



**The Child Care Planning Council compiled these resources from a variety of electronic newsletters. We have now compiled them by subject. We hope it is helpful!**

**Economic Investment, Funding in Early Education, Children, and Child Care Reports and Resources**

- **Home Visitation in 2005: Outcomes for Children and Parents:** This new Working Paper from the Invest in Kids Working Group looks at the economic returns of home visiting programs for young children. While the evidence available to date indicates that quality home visiting programs produce modest benefits, the evidence on combining home visiting with other early childhood education programs suggests they produce longer-lasting outcomes. Programs also appear to be more effective when the services provided are aligned with the most pressing needs of the population served. The lack of consistent measurements in the research, however, calls for a more standardized approach to truly measure a program's effectiveness. The Working Paper (92 pages) is available at: [http://www.ced.org/docs/report/report\\_ivk\\_gomby\\_2005.pdf](http://www.ced.org/docs/report/report_ivk_gomby_2005.pdf).
- **Investing in Pre-K Today Could Bolster Social Security Tomorrow:** Investing in a national preschool program today could help shore up our ailing Social Security system, says economist Robert G. Lynch in a report released by San Francisco-based nonprofit WestEd. Lynch says Social Security starts to run into financial difficulties in 2018 when the bulge of retired baby boomers will draw heavily on the system. That's about when the first class of today's preschoolers would enter the workforce. He said investing \$12,000 per child in the 1.6 million disadvantaged youngsters most likely to cost taxpayers money when they grow up would turn them into net contributors to the system since they would enter the workforce at higher skill levels. Not only would Social Security run a surplus by 2021, says Lynch, but the nation's gross domestic product would rise. Read the full report at [www.wested.org/cs/we/view/rs/772](http://www.wested.org/cs/we/view/rs/772).
- **Early Childhood Education for All: A Wise Investment** (from press release): This major new report sets the stage for a revitalized national discussion about investing in early education as a national priority. Its recommendations reflect exciting research and presentations by activists and scholars from the December 2004 conference "The Economic Impacts of Child Care and Early Education: Financing Solutions for the Future," sponsored by Legal Momentum's Family Initiative and the MIT Workplace Center. This is the first national report to pull together scholarly research, economic development studies and the experience of state-level initiatives to make the case for investing in early care and education as an economic driver. Citing research by Nobel Prize-winners, independent scholars, advocates and Federal Reserve economists, it demonstrates the substantial long-term and short-term return on investment in early care and education, including: taxpayer return of up to \$13 for every \$1 invested, job-creating industry rivaling telecommunications in Massachusetts, hotels in New York, agriculture in Washington State, tobacco in North Carolina, demonstrated reductions in crime and welfare dependence, statistically fewer social problems, improvement of worker productivity among parents. Be sure

[www.acgov.org/childcare](http://www.acgov.org/childcare)



to listen to Monday's edition of All Things Considered on National Public Radio to hear Family Initiative Director Leslie Calman discussing the new report! To read the full report and executive summary, go to [www.familyinitiative.org](http://www.familyinitiative.org).

- **Early Care and Education: Realizing a Collective Vision:** The National Economic Development and Law Center offers its successful economic impact model for engaging policymakers, business and community leaders, and economic development professionals in "Early Care and Education: Realizing a Collective Vision."  
[http://www.nedlc.org/Publications/PDF\\_childcare/ecocr.pdf](http://www.nedlc.org/Publications/PDF_childcare/ecocr.pdf)
- **Economic Benefits of Early Childhood Programs in West Virginia:** Researchers from Marshall University report that early child development (ECD) programs are having significant economic benefits for West Virginia. "The Economic Impact of Early Childhood Development Programs in West Virginia" calls on the state to recognize ECD programs as a major tool for economic development. In addition, it compares salaries and benefits to teachers and administrators in ECD programs to those in comparable occupations, and acknowledges that attracting and retaining highly skilled workers is a problem that needs to be addressed. Still, the report concludes that "the payoff for investing in early childhood development programs is probably higher than for any other economic development expenditure." For a copy of the report, visit: <http://www.marshall.edu/cber/research/Executive%20summary%20ECD%205.pdf>.
- **How Child Care Benefits the Economy:** A growing number of studies support the value of quality child care in promoting economic growth. The Economic Opportunity Institute in Seattle Washington, has published a number of excellent reports that add to the case for quality early care and education. For example, their policy brief, "How does high quality child care benefit business and the local economy?," the Institute reports...Employees with inadequate child care are more likely to be late for work, absent, or distracted on the job than parents who are confident about their child's child care arrangements. Employees may be forced to spend time at work or take time off to handle child care concerns. A 1992 survey found that nearly 30 percent of workers knew employees who quit their jobs because of inadequate child care. Productive and valued employees who leave their jobs because of child care problems increase hiring and training costs. High rates of turnover, absenteeism, and low productivity cost employers money. It is estimated that absenteeism caused by poor quality child care costs American business more than \$3 billion a year. Working parents lose the equivalent of six days of work annually due to child care issues or problems, costing Seattle businesses approximately \$112 million a year. To read this full report (including extensive references on studies), as well as a more in depth policy paper, "The Early Childhood Education Career and Wage Ladder: A Model for Improving Quality in Early Learning and Care Programs," go to:  
<http://www.eoionline.org/Policy-EarlyLearning&Care.htm#Ladder-Policy%20Briefs%20and%20Issue%20Papers>.



- **The Productivity Argument for Investing in Young Children:** On productivity grounds alone, it appears to make sound business sense to invest in young children from disadvantaged environments. An accumulating body of evidence suggests that early childhood interventions are much more effective than remedies that attempt to compensate later in life for early neglect. “Enriched pre-kindergarten programs available to disadvantaged children on a voluntary basis, coupled with home visitation programs, have a strong track record of promoting achievement for disadvantaged children, improving their labor market outcomes and reducing involvement with crime.” “Such programs are likely to generate substantial savings to society and to promote higher economic growth by improving the skills of the workforce.” By James J. Heckman and Dimitriy V. Masterov (Nobel Laureate in Economics) Online at – [http://www.ced.org/docs/summary/summary\\_heckman.pdf](http://www.ced.org/docs/summary/summary_heckman.pdf) Full report (93 pages) online at -- [http://www.ced.org/docs/report/report\\_ivk\\_heckman\\_2004.pdf](http://www.ced.org/docs/report/report_ivk_heckman_2004.pdf).
- **Child Care Programs Help Parents Find and Keep Jobs: Funding Shortfalls Leave Many Families Without Assistance:** Child care subsidies help low-income families work and leave welfare, but funding shortfalls are forcing states to enact restrictive policies that are hurting poor families and efforts to promote their employment and earnings. The Administration's recently proposed FY 2005 budget would make this situation even worse. This paper includes excerpts from recent press coverage about child care restrictions and cutbacks in 15 states. [http://www.clasp.org/DMS/Documents/1076435918.03/CC\\_shortfall.pdf](http://www.clasp.org/DMS/Documents/1076435918.03/CC_shortfall.pdf) (#3-#6 from CT listserve)
- **“Financing Access to Early Education for Children Age Four and Below: Concepts and Costs.”** By Richard N. Brandon. Human Services Policy Center (2004). In this report, Brandon argues for universal access to child care and early education programs. He suggests that it would be more cost effective to shift away from viewing the costs of child care and early education on a per unit basis, and move to a system of universal high quality care for all children from birth to age five. Costs of financing this approach would vary from state-to-state, but the costs could be met by a combination of subsidies to providers and income-related vouchers for parents. This report can be found at: <http://www.hspc.org/preK-Brookings.Final.pdf>
- **“Developmental Education: The Value of High Quality Preschool Investments as Economic Tools.”** The Committee for Economic Development. September 2004. This Committee for Economic Development report argues that it is time for state and local governments to start seeing child care and early education projects as part of their economic development policy toolkits. Currently, very little public money is put towards developing the early education and child care infrastructure, especially compared to the large amounts of public money that are spent each year on other economic development projects, such as building retail centers and sports stadiums. The authors argue that investments in the child care and early education sectors are less risky than other development projects, and hold great potential of long-term economic and social returns. This report can be found at: [http://www.ced.org/docs/report/report\\_preschool\\_2004\\_developmental.pdf](http://www.ced.org/docs/report/report_preschool_2004_developmental.pdf)



- **“The New Economics of Preschool: New Findings, Methods and Strategies for Increasing Economic Investments in Early Care and Education”** by Dana E. Friedman. Early Childhood Funders’ Collaborative (2004): This report synthesizes research that demonstrates the short- and long-term economic returns on quality child care and early education programs. Long-term studies have documented significant savings in the area of remedial education, school dropouts, welfare, and crime, and short-term economic benefits result from the revenues of the child care industry as a whole. Additionally, the child care and early education industry helps to increase and stabilize parental employment. This report concludes by calling for continued research and dissemination on the economic benefits of child care, as well as, active planning and implementation of programs that maximize the economic impact of early care and education. This report can be found at <http://www.earlychildhoodfinance.org/handouts/FriedmanArticle.doc>.
- **Investing in the Child Care Industry: An Economic Development Strategy for Kansas** Louise Stoney, Mildred Warner, Adrienne E. Woolley, and Abby Thorman (April 2003) A report from the Mid-American Regional Council points to Kansas’ need to increase its investment in child care. [Read more](#)
- **Public/Private Ventures Releases a New Policy Brief on Investing in Child Care:** Investing in family child care providers in Rhode Island reaped big rewards for providers and the kids they serve, according to a new policy brief, Investing in Child Care Brings Gains for Providers and Children, from Public/Private Ventures. The brief, based on the report, Investing in Low-Wage Workers, found that increases in reimbursement rates boosted the availability of subsidized child care, raised average incomes in the field and lifted many workers out of poverty. The report focuses on the Day Care Justice Co-op, a group of largely Latina and African American women in Rhode Island who organized a cooperative and worked to improve conditions for family child care providers. [http://www.ppv.org/ppv/publications/assets/207\\_publication.pdf](http://www.ppv.org/ppv/publications/assets/207_publication.pdf).
- **The Productivity Argument for Investing in Young Children:** This paper presents the case for investing more in young American children who grow up in disadvantaged environments.... Adverse environments place children at risk for social and economic failure. The accident of birth plays a powerful role in determining adult success. Many have commented on this phenomenon, and most analyses have cast the issue of assisting children from disadvantaged families as a question of fairness or social justice. This paper makes a different argument. We argue that, on productivity grounds, it makes sense to invest in young children from disadvantaged environments. Substantial evidence shows that these children are more likely to commit crime, have out-of-wedlock births and drop out of school. Early interventions that partially remediate the effects of adverse environments can reverse some of the harm of disadvantage and have a high economic return. They benefit not only the children themselves, but also their children, as well as society at large. Full text at: <http://ftp.iza.org/dp2725.pdf>.



- **Early Education A Remedy for Societal Inequities?** When Federal Reserve Chairman Ben Bernanke recently spent more time addressing economic disparities and the need for better education than he did interest rates, it raised the profile of a growing concern among key thinkers in this country — that rising inequities in wages and wealth will ultimately affect the cohesiveness of society and our standard of living. That view is detailed in a just-released policy information report from the Educational Testing Service compellingly titled *America's Perfect Storm: Three Forces Changing Our Nation's Future*. The authors identify disparities in the distribution of skills, economic restructuring and demographic trends related to immigration and an aging society as the three forces that must be addressed with sound policies. While ETS plans to issue its recommendations in a separate paper, it has identified education of children as one area to be addressed. Read the report at [http://www.ets.org/Media/Education\\_Topics/pdf/AmericasPerfectStorm.pdf](http://www.ets.org/Media/Education_Topics/pdf/AmericasPerfectStorm.pdf).
- **Close to Home: State Strategies to Strengthen and Support Family, Friend, and Neighbor Care:** This report offers a summary of key research and an array of strategies for supporting the FFN care that millions of working parents rely on for their children. In particular, many low-income children—who are often most at risk for starting school behind their more advantaged peers and stand to benefit the most from a good early learning environment—are in FFN care. By focusing a portion of state resources and attention on FFN care, states can help improve the quality of care these children receive. Increased investment in FFN care also matters because many FFN providers are low-income women who themselves are in need of support and resources. <http://www.nwlc.org/pdf/CloseToHome2007.pdf>
- **Early Childhood Comprehensive Systems that Spend Smarter Maximizing Resources to Serve Vulnerable Children:** The National Center for Children in Poverty (NCCP) also released its first Project THRIVE Issue Brief, *Early Childhood Comprehensive Systems that Spend Smarter Maximizing Resources to Serve Vulnerable Children*. The brief looks at state Early Childhood Care Systems (ECCS) grant projects to identify ways in which they can promote smarter spending for vulnerable young children as they plan for and implement new, more integrated systems. It has a special focus on promoting social and emotional health and well-being as the foundation for health and school readiness. <http://www.nccp.org/media/PTbrief1.pdf>
- **Dollars and Sense: A Review of Economic Analyses of Pre-K:** This research review from policy analyst Albert Wat at the national advocacy organization Pre-K Now brings together in one easy-to-use publication major economic studies of high-quality preschool education programs. From the long-term studies of the Perry Preschool Project to analyses by University of Chicago's James Heckman on pre-K's impact on productivity and implications for global competitiveness, the research is explained with overviews, summaries of findings, illustrations, guidance on methodology and definitions of commonly used research terms. Read it at: [http://www.preknow.org/documents/DollarsandSense\\_May2007.pdf](http://www.preknow.org/documents/DollarsandSense_May2007.pdf)



- **New Future of Children Report: Opportunity in America: The Role of Education:** This policy brief highlights the ways in which America's education system reinforces the lack of opportunity for children. There's a section on early childhood education that contains this quote: "The highest priority in education should be preparing very young children from poor families for school." Here's a link to coverage of the brief's release in the [Wall Street Journal](#), which noted the study's conclusion that, "the up escalator that has historically ensured that each generation would do better than the last may not be working very well."  
[http://www.futureofchildren.org/usr\\_doc/Opportunity\\_Policy\\_Brief.pdf](http://www.futureofchildren.org/usr_doc/Opportunity_Policy_Brief.pdf)
- **Child Care as Economic Development Database Resource:** The early childhood care and education field is at an exciting moment. Across the US, there is increasing recognition of the economic importance of child care. Early care and education is being recognized as an important economic sector in its own right, and as a critical piece of social infrastructure that supports children's development and facilitates parents' employment. The Linking Economic Development and Child Care Research Project aims to better identify the economic linkages of child care from a regional economy perspective. We support states and localities interested in using an economic development framework to build coalitions with the economic development community, business interests and policy makers to help craft new approaches to child care finance. This site provides a quantitative database of economic demographic and policy data for all 50 states and a qualitative database of all state and local studies (completed and in-progress). The site also includes research reports, copies of state studies, advice on economic analysis, and profiles of new approaches to child care policy.  
[http://government.cce.cornell.edu/doc/viewpage\\_e.asp?ID=Child\\_Care](http://government.cce.cornell.edu/doc/viewpage_e.asp?ID=Child_Care)
- **Corporate America Is Fertile Ground for Pre-K Support, Says New Survey:** Concerns about the supply of skilled workers and the United States' global competitiveness are driving support for pre-k among American business executives, according to a survey conducted for the Committee for Economic Development and released with The Pew Charitable Trusts and PNC Financial Services Group in January. The survey shows that pre-k programs command wide support from management personnel at U.S. companies, with 81% saying that public funding of voluntary pre-kindergarten for all children would improve America's workforce. The survey results suggest that many executives, particularly those involved in recruitment and hiring, are aware of the benefits of high-quality pre-k and believe that those benefits will favorably affect their businesses. [http://www.ced.org/docs/poll\\_earlyed2006zogby.pdf](http://www.ced.org/docs/poll_earlyed2006zogby.pdf).
- **Early Childhood Investment Yields Big Payoff:** An article in WestEd's Policy Perspectives publication makes a compelling case for a nationwide investment in a high-quality, publicly funded early childhood development program. The article provides an overview of the characteristics of an early childhood development program and the benefits of investing in it on a large scale. It also looks 50 years into the future, calculating the impact of implementing such a program on federal, state and local government budgets, the economy and crime. The paper



was authored by Robert G. Lynch, Professor and Chair of the Department of Economics at Washington College. [http://www.wested.org/online\\_pubs/pp-05-02.pdf](http://www.wested.org/online_pubs/pp-05-02.pdf).

- **New Brookings Institute Report: Cost-Effective Investments in Children:** In a series of papers on budget choices, Brookings analysts examine options for reducing domestic discretionary spending, pruning the defense budget, raising revenues, and investing additional resources in children. An overall deficit reduction plan uses the ideas developed in this series to balance the budget in the next five years. Based on a review of benefit-cost evidence, this paper identifies four areas of investment that merit expanded federal funding even in a time of fiscal austerity. America's future economic well-being will benefit from targeted investments to ensure that children have the skills to become tomorrow's adult workers, caregivers, taxpayers, and citizens. Target areas for a package of proposals totaling about \$25 billion annually and \$133 billion over a five-year period are the following: 1) High-quality early childhood education programs for three- and four-year-old children (\$94 billion over five years); 2) Nurse home-visiting programs to promote sound prenatal care and the healthy development of infants and toddlers (\$14 billion over five years); 3) School reform with an emphasis on programs in high-poverty elementary schools that improve the acquisition of basic skills for all students (\$17 billion over five years); and 4) Programs that reduce the incidence of teenage pregnancy (\$8 billion over five years). <http://www.brookings.edu/views/papers/200701isaacs.pdf>. (Special thanks to Alli Cole for alerting me to this!)
- **Public Funding of Child-Care Services: Subsidy or Human Capital Investment?** by Texas Perspectives Inc., 2004. The report provides a summary of a study launched to demonstrate that public assistance to lower-income families in obtaining child-care services pays its own way through local economic stimulus and increased tax revenues. The summary of the study can be found at: <http://www.sanantonio.gov/comminit/pdf/112604%20Child%20Care.pdf>.
- **Landmark Report Released on Public Costs of Teen Pregnancy Released:** The National Campaign to Prevent Teen Pregnancy recently released a new study, *By The Numbers: The Public Costs of Teen Childbearing*, which presents the first analysis since 1996 of the cost to taxpayers of teen childbearing. The analysis, by Saul Hoffman of the University of Delaware, provides the first-ever estimates of the cost of teen childbearing in each state and Washington, DC. Of particular interest to the child welfare system, the new report documents public sector costs associated with the children of teen mothers by cost category, including child welfare costs. Significantly, the study finds most of the public sector costs of teen childbearing are associated with negative consequences for the children of teen mothers. In 2004, teen childbearing was found to have resulted in a \$2.3 billion increase in child welfare costs. Overall, the report found that, in 2004 alone, the total cost of teen childbearing in the United States to federal, state, and local taxpayers was \$9.1 billion. Policy recommendations in the report included helping provide parents with information about the critical role they play in helping their children make good decisions, supporting proven teen pregnancy interventions, and



increased support for youth programs more broadly. CWLA notes the special considerations that need to be given to youth in foster care in strategies to prevent teen pregnancy. <http://www.teenpregnancy.org/costs/>.

- California one pager: [http://www.teenpregnancy.org/costs/pdf/summary/CA\\_onepager.pdf](http://www.teenpregnancy.org/costs/pdf/summary/CA_onepager.pdf).
- **New GAO Report on Poverty in America:** Economic Research Shows Adverse Impacts on Health Status and Other Social Conditions as well as the Economic Growth Rate: In 2005, 37 million people, approximately 13 percent of the total population, lived below the poverty line, as defined by the Census Bureau. Poverty imposes costs on the nation in terms of both programmatic outlays and productivity losses that can affect the economy as a whole. To better understand the potential range of effects of poverty, GAO was asked to examine (1) what the economic research tells us about the relationship between poverty and adverse social conditions, such as poor health outcomes, crime, and labor force attachment, and (2) what links economic research has found between poverty and economic growth. To answer these questions, GAO reviewed the economic literature by academic experts, think tanks, and government agencies, and reviewed additional literature by searching various databases for peer-reviewed economic journals, specialty journals, and books. We also provided our draft report for review by experts on this topic. <http://www.gao.gov/new.items/d07344.pdf>
- **EARLY CHILDHOOD EDUCATION: INVESTING IN QUALITY MAKES SENSE** Nearly four out of five states invest in preschool programs. However, states' financial commitment to early childhood education, their eligibility requirements, and the number of children who actually receive care vary widely, making high-quality and readily available state-funded preschool programs the exception rather than the rule. Research points to the benefits of high-quality, center-based programs include major components, according to new research edited by Lauren B. Resnick. This brief from the American Educational Research Association (AERA) outlines effective program components and what policymakers should do to encourage successful early childhood education. [http://www.aera.net/uploadedFiles/Journals\\_and\\_Publications/Research\\_Points/RPFall05.pdf](http://www.aera.net/uploadedFiles/Journals_and_Publications/Research_Points/RPFall05.pdf).
- **Early Childhood Intervention Programs Save Money, Benefit Children:** Well-designed programs for disadvantaged children return more to society in benefits than they cost by enabling youngsters to lead more successful lives and be less dependent on future government assistance. Savings can range from \$1.26 to \$17 for each \$1 spent on the programs, according to the new RAND report, Early Childhood Interventions: Proven Results, Future Promise. <http://www.rand.org/pubs/monographs/MG341/index.html>.
- **Connecticut's Early Childhood Investment Framework:** If you have not been following the work of the Early Childhood Education Cabinet or its partner, the Early Childhood Research



and Policy Council, it's time for you to get onboard. "Ready by 5, Fine by 9" is the Cabinet's Early Childhood Investment Framework. It's just 28 pages long, written in real people language, and online at --[www.ecpolicycouncil.org/docs/ready5\\_fine9.pdf](http://www.ecpolicycouncil.org/docs/ready5_fine9.pdf).