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## Stimulating the Young

By [James Heckman](#) Friday, August 7, 2009

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Investing in the youngest among us yields rates of return that are comparable to the high return on stocks over the long run.



In times of economic adversity, governments look for temporary stimulus packages, be it cash for clunkers or shovel-ready jobs filling potholes. More often than not, they overlook America's best economic stimulus package with lasting benefits long after the money is spent—investing in the youngest among us and producing significant economic and social benefits with rates of return that are comparable to the high return on stocks over the long run.

That is why it is heartening to see the federal government seriously considering large investments in early childhood education from birth to age five. While potholes need to be repaved constantly, if we play our cards right with children, we will not need recurring repairs and will generate higher productivity, increased educational achievement, better health outcomes, and lower crime.

It is a smart investment. Data prove it. One of the most notable long-term studies is the HighScope Perry Preschool project, which commenced in 1962 and tracked the impact of two years of high-quality preschool on very poor African-American three- and four-year-olds living in Ypsilanti, Michigan. After those two years, the kids entered regular schools and have been followed for nearly 50 years by researchers.

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Children in the program were less likely to commit crimes, less likely to drop out of school, and more likely to be productive, perseverant, socially engaged citizens with higher wages. As the years pass, the data reveal less teen pregnancy for girls, reduced absenteeism for boys, and less need for special or remedial education.

A lot of other research bolsters these conclusions, along with growing neuro-scientific evidence of the impact of early learning on the brain. Without effective early childhood development, an emerging achievement gap separates the haves from the have-nots by the time children reach kindergarten. Middle class and affluent families have the resources to provide critical early childhood development, but many disadvantaged and low income families do not. It would help us all if we helped them because we will see greater returns in the investments we already make in education, healthcare, and social services.

Smart, high-quality, and targeted early childhood development promotes health, economic, and social outcomes by fusing cognitive skills with the critical social skills of attentiveness, persistence, and sociability. Many of our social problems, such as crime, are traced to an absence of the social and emotional skills, such as perseverance and self-control, that can be fostered by early learning. Crime costs taxpayers an estimated \$1 trillion per year.

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It is far more effective to invest in an upstream solution than to remediate a downstream problem. Few if any remediation programs provide the same rate of success or return on investment. Research data clearly shows that investment in early childhood development for disadvantaged children provides an 8 percent to 10 percent annual rate of return through better education, health, and social outcomes. Not only does it save taxpayers' money, it makes money for them by shaping more productive citizens.

American productivity and competitiveness are declining in a century that requires math, computer, communication, and social skills. Investing in early childhood development for disadvantaged children helps reverse the trend of rising economic inequality, of Americans driving the same roads but living in two different worlds. The context in which to place these benefits is not simply our current economic malaise, but our aspirations for a better future. This is an investment that builds upon itself as it builds American achievement and prosperity for generations to come.

This does not mean spending exorbitantly and giving money to one and all. We should reward and facilitate the improvement of quality early childhood development for disadvantaged children in as many states as are willing to embrace high standards. Deserving programs are those that concentrate on disadvantaged children and focus on developing the critical package of cognitive and social skills.

We have bailed out banks, propped up Detroit's automakers, and approved billions of dollars for highways and bridges. Now it is time to invest smartly in children.

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Image by Darren Wamboldt/Bergman Group.