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Lifelines for Poor Children

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What's missing in the current debate over economic inequality is enough serious discussion about investing in effective early childhood development from birth to age 5. This is not a big government boondoggle policy that would require a huge redistribution of wealth. Acting on it would, however, require us to rethink long-held notions of how we develop productive people and promote shared prosperity.

Everyone knows that education boosts productivity and enlarges opportunities, so it is natural that proposals for reducing inequality emphasize effective education for all. But these proposals are too timid. They ignore a powerful body of research in the economics of human development that tells us which skills matter for producing successful lives. They ignore the role of families in producing the relevant skills. They also ignore or play down the critical gap in skills between advantaged and disadvantaged children that emerges long before they enter school.

While education is a great equalizer of opportunity when done right, American policy is going about it all wrong: current programs don't start early enough, nor do they produce the skills that matter most for personal and societal prosperity.

The cognitive skills prized by the American educational establishment and measured by achievement tests are only part of what is required for success in life. Character skills are equally important determinants of wages, education, health and many other significant aspects of flourishing lives. Self-control, openness, the ability to engage with others, to plan and to persist — these are the attributes that get people in the door and on the job, and lead to productive lives. Cognitive and character skills work together as dynamic complements; they are inseparable. Skills beget skills. More motivated children learn more. Those who are more informed usually make wiser decisions.

These established findings should lead to a major reorientation of policies for human development. Because skill begets skill, the opportunity for education should begin at birth — and not depend on the accident of birth.

The family into which a child is born plays a powerful role in determining lifetime opportunities. This is hardly news, but it bears repeating: some kids win the lottery at birth, far too many don't — and most people have a hard time catching up over the rest of their lives. Children raised in disadvantaged environments are not only much less likely to succeed in school or in society, but they are also much less likely to be healthy adults. A variety of studies show that factors determined before the end of high school contribute to roughly half of lifetime earnings inequality. This is where our blind spot lies: success nominally attributed to the beneficial effects of education, especially graduating from college, is in truth largely a result of factors determined long before children even enter school.

Improving the early environments of disadvantaged children is a promising way to reduce inequality, but conventional wisdom is to level the playing field with cash transfers, tuition assistance and raising the minimum wage. High-quality early childhood programs are great economic and social equalizers — they supplement the family lives of disadvantaged children by teaching consistent parenting and by giving children the mentoring, encouragement and support available to functioning middle-class families. Children in these programs develop foundational skills on par with those of more affluent children and create a stronger family structure for themselves. Caring parents and early stimulation are essential ingredients of successful early childhood environments.

Critics say that early childhood education is expensive and that it is not effective. They are right about the cost, but terribly wrong about the large return on the investment. Quality early childhood programs for disadvantaged children more than pay for themselves in better education, health and economic outcomes.

Proof comes in the form of a long-term cost-benefit analysis of effective early childhood programs. The Perry Preschool project was an intensive two-year voluntary program administered between 1962 and 1967 to disadvantaged 3- and 4-year-old, low-I.Q. African-American children in Ypsilanti, Mich. The curriculum emphasized the development of self-control, perseverance and social skills in conjunction with basic cognitive skills. It also worked with the mothers to foster attachment, develop parenting skills and deepen their interactions with their children. The participants were randomly assigned to treatment and control groups, with the outcomes evaluated over a period of four decades.

Perry did not produce lasting gains in the I.Q.'s of its participants, but it did boost character skills that produced better education, economic and life outcomes. The economic rate of return from Perry is in the range of 6 percent to 10 percent per year per dollar invested, based on greater productivity and savings in expenditures on remediation, criminal justice and social dependency. This compares favorably to the estimated 6.9 percent annual rate of return of the United States stock market from the end of World War II to the 2008 meltdown. And yes, these estimates account for the costs of raising taxes and any resulting loss of economic activity.

A similar long-term early childhood study, the Carolina Abecedarian Project, better known as ABC, gave cognitive stimulation, training in self-control and social skills, and parental education starting in the first few months of life. The children were also provided with health checkups and health care. Four groups of individuals born between 1972 and 1977 were randomly assigned to treatment and control groups, and their progress has been monitored so far through studies conducted at ages 12, 15, 21 and 30. This program had lasting effects on I.Q., parenting practices and child attachment, leading to higher educational attainment and more skilled employment among those in the treatment group.

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Most dramatic were ABC's effects on lifelong health. Now, over 30 years later, those treated in ABC have lower blood pressure, lower abdominal obesity, less hypertension and less likelihood of metabolic syndrome and cardiovascular conditions as adults. This evidence clearly shows the power of quality early childhood programs for producing flourishing people with healthier lives, which increases productivity and lowers health care costs.

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Doubters say that high-quality programs like Perry and ABC cannot be replicated and scaled up. However private groups, states and municipalities have used these models to custom-build their own programs, and they are seeing substantial results and cost savings. What's not working is taking away funding for these programs in the face of budget cuts. Also holding back progress are those who claim that Perry and ABC are experiments with samples too small to accurately predict widespread impact and return on investment. This is a nonsensical argument. Their relatively small sample sizes actually speak for — not against — the strength of their findings. Dramatic differences between treatment and control-group outcomes are usually not found in small sample experiments, yet the differences in Perry and ABC are big and consistent in rigorous analyses of these data.

These unfounded doubts feed our fear of taking new and more effective approaches. American public policy throws money at programs that don't produce results as good or better than what is obtained from early childhood education.

What doesn't work? Investing in smaller class sizes is not as effective as making sure each child has the foundational skills to do well inside the classroom, regardless of its size. Because skill begets skill, it's common sense that adult literacy programs and many job-training programs are too little, too late. It is much more effective and cost efficient to create instead of remediate.

This is not to say that we should abandon all remediation programs; only that our focus on fixing downstream problems should not preclude enlightened upstream solutions.

Fortunately, the public knows that something is wrong and senses that early childhood development might be the solution. A recent public opinion poll commissioned by the First Five Years Fund found that 68 percent of voters think that only half or even fewer children begin kindergarten with the knowledge and skills they need to do their best in school. Eighty-nine percent say it is important to make early education and child care more affordable for working families to give their children a strong start, and a similar number want the federal government to help states build better preschools and make them more accessible to low- and middle-income children.

President Obama has proposed an early childhood initiative that combines family visitation, infant health and development, early learning, quality child care and more effective preschooling at ages 4 and 5. This is an encouraging shift in American policy, one that could significantly reduce inequality if it remained true to the evidence of what works — not to the politics of what is convenient.

Our choice in these difficult economic times is not just whether to spend or cut, but whether to choose knowledge over conventional wisdom. Will we put money in programs that pay off? Quality early childhood programs for disadvantaged children are not "entitlements" or bottomless wells of social spending. They foster human flourishing and they improve our economic productivity in the process. There is no trade-off between equity and efficiency, as there is for other social programs. Early investment in the lives of disadvantaged children will help reduce inequality, in both the short and the long run.

— By **JAMES J. HECKMAN**



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