



FUNDING PRESCHOOL EDUCATION SMART USE OF TAX DOLLARS

By Matt Valenti

November 29, 2013

What business is it of the government to fund high-quality preschool and child care?

Good business.

A study done by Nobel Prize-winning economist James Heckman concluded that investing in quality preschool programs is a better bet than investing on the stock market, yielding economic returns between 7 percent and 10 percent. Can your mutual fund do that?

And according to a recent study by the National Institutes of Health, a dollar invested in quality preschool programs for low-income children generates \$4 to \$11 worth of economic benefits shared by everyone.

Far from being a form of welfare or entitlement spending, funding preschool education is a smart use of tax dollars and something progressives and conservatives alike should support. But unfortunately, state funding for quality preschool and child care has decreased dramatically during the Great Recession, even in California.

A newly released report from the California Budget Project found that the state cut spending on preschool and child care by 40 percent since 2008, which amounts to 110,000 fewer spaces for children in child-care and preschool programs.

The immediate effects of these cuts are felt disproportionately by low-income families, but the long-term consequences are felt by all of us.

Lack of access to affordable and quality child care and preschool hurts the economy in the short run, since parents find it harder to hold down a job while also taking care of their children, and welfare-to-work programs are thrown into disarray, stopping welfare recipients from getting off the dole and into paying jobs. But it also will have lasting effects for years to come, in lower high school graduation rates,

greater dependence on welfare and other government programs, and higher crime rates — all of which means more government spending, less tax revenue, and a drag on the economic recovery.

California's failure to invest in early childhood education also is a failure to invest in a future labor force of highly skilled workers, the lifeblood of the state's IT and biotech industries. It's become fashionable to call young children "little scientists" because of the way they conduct experiments on the world around them while playing. Preschool programs can build on this innate aptitude for science and help kids develop the critical math and reading skills they will need when they tackle the STEM classes (science, technology, engineering, and mathematics) in middle and high school.

The conservative Cato Institute has long argued that the immigration cap on highly skilled workers should be increased because the United States has a deficit of workers proficient in STEM fields. But we wouldn't need to import scientists from abroad if we were doing a better job of educating them here at home — and that education begins in the all-important first five years of life.

In his 2012 inaugural address, President Obama made the seemingly bold proposal to fund universally available preschool, and his proposal was promptly declared dead on arrival in Washington. Those critics who weren't spouting absurd conspiracy theories about it being a socialist plot to brainwash the minds of our young argued that we simply can't afford to fund universal preschool.

I would argue that we cannot afford not to, as our global competitors are busy showing us.

For though Washington may have given up on universal preschool, and even blue California is cutting preschool funding, don't think for a moment that other countries haven't wised up to the benefits of funding quality preschool — and I'm not just talking about places like France or Norway. China, our biggest competitor in the global marketplace, has recently announced a major push to fund early childhood programs, pledging to build new schools, increase teacher pay, and provide subsidies for low-income families to help them access preschool programs.

The education policy of the economic juggernaut that is modern China is something we ignore at our own peril. And the economic returns — to say nothing of the social benefits — of high-quality child care and preschool education are boons to the economy we can no longer afford to leave laying on the table.

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