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Early childhood programs: a pay now or pay more later proposition

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State business leaders say investment will yield big dividends for Alabama

If you owned a business and had the opportunity to invest in a product with a proven ability to increase your sales, establish a foundation for future growth and bear dividends for decades, would you leap at the investment?

Most people we pose that question to don't hesitate to answer yes. Yet most don't realize we have just such an opportunity - right now, and right here in Alabama.

That investment is in early childhood development, ensuring that all children start life healthy, well-nourished and equipped by the time they reach kindergarten with the emotional and cognitive skills required to perform well and achieve.

Growing evidence clearly demonstrates that few investments our society can make provide the same high returns, in the short term and over the long run.

For example:

Every \$1 spent on high-quality early childhood programs for a disadvantaged child creates \$7 to \$9 in future savings to the communities and states that do the investing.

Families participating in a voluntary mentoring program for expectant mothers and fathers saw a 56 percent reduction in babies' hospital visits.

Research shows that disadvantaged children with quality early learning opportunities have fewer special-education needs in later years and are more likely to graduate from high school, earn more money and contribute more tax dollars, as well as becoming more productive members of the business community.

These simple realities have helped place early childhood investment as an economic development priority among a mounting number of business people here in Alabama and across the nation. More business leaders, economists and policymakers are recognizing that if we do not get child development and education right, it will diminish our potential as a state with a positive record of growth and innovation.

The strength and sustainability of our labor force is the key to economic growth and fiscal success. Through new economic analysis and scientific evidence, we are beginning to fully appreciate that experiences, from the prenatal period to age 5, are profoundly influential in determining later workplace effectiveness.

During these years, neural connections are forming at a rate of 700 per second, shaping the foundation of every child's later educational, mental, physical, emotional and social development. In fact, by the time you

finished reading that last sentence, 3,500 connections were made in a child's brain.

What happens during this early window of opportunity - both positive and negative - has a real and lasting impact on both the children and our society. Some disadvantages can be addressed down the road through remedial education and other intensive programs, but the cost to taxpayers is far greater and the chances of success are much lower than if we deploy evidence-based early childhood programs now.

On the societal level, research shows conclusively that investing early in a child's life yields significant gains in the form of increased labor productivity, competitiveness, economic growth and job creation.

We all want better educational outcomes in Alabama, so we must invest where it means the most, and where we show the greatest potential for success. As national economist James Heckman says, "The best way to improve our schools is to improve the students sent to them."

Decision-makers in Alabama and across the country face tough budget choices. The pressure to scale back or put off investments in young children is daunting. Any funding reductions for preschool, child care, child abuse prevention, and early childhood health and home-visiting programs would ultimately do far more harm than good - now and long into the future.

Governor Bob Riley and legislative leaders managed to actually increase funding for the state Pre-K program during the last legislative session, and this type of investment is crucial to build the labor force necessary for Alabama's economic future.

Across the country and in Alabama, business leaders understand that this investment in human capital is what will bring the greatest return.

What that means in practical terms is that the business community of Alabama is committed to building on-the-ground support for programs that will yield returns for the health, prosperity and future of our entire country by investing in our children.

We're committed to making these investments now, even as we weather an economic crisis where public money - and the public's appetite to make new expenditures - is in short supply. In fact, we believe the need to act comes as much because of our current economic situation as despite it.

We are pleased to join the Alabama Partnership for Children and the Alabama School Readiness Alliance in hosting the Business Leaders' Summit on Early Childhood Investment where we will work together to create the plan to build the strong minds and bodies of Alabama's children whose efforts will continue Alabama's economic success for generations to come.

William J. Canary is president and CEO of the Business Council of Alabama, Alabama's leading business and industry advocate representing nearly three-quarters of a million working Alabamians. Ralph Stacy is president and CEO of the Chamber of Commerce Association of Alabama, whose 124 Chambers of Commerce statewide represent more than 60,000 local business owners. Through the linkage of the two organizations, they represent more than 1 million working Alabamians.