



# Quality matters in early childhood education.

*Complementing their recent cost-benefit analysis of the ABC/CARE Program, Professor Heckman and his team look at the differences in outcomes based on gender in their paper, Gender Differences in the Benefits of an Influential Early Childhood Program. As with most early childhood studies, they find that quality early childhood education benefits low-income children, but they also find significant differences by gender. Although all children benefit most from high quality care, girls show some improvement in lower quality care and boys are actually harmed by it. Given the necessity to work, it is imperative to provide low-income families with quality child care. Failure to do so is a missed opportunity to improve lives and the national economy, especially since high quality programs pay for themselves in the short- and long-term.*

## **ABC/CARE: A study in the effects of high quality care.**

ABC/CARE offered comprehensive developmental resources to disadvantaged African-American children from birth to age five, including nutrition, access to health care and early learning. Children were randomly assigned into either the treatment group that received this center-based care or the control group that had access to alternatives, such as lower quality center-based care or in-home care. Because many high quality programs today include the components central to ABC/CARE, evidence from ABC/CARE is relevant today. Furthermore, about 19% of all African-American children would be eligible for the program today. And, research shows that the negative effects of a disadvantaged early childhood are similar across races.

## **Better outcomes for all with differences between genders.**

Professor Heckman finds significant benefits from treatment in comprehensive, birth-to-age-five early childhood education. In fact, every dollar invested provides a 13% per annum return on investment, which is significantly higher than the 7-10% return found for preschool alone. Consistent with a wide body of research, there were gender differences in outcomes, with males requiring the highest quality of care, but driving the economic benefits of the program. The greater resilience of females allows them to do better in lower quality settings, but still not as well as in high quality ones.

# The Heckman Equation



## Beneficial female outcomes.

ABC/CARE female participants in the treatment group had substantial effects on education, human capital accumulation and employment compared to those who attended the next best alternative for care. Even stronger results were seen when the treatment group was compared to those who stayed at home. High school graduation rates increased between 13% and 25%. College graduation rates increased 13% with the average years of schooling increasing between 1.8 and 2.1 years. Employment at age 30 increased between 8% and 13% as well.

## Beneficial male outcomes.

The results for males show lower drug use and blood pressure, as well as positive effects on education and labor income. The results for employment, hypertension, and blood pressure are higher when the treatment group is compared to the children who attended alternative childcare centers. Male employment in the treatment group at age 30 increased by 11% to 19%. Income also increased between \$19,000 and \$24,000.

## Low quality care hurts males.

Separation from the mother and being placed in relatively low quality childcare has far more negative consequences for male subjects than for female ones. This suggests that high program quality is necessary to generate beneficial outcomes.

## High quality care is a necessity, not a luxury.

Given the economic realities of today's families, it is imperative to provide low-income families with high quality child care, health care and early learning that assists them in providing effective early childhood development to their children. Doing so will result in stronger families, higher achievement, reduced social costs and a stronger national economy. Failing to invest in quality is a missed opportunity, especially since quality programs pay for themselves in the short- and long-term.



**James J. Heckman** is the Henry Schultz Distinguished Service Professor of Economics and Director of the Center for the Economics of Human Development at the University of Chicago, a Nobel Laureate in economics and an expert in the economics of human development.