **UNC, UCLA** and others reported that kids in quality daycare had better math skills and behaved better as they got older. Top quality care made the biggest difference for "at risk" children, those who were poor or whose mothers were not well educated. A 2000 study from the **University of Wisconsin** found quality care given by well-trained caregivers could mean a 50% rise in a child's school readiness. Children had better language skills, were more verbally expressive and had better vocabularies than children who attended programs with caregivers who lack training. The report, called *Child Care Quality: Does It Matter and Does It Need To Be Improved*, was funded by the **Department of Health and Human Services** and "quietly released," said the sorely-missed **Child Care Action Campaign**.

Better problem solvers, better readers

In 2001, a study by **Mathematica Policy Research, Columbia University** and others found two-year-olds enrolled in Early Head Start were better able to solve problems, pay attention and use language. Head Start, said one of the researchers, "is making a systemic difference." And a 2002 government study found toddlers enrolled in a Head Start program that coached parents were more likely to read. A longitudinal study called "The Growing Up in Poverty Project," a collaboration between **Stanford, UC-Berkeley** and Columbia University researchers, studied 451 families in California and Florida and reported that pre-schoolers in quality childcare centers were as much as six months ahead in those skills compared with those who stayed in home-based care.

For every dollar spent, \$4.00 in benefits

It gets better. The *Abecedarian Early Childhood Intervention Project* gave us our first look at the long-term effects when children experienced quality early education. Those children who had been in the program from infancy had higher cognitive test scores from the toddler years to age 21. Academic achievement in both reading and math was higher from the primary grades through young adulthood. They completed more years of education, were more than twice as likely to be attending a four-year college at the age of 21 and were older, on average, when their first child was born.

That study projected that children in high-quality programs would make roughly \$143,000 more over their lifetimes; school districts could expect to save more than \$11,000 per child, spending less on remedial education. Participants in high quality early education were less likely to smoke (39% vs. 55%), resulting in lower health care costs and longer lives (\$164,000 per person). The average cost of the Abecedarian intervention? About \$13,000 per child in 2002 dollars, roughly twice the cost of the average Head Start program. Even at that, says the report, the benefits clearly would outweigh the costs. For every dollar spent on quality childcare there would be a return of at least \$4.00.

Savings up to \$9,547 per child

That's just the beginning. We found a website (<http://nccic.acf.hhs.gov/poptopics/costbenefit.html>) that describes and links to another half-dozen studies that show significant savings to government from increased tax revenues that come from more employment and earnings, less welfare outlays, reduced expenses for things like special ed, emergency room visits, stays in homeless shelters, etc., and lower criminal justice system costs. In a paper out last February, Clive Belfield of Columbia University Teachers College compares costs with benefits if the New York school system invested in universal early education. "Using conservative assumptions and data from high-quality published studies," says Belfield, cost-savings "will range from \$2,591 to \$9,547 per child participating in the program." Over the K-12 period he estimates savings of between \$555 million and \$828 million for each age level, between 1.9% and 2.84% of total expenditures. And somewhere between 41% to 62% of the initial investment would be offset, he says, by savings elsewhere in the education system.

A two year investment, huge differences

The *High/Scope Perry Preschool Study* may be the most interesting of them all for two reasons. One is that the group of low-income, high-risk African American children who were randomly assigned to a high-quality preschool program were in that program for just two years, from ages three to four. The other is that they were tracked right up to age 40. Project staff examined the data eight times, comparing the intervention kids with those who had no preschool program. Every test showed amazing differences; 65% graduated from high school compared to 45% (84% of intervention females compared with 32% of females in the other group); half as many had to repeat a grade, and at 15-19 the program group had "significantly better attitudes towards school," as did their parents. At age 40, more program group participants were employed and had higher salaries. More owned their own homes, a car, and had savings accounts. Fewer in the intervention group had received social services in the previous ten years.

The economic return to society was \$258,888 per participant, a total of more than \$15 million for these 58 individuals on an investment of \$15,166 each, with \$195,622 going back to the general public – \$171,473 from crime savings, \$7,303 from education savings, \$14,078 from increased taxes due to higher earnings and \$2,768 from welfare savings. We found it especially interesting that this huge payoff took about the

same number of years as some experts predict it will take for Social Security to become bankrupt.

Budget eliminates childcare support

Here are some other facts to toss into the equation. In 2003, says the **Center for the Child Care Workforce**, wages for early care and education teaching staff rose a measly 0.6%. President Bush's budget eliminates childcare support for 300,000 low- and moderate-income working families by 2009. A September report by the **National Women's Law Center** told of states that have fought their deficits by restricting eligibility for childcare subsidies, putting thousands of eligible families on waiting lists and requiring parents to increase their childcare payments. "The cuts have been devastating," said Helen Blank, co-author of the report. As of early 2004, more than 46,000 children in Florida, 26,500 in Texas, and 23,000 in Tennessee were waiting for childcare subsidies. In Minnesota, a state once known for making quality childcare accessible and affordable, about 10,000 children lost childcare opportunities due to cuts last year. Says **Children's Defense Fund's** Yasmine Daniel, "The tax cuts to the wealthy and corporations would have been a great source of funding for childcare."

Targeted programs have less support

There is room for debate about whether the country's investment in childcare should be targeted toward high-risk children, as were the Abecedarian and the High/Scope Perry studies. A policy paper by **The National Institute for Early Education Research**, *Preschool Policy Matters*, addresses both sides and votes for universal preschool. Targeted programs may have lower costs, they say, but have a tougher time getting support and keeping it in hard times (Head Start has never been fully funded). Determining eligibility is costly, difficult and imperfect, and may leave some eligible kids out, classrooms serving middle-income and poor children together are more effective, and supplemental services can be offered to children with greater needs – in other words, targeting within a universal program.

Expansion toward universal coverage takes time, say these experts. States should be careful not to move so fast that they compromise quality, maybe starting with a program for four-year-olds. But they also point out that high quality preschool for all three- and four-year-olds would require roughly \$30 billion in additional public funding. This is just 1% of total government spending. Isn't it time to pick up the phone and call the folks who have your money in their hands?

– Susan Seitel