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Modesto E. Abety: Invest in children to stimulate the economy

By Modesto E. Abety
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Need some economic wisdom you can bank on? A tip with guaranteed return? Investing in children is good business, short and long term.

While policymakers on both sides of the political aisle debate a potential economic stimulus package that throws lifelines to major industries and employs legions of citizens to build bridges, repair roads and develop alternative sources of energy, they also must invest in programs and services that put people to work safeguarding, educating and developing our children and youth. Investing in children provides short-term economic stimulus with lasting impact.

The Children's Trust, a children services council serving Miami-Dade County and one of eight such councils created by voter referendum in Florida, employs 100 people and this year manages a budget of \$140 million. Ninety-two percent of those dollars are invested in direct services. Hundreds of organizations that have expanded programs for children and families as a result of Trust funding in the first five years of our existence now provide jobs to 6,000 full- and part-time workers annually.

Multiply that kind of potential impact in every municipality from coast to coast. Imagine the economic stimulus created by employing more people in after-school and summer programs, school health initiatives, serving children with disabilities, teaching pre-school children how to read and express themselves through the arts, mentoring adolescents and so much more.

Further, these programs aid working parents, allowing them to be more productive because they know their children are safe and receiving quality care and education.

That's the short-term impact.

Now consider the long-term return on investment when we have nurtured and raised a generation of more educated, creative, resourceful and innovative workers. A wealth of studies have examined the benefit-cost ratios of early childhood development programs and found their net benefits both positive and large; on average, a \$1 investment in quality early care and education provides between \$4 and \$8 in reduced costs associated with such social outcomes as lower rates of grade retention, special education placement, adolescent pregnancy, drug use, and criminal activity — at the high end this is a 17-percent return on investment. And that's no Ponzi scheme!

From research conducted for the Partnership for America's Economic Success, the longer-term economic impacts — improved job growth and fiscal health at the state and federal levels — are also substantial. For example, Timothy Bartik of Upjohn Institute estimates investment in universal Pre-K for all children results in \$2.78 in state earnings per \$1 cost, \$3.79 in national earnings per \$1 cost and generates 3.3 million jobs nationally.

In mid-December, the Children's Leadership Council (CLC) launched its "Invest in Children, Strengthen America" campaign in Washington, D.C. The coalition of children advocates represents 35 leading national policy and advocacy organizations, with members in every state in the nation.

As one unified voice and with a singular mission, the campaign seeks to heighten public awareness and create the political will necessary to make greater federal investments in America's children and youth a reality.

The CLC is urging President-elect Obama and Congress to commit to specific economic recovery measures and long-term investments that can help keep more children and youth from falling into poverty. The group seeks funding for a range of children's programs that they argue are directly linked to getting the nation's unemployed workers back on the job. Their proposal includes \$70 billion over five years for child care and early education.

The wisest investment "we the people" can make is to ensure that sufficient dollars are directed to early childhood programs and education.

There's no better return on investment, and that's a secret that everyone needs to know.

Additional Facts

About guest opinion

Modesto E. Abety is CEO and president of The Children's Trust.
