

# *Investing in Early Childhood Education is a Sound Business Decision*

By Sandy Dochen

Eighty-five percent of a child's core brain structure is formed by age 3, but less than 4 percent of public investments on education and development have occurred by that time. To secure the social and economic future of Texas, we must utilize early education and care as a tool for social and economic development and invest in children during the important early years when a child's brain is forming.

Quality early education and care programs contribute to the overall health and well-being of children and families in Texas. Children who are exposed to quality-learning settings, whether at home or in other arrangements, during the critical first five years of life experience increased school success. At the same time, parents are able to maintain employment while feeling confident that their children are in a safe, supportive environment.

A 2003 study by Art Rolnick and Rob Grunewald of the Federal Reserve Bank of Minneapolis finds that communities that invest in education significantly increase their chance for economic growth. Investing in quality early education and care programs can bring an inflation-adjusted public return of 12 percent. They can bring a total adjusted return, including both public and private, of 16 percent. This evidence proves that early care and education is an economic development initiative that has a high rate of return by almost any measure.

By investing in quality early preschool programs, taxpayers will pay less for welfare and less for remedial education programs. Communities will yield significant returns through savings to the criminal justice system, the public school system, and increased tax revenues.

Another 2003 study conducted by the Waisman Center, Institute for Research on Poverty reports that for every \$1 invested in high quality center-based early education and care, communities save approximately \$7 through the increased likelihood that children will be literate, socially well-adjusted, employed, and enrolled in postsecondary education. As a result, children are less likely to be school dropouts, dependent on welfare, or arrested for criminal activity.

As the research supporting investment in early education and care continues to mount, so does the wide array of sources speaking out on this issue. The Federal Reserve Bank is just one of many new voices communicating the economic benefits of investing in early childhood education. Police chiefs from across the country are among the supporters of increased investments to early education and care as a strategy for reducing youth violence, crime and enabling children to reach their full potential.

Here in Texas, the business community is a growing voice of support, viewing early education and care as a public investment. Business leaders recognize the direct connection between early childhood education and a sustainable, productive workforce ready to shape the future of Texas. Corporate leaders understand the critical need to promote family-friendly practices in order for their employees to accomplish a successful work/life balance. From offering these flexible work policies to advocating improvements in early childhood development programs, the business community is an important partner in helping schools meet increased education expectations.

We must all work to ensure that our communities are investing in the welfare of our children. The social and economic returns of quality early education and care are extraordinary, resulting in a healthier, well-educated workforce. We must invest our money where they will get the greatest returns. Investing in early education and care will allow us to compete on a national and global scale.

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