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## Early childhood education pays big dividends, study says

By **Jennifer Ginsberg**

Staff writer

If West Virginia could make a substantial commitment to high-quality early education, it could get a 12 percent return on its economic development investment, says a Marshall University study scheduled to be released this afternoon at a policy forum in Charleston.

Investing in early childhood development — programs like Head Start, prekindergarten, preschools, family child care homes and child care centers — is probably more

important than any other current economic development effort, said the \$50,000 study paid for by the Claude Worthington Benedum Foundation and done by Marshall's Center for Business and Economic Research.

"We are suggesting states could shift millions of dollars they spend now on economic development to an endowment for early childhood development," said Margie Hale, executive director of the West Virginia Kids Count Fund.

It would cost \$60 million for Kids Count to target all at-risk 3- and 4-year-old West Virginians, Hale said. Although that amount is going into the system, it would probably need to be doubled to reach quality levels, she said.

State and local governments spend billions of public money each year to subsidize private companies so they'll relocate or expand their business.

But recent studies of this economic development approach show that the "economic bidding war" is actually counterproductive, concluded Rob Grunewald and Art Rolnick, economists at the Federal Reserve Bank in Minneapolis.

Early child development is one of the most productive investments, but one that's rarely viewed as economic development, they said. Research done by James Heckman, a Nobel Prize-winning economist shows that money spent on preschool has a higher rate of return than any other life cycle stages.

The Marshall study shows that West Virginia could expect a \$5.20 return for every dollar invested in early child development. Those returns can come in the form of higher graduation rates, more college completion, higher incomes and generally better lifestyles.

The business community would get a more qualified work force. Employees with children in the programs would be more productive and absent from work less, the study says. Children who go through quality early child development programs can ultimately benefit society by earning more money and paying more taxes. They're also less likely to go to jail, use drugs, fail a grade in school or receive welfare, the study says.

West Virginia had 4,072 licensed early child development facilities in 2002, according to the study. While there are a "few very fine programs," Hale said, "the vast majority would not be at the level that are going to produce these economic returns we talk about. Quality is at the heart of all of this."

Young children need a ratio of one teacher for every 10 students and classes with 20 or fewer students. West Virginia does fairly well with those measures, Hale said. It's the meaningful interactions between children and teachers — like back and forth discussion and teachers helping students express their thoughts and feelings — that needs to improve.

Teachers also need more support, mentoring relationships and perhaps improved training in college, she said. Average yearly salaries for people who work in West Virginia's early child development industry are well below the national average, the study showed. Employee turnover is a problem and about a third of the programs provide health insurance for their employees.

The early child development advocates want to partner with businesspeople to work on ways to improve the quality and amount of money that goes into early child development.

Businesses could provide an early child development program at their facilities, give money to community groups that help young children and support public policy to increase state funding for these types of efforts, said Renate Pore, a public policy consultant with the West Virginia Health Kids and Families Coalition.

“We have so many poor children in West Virginia, if we don’t make sure they get the stimulant and interaction with adults from zero to three, we’re missing the boat with these kids,” she said.

*West Virginia: A Vision Shared and first lady Gayle Manchin are sponsoring the policy forum, which runs from 4 to 6:40 p.m. today and 8 a.m. to 2 p.m. Monday at the Clay Center for the Arts and Sciences.*

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