

SYNOPSIS - EPISODE 3 ARE WE CRAZY ABOUT OUR KIDS?



Science shows that a child's experiences during the earliest years are vital to building the foundation for lifelong individual success—in school and in life. Now economists are studying the costs and benefits of high-quality early care and preschool. And they're worried—not because we're spending too much but because we're investing too little where it matters most.

Are We Crazy About Our Kids? brings to life the classic studies of Perry Preschool and other initiatives conducted by Nobel Laureate James Heckman, former Federal Reserve economist Arthur Rolnick and others demonstrating how high-quality early care and preschool yield huge benefits—for individuals and society. They even pay for themselves many times over.

Perry Preschool was an experiment for low-income children in Ypsilanti, Michigan from 1962 to 1967. The children, along with a control group, have been tracked for almost five decades since. Rolnick studied the data. “The children in the high-quality program,” he found, “were less likely to be retained in the first grade, were less likely to need special ed, were more likely to be literate by the sixth grade, graduate high school, get a job, pay taxes, start a family. And the crime rate between the two groups, the randomized group and the controlled group, the crime rate goes down fifty percent.”

Heckman says he calculated the return from the investment as “between 7% and 10% per annum for the lifetime of the child. Which is a huge rate of return.” That comes to between \$6 and \$17 dollars for every dollar invested, depending on the study. Studies of those who participated in the Abcederian program in North Carolina and Chicago Parent-Child Preschool show similar long-term benefits.

Are We Crazy About Our Kids? also travels to Quebec which rolled out a novel jobs and anti-poverty program after analyzing the U.S. studies. They introduced universal early care and pre-K for \$5 a day in 1997 (\$7.00 a day at the time of filming), along with expanded paid parental leave and other family supports. The initiative was called “Quebec is Crazy About Its Kids!” (Un Québec Fou de ses Enfants). Quebec child poverty rates fell from the highest in Canada to the lowest.

Back here in the U.S., childcare remains largely haphazard, unregulated and unaffordable for most. In California, cemeteries are inspected more often than

childcare centers, while the cost of center-based childcare often runs more than \$10,000 a year.

Meanwhile, cities and states spent \$80 billion in 2012 in tax breaks and other corporate subsidies in a competition to lure each other's businesses. Arthur Rolnick points out that no net new jobs were created. "You want to make sure you have sustainable growth?" he asks. "Invest in your children."

But pilot early education programs continue. In Salt Lake City a preschool initiative has closed the achievement gap there between affluent and poor students, reversing a 30-year national trend.

High-quality childcare and preschool is just one piece of the solution. But economists are clear about the equation: our system is paying for failure, rather than investing in success. The question is, What will we do about it? How crazy are we about our kids?

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