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Capitalists for Preschool

By JOHN E. PEPPER Jr. and JAMES M. ZIMMERMAN

In his State of the Union address, President Obama called for making preschool available to every 4-year-old in America, opening a welcome discussion on whether and how to make the investments needed to realize this vision.



As two longtime corporate executives who have been engaged in education for decades, we have no doubt about the answer to this question. Children who attend high-quality preschool do much better when they arrive in kindergarten, and this makes an enormous difference for their later success. The data on preschool is overwhelmingly positive. Although some studies suggest that the positive impact decreases over time, this is mainly attributable to differences in the quality of preschool and of the schooling that follows - not a deficiency in preschool itself.

The effectiveness of quality early childhood education has been affirmed by many business-related groups, including ReadyNation, a coalition of business leaders, organized in 2006.

The Institute for a Competitive Workforce, an affiliate of the United States Chamber of Commerce, found in a 2010 report that "for every dollar invested today, savings range from $2.50 to as much as $17 in the years ahead." Research by the University of Chicago economist James J. Heckman, a Nobel laureate, points to a 7- to 10-percent annual return on investment in high-quality preschool.

Local examples of the impact of early childhood education abound. In greater Cincinnati, a program called Success by 6 has raised the proportion of children testing as "ready to read" upon entering kindergarten to 57 percent, from 44 percent in the 2006-7 academic year. Of those children, 85 percent still read at (or above) age level at the end of third grade - compared with only 43 percent of the children who do not test as "ready to read" when they start kindergarten.



In short, early educational interventions really matter, and have long-term consequences. Children who are not proficient in reading by third grade are four times more likely to drop out of high school than children who read at or above grade level — and 13 times more likely, if they live in poverty. A child's brain grows to roughly 85 percent of its full capacity in the first five years of life. These are also the years when a child's sense of what is possible is being formed.

The connections from preschool to reading proficiency to high school completion - a bare-minimum requirement in today's economy - could not be clearer.

And it shouldn't take scientific research to reach this conclusion. Families who can afford quality preschool don't generally consider long-term cost-effectiveness when they enroll their children. Indeed, among affluent families in which both parents have full-time careers, there is strong demand for quality learning environments as early as age 2.

To be sure, the debate over preschool is also partly a debate over inequality. Our nation is becoming divided: an America of well-off, well-educated families, who can afford pre-K education, and struggling families who are living in poverty or

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close to it (often, even while holding down full-time jobs), have modest educations, living in challenged circumstances, and can't.

Do we really think it is fair to predetermine children's chances for success in life based on what ZIP code they live in? Doesn't every child deserve as close to the same chance to develop her or his abilities as any other child?

Universally available prekindergarten is not only the right thing to do, but the smart thing to do. Raising lifetime wages (and thereby tax revenues) and reducing the likelihood that children will drop out of school, get involved in crime, and become a burden on the justice system more than make up for the costs of early childhood education.

Other countries have realized this. China reportedly has set a goal of giving 70 percent of all children *three years* of prekindergarten education - far ahead of the modest one year proposed by President Obama - by the year 2020. Our greatest deficit in this country - the one that most threatens our future as a nation - is our education deficit, not our fiscal one.

Some will ask where the money will come from, at a time when states and localities are even more strapped than the federal government. While there are a variety of financing proposals, we do not believe higher taxes will be necessary in every jurisdiction.

Rather, we believe the right approach will be to rebalance and optimize the money we are spending now. The amount of money being spent on early childhood education is so small currently that we are confident it is possible to achieve the efficiencies needed to shift money from other areas of investment.



Last year, only 2 percent of Ohio's general-fund budget went to early childhood education. We believe that, with proper planning, that amount could be doubled without compromising other financing streams.

We have spent most of our careers in business and have come to support quality prekindergarten for all children, especially those whose families cannot afford it, because we know these programs work. The only question is how to bring them to a huge scale. Our nation's future demands it. If there ever was a nonpartisan issue, this is it.

John E. Pepper Jr. is a former chairman and chief executive of Procter & Gamble and a former chairman of the Walt Disney Company. James M. Zimmerman is a former chairman and chief executive of Macy's.

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