



# UNIVERSALLY AVAILABLE, PUBLICLY FUNDED EARLY EDUCATION

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Universally available, publically funded early childhood education would be a benefit not only to children and their families, but to society.

The United States provides free public education for children from kindergarten through high school.<sup>1</sup> So why do we require that parents of younger children either pay for early education programs or apply for government programs targeted at the poor?

The gains from early childhood education programs are well established: the best studies suggest that they have substantial economic returns to both the children and society.<sup>2</sup> The benefits that can be traced to high-quality early education show up in the higher salaries that children earn as grown-ups, the greater contribution to society that their salaries reflect, and the higher tax receipts garnered. Elevated high school graduation rates and college-going

rates are also correlated with early education, as well better health outcomes, fewer incidences of repeating a grade or needing special education, reduced reliance on social support programs, and less engagement with the criminal justice system.

The foundations of such benefits are summed up in a 2000 volume published by the National Research Council and Institute of Medicine: “From birth to age 5, children rapidly develop foundational capabilities on which subsequent development builds. In addition to their remarkable linguistic and cognitive gains, they exhibit dramatic progress in their emotional, social, regulatory, and moral capacities. All of these critical dimensions of early development are intertwined, and each requires focused attention.”<sup>3</sup>

Despite the research, neither the federal government nor the states have allotted sufficient funding to allow a significant expansion of such programs. Whenever it is promoted, it is almost always targeted at children from low-income families. The logic of targeted programs is, first, that resources are scarce, and second, that the payoff of early childhood education is largest for children from low-income families. It seems to follow that available funds should go where they would get the highest return—not to mention that the approach seems likely to make the greatest contribution to equal opportunity.<sup>4</sup>

The targeting argument is built, however, upon the assumption that government funds for social programs are inherently limited. Costs and benefits are not weighed.

### **Children and Families**

Ideally, budget decisions would be based on a clear understanding of the costs and benefits of each program vying for the funds. The total amount of funding—federal and state—for child care would thus remain an open question, and decisions about targeted versus universal programs would be based on an assessment of the gains from and problems of each option.

### **The Gains to the Children**

Although there is substantial evidence that children from low-income families gain the most, there is also substantial evidence that the gains for children from low-income families are greater in programs that are diverse in terms of the income levels of the children’s families than in programs targeted just at children from low-income families.

A 2007 study compared two groups of children from low-income families, one entering economically diverse preschools and the other entering preschools for low-income families. The study found

significantly greater improvement in the language scores of the former group. In fact, for the children in the diverse preschools, test scores over the year were not significantly different from those of the more affluent children in the programs. A 2007 Georgia study found that the ability level of the peers in a child’s classroom has direct and positive effects on the child’s cognitive skills, prereading skills, and expressive language skills. And a 2009 study, involving almost 2,000 children in 11 states, found similar positive effects of peers on language skills. (Further study is needed to ascertain what happens to the skills of higher-income children in the economically integrated programs.)<sup>5</sup>

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### **The Burdens on Families**

Targeting publicly funded early childhood education at low-income families is based on assumptions about a neat divide between families who can and families who cannot afford to pay. Yet the costs are a severe, perhaps prohibitive, burden on many families who are not classified as low-income.

In New England, at the median income of single-mother families, the cost for a four-year-old in a center ranges from 33.2 percent of income (New Hampshire) to 44.8 percent (Massachusetts)—more than the typical cost of housing. Many single-mother families would be eligible for some form of support through existing targeted programs, but those at the median-income level would not. Even for two-member families (a mother and one child) with incomes twice the poverty level, the cost of center care in New England ranges from 26.9 percent of income (Maine) to 39.7 percent (Massachusetts). Similarly, for three-person families (two parents and a child) with incomes at twice the poverty level, costs range from 21.3 percent of income (Maine) to 31.5 percent (Massachusetts).

Even for families with the state median household income, the cost as a share of income ranges from 14.8 percent to 17.7 percent. For families with an infant or more than one child of pre-K age, the percentage cost is higher.<sup>6</sup>

## The Perverse Impact of Targeted Programs

Targeted, or means-tested, social programs have perverse impacts that do not encumber public K–12 programs. Targeted programs create a disincentive for families to earn more. For families receiving support from targeted social welfare programs (child care, housing, and the like), efforts to earn more are likely to be self-defeating since income gains would be offset by loss of eligibility for support programs. A 2008 Boston study illustrates the problem. A single mother with two children, ages 8 and 3, who could obtain training and move from an \$11-an-hour job to a \$16-an-hour job would gain \$833 per month in wages but would suffer a \$863 loss in monthly supports.<sup>7</sup>

A second perverse impact is that moderate-income families also find child-care expenses burdensome. No matter where the cutoff point is, those above the cutoff point—especially those close to the cutoff point—would feel that they were being treated unfairly. The problem becomes especially acute when the division is, or is perceived as being, along racial lines.

In addition, experience with K–12 schooling has demonstrated that separation of programs by income levels generally yields poor schooling for children from low-income families. If schooling—at any level—is to contribute to economic and social equality, the schooling itself needs to be equal in quality. Universal programs do not guarantee economic integration, as we know from K–12 experience, but they can make a difference.

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Half of the three- and four-year-olds nationwide (and many younger children) are already enrolled in day-care programs, and more would be but for parents' financial constraints. Greater public funding for early childhood education targeted at children from low-income families would be a step forward, but not a big step forward.

After all, we fund K–12 schools through our taxes. We don't fund the K–12 schools simply for kids from low-income families. We don't have a sliding scale. We treat everyone the same. A "common school," with all its warts, has been one of the great social and economic accomplishments of our society. We should recognize that and provide the same for education in the formative years of cognitive and social development.

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## Endnotes

<sup>1</sup> This article draws on Arthur MacEwan, "Early Childhood Education as an Essential Component of Economic Development, with Reference to the New England States" (white paper, Political Economy Research Institute, University of Massachusetts, Amherst, January 2013), [http://www.peri.umass.edu/fileadmin/pdf/published\\_study/ECE\\_MacEwan\\_PERI\\_Dec24.pdf](http://www.peri.umass.edu/fileadmin/pdf/published_study/ECE_MacEwan_PERI_Dec24.pdf).

<sup>2</sup> See James J. Heckman et al., "The Rate of Return to the High/Scope Perry

Preschool Program," *Journal of Public Economics* 94 (2010); and Janet Currie, "Early Childhood Education Programs," *Journal of Economic Perspectives* 15, no. 2 (spring 2001).

<sup>3</sup> Committee on Integrating the Science of Early Childhood Development, *From Neurons to Neighborhoods: The Science of Early Childhood Development*, Jack P. Shonkoff and Deborah A. Phillips, eds. (Washington, DC: National Academy Press, 2000), 5.

<sup>4</sup> See Art Rolnick and Rob Grunewald, "The Economic Case for Targeted Preschool Programs," in *The Pre-K Debates: Current Controversies and Issues*, Edward Zigler et al., eds. (Baltimore and Washington: Paul H. Brookes Publishing Co. and the National Association for the Education of Young Children, 2011).

<sup>5</sup> Carlota Schechter and Beth Bye, "Preliminary Evidence for the Impact of Mixed-Income Preschools on Low-Income Children's Language Growth," *Early Childhood Research Quarterly* 22 (2007); Gary T. Henry and Dana K. Rickman, "Do Peers Influence Children's Skill Development in Preschool?" *Economics of Education Review* 26 (2007); and Andrew J. Mashburn et al., "Peer Effects on Children's Language Achievement During Pre-Kindergarten," *Child Development* 80, no. 3 (May–June 2009). See also Steven Barnett, "Four Reasons the United States Should Offer Every Child a Preschool Education," in Zigler et al.

<sup>6</sup> See MacEwan, table 3, [http://www.peri.umass.edu/fileadmin/pdf/published\\_study/ECE\\_MacEwan\\_PERI\\_Dec24.pdf](http://www.peri.umass.edu/fileadmin/pdf/published_study/ECE_MacEwan_PERI_Dec24.pdf).

<sup>7</sup> R. Loya et al., *Fits & Starts: The Difficult Path for Working Single Parents* (report, Crittenton Women's Union and the Center for Social Policy, McCormack Graduate School, University of Massachusetts, 2008), [Scholarworks.umb.edu/csp\\_pubs/10/](http://scholarworks.umb.edu/csp_pubs/10/).

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