

The Business Case for Early Learning



American Competitiveness in Peril: The Case for a Complete and Competitive Education

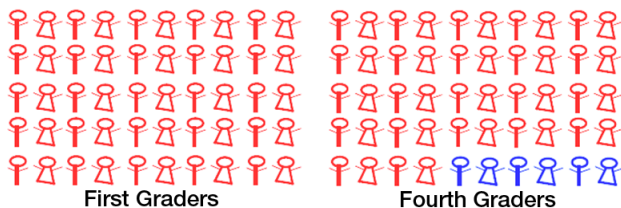
- By failing to address early childhood development, we are jeopardizing our own future. In a globally competitive workplace, we can no longer allow children to enter school unprepared to learn and to succeed.
- A well-educated, qualified workforce is the cornerstone of a vibrant economy and prosperous communities. High-quality preschool helps cultivate that skilled workforce by narrowing the achievement gap and giving young children a solid foundation in critical early social and academic skills.
- We are already falling behind other countries. The U.S. ranks 26 out of 32 countries in Programme for International Student Assessment (PISA) math scores.
- California is falling behind other states too. On the National Assessment of Education Progress (NAEP) 2005, California ranked in the bottom sixth in eighth grade math, reading and science, compared to other states.
- Each year, 120,000 Californians reach age 20 without a high school diploma, costing the state \$46.4 billion over a lifetime – and depriving us of the talented workforce that drives innovation and fuels our economic growth.



Kids who Start Behind Stay Behind

Studies show that far too many children are entering kindergarten unprepared, and that a wide gap exists between lower- and higher-income children, even before they enter kindergarten.

- At age 3, low-income children have average vocabularies of 480 words, while high-income children have average vocabularies of 1,100 words.
- Of 50 children who have trouble reading in first grade, 44 will still have trouble in fourth grade.



Source: Partnership for America's Economic Success

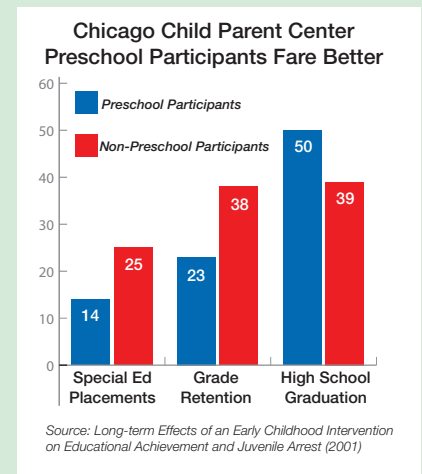
Brain Development Research Supports Early Intervention

- Learning begins at birth: Early experiences shape a child's brain development and lay the foundation for all future learning, behavior and success.
- The brain is like any other muscle: It must be used to become – and stay – healthy.

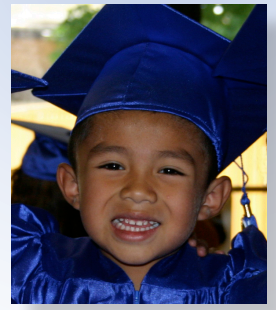
Quality Early Learning is a Proven Investment in School Success

Early childhood education gets kids ready to learn during their most formative years. National research shows that children who attend high-quality preschool programs:

- perform better on standardized tests in reading and math;
- are less likely to be placed in special education;
- are less likely to be held back a grade; and
- are more likely to graduate from high school and attend college.



Business Leaders Recognize Preschool is a Smart Public Investment



Get Involved: Become a Preschool Champion

- Ask for a tour of a high-quality early learning program in your area.
- Policymakers and candidates, particularly our next governor, have the power to move early learning policy. Contact them to voice your support for high-quality preschool.
- Sponsor a briefing to spread the word about preschool's benefits to colleagues and policymakers.
- Sign a letter to the editor or an op-ed.
- Learn more about the business case for high-quality early learning on our website at www.preschoolcalifornia.org/business_action.

“The best way to improve the American workforce of the 21st century is to invest in early education, to ensure that even the most disadvantaged children have the opportunity to succeed alongside their more advantaged peers.”

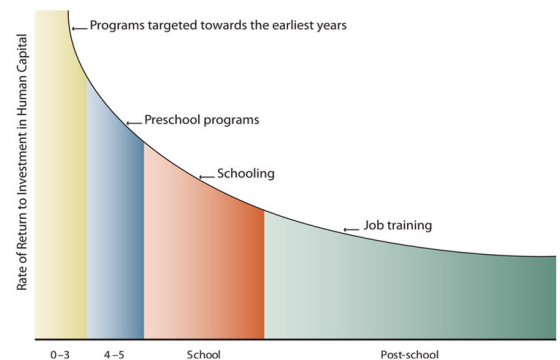
— James J. Heckman 2000 Nobel Laureate in Economics

- If the U.S. had closed the achievement gap between low-income students and others a decade ago, gross domestic product in 2008 would have been \$400 billion to \$670 billion higher, according to a recent McKinsey & Co. report.

Early Investments = Higher Returns

- Economic research shows that the earlier we make investments, the greater our return will be.
- In cost-benefit analyses, economists have found high-quality early childhood education offers one of the highest returns of any public investment -- \$7 to \$16 for every dollar spent. It saves government spending on K-12 education, public assistance and the criminal justice system, and increases tax revenues as a result of higher earnings.

Returns to a Unit Dollar Invested



Source: Heckman and LaFontaine (2007).

Supporting Today's Workforce

In addition to being a proven long-term investment that stimulates long-term economic growth, high-quality early care and education allows parents to go to work secure that their children are in safe, nurturing environments. Employers find that good early childhood programs reduce absenteeism and increase productivity, recruitment and retention of employees.

Join us in ensuring California's children are prepared to succeed in school, contribute to a strong economy and build thriving communities.

Sources for all research cited in this document are available at www.preschoolcalifornia.org/business

For more information, visit www.preschoolcalifornia.org/business



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