Early Childhood Education and Care for Low-Income Families in the United States

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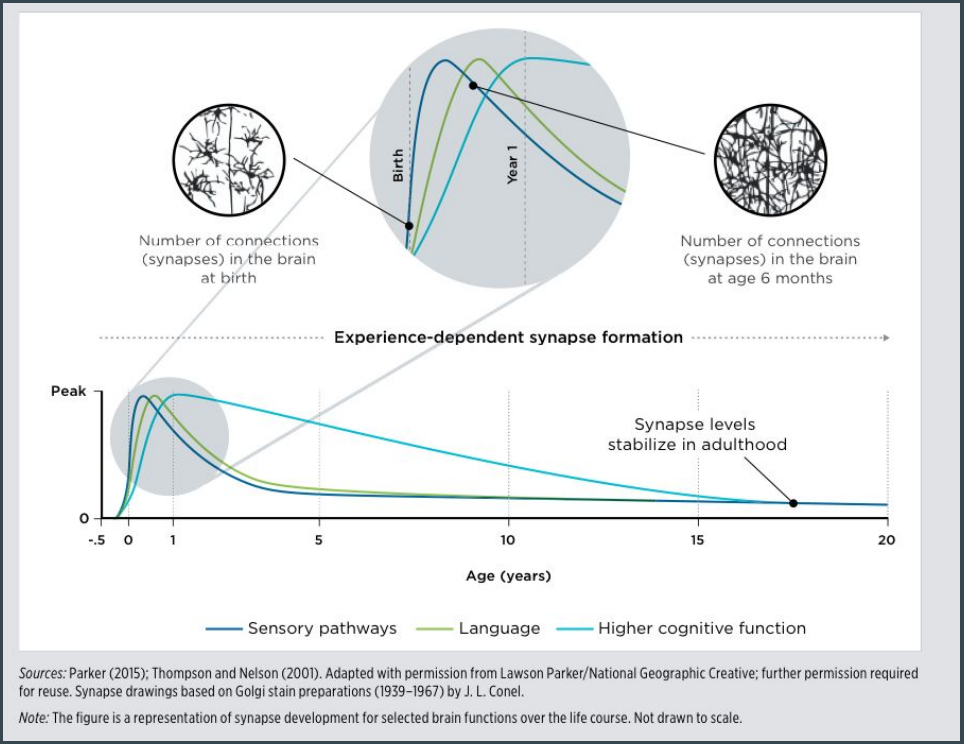
Why Focus on Early Childhood Education and Care (ECEC)



Sources: Parker (2015); Thompson and Nelson (2001). Adapted with permission from Lawson Parker/National Geographic Creative; further permission required for reuse. Synapse drawings based on Golgi stain preparations (1939–1967) by J. L. Conel.

Note: The figure is a representation of synapse development for selected brain functions over the life course. Not drawn to scale.

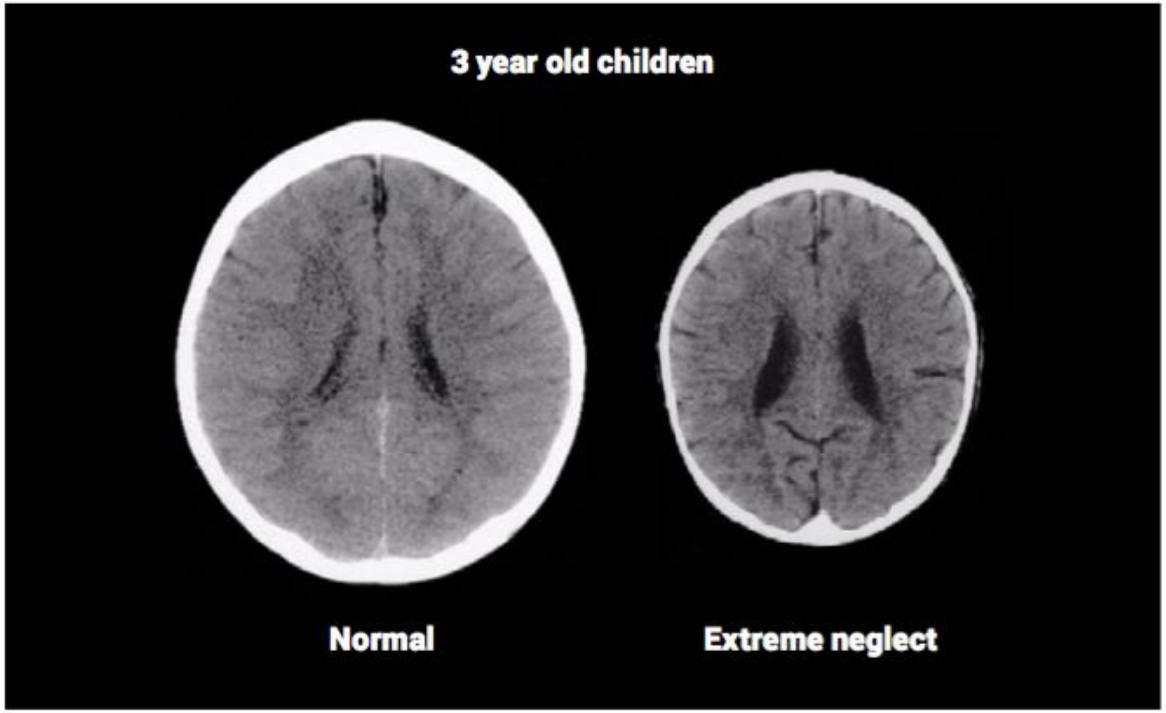
"The fastest synaptic growth [related to the malleability of the brain]occurs between the prenatal period and age 3"

This should lead to higher investment in learning and skill development in earlier years of human life.

Cunha et al (2007, 2006).

World Development Report 2018 (World Bank, 2017).

Why Focus on Early Childhood Education and Care (ECEC)



Source:
Perry (2002).[v22]

Source: Education Commission Report 2017

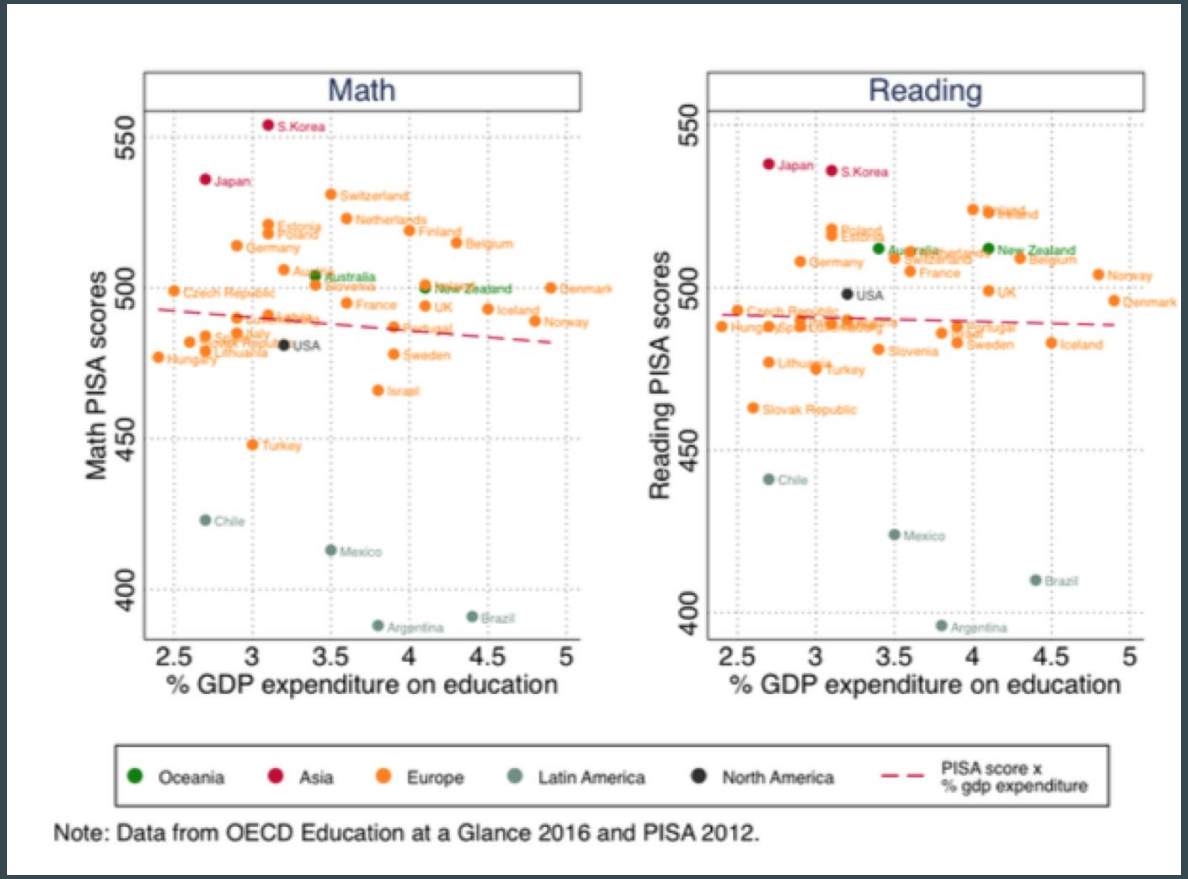
An investment that pays off

Focusing on ECEC is one of the most effective interventions to break the cycle of poverty (Costin, 2015)

Quality matters:

- Day care centers and pre-school programmes for children improve cognitive and socioemotional skills in the short run.
- Over the long term they improve education and labour market outcomes (Berlinski, Galiani, and Gertler 2008; Engle and others 2011; WDR 2018).
- Poor process quality ECEC programmes can result in worse developmental outcomes. Berlinski and Schady (2015); Bernal and others (2016); Grantham-McGregor and others (2014).

Why focus on quality? For everyone but mainly for low- income families



Spending more does not necessarily translate in better education outcomes as measured by PISA.

Other countries spend almost the same and have different educational outcomes

Quality: Spending not only in access but in well-designed ECEC

More years of ECEC are related to better performance on maths

Averages for PISA mathematics scale: overall mathematics, age 15 years by Duration in early childhood education and care [DURECEC], year and jurisdiction: 2015

Year	Jurisdiction	Attended ECEC for less than a year		Attended ECEC for at least one but less than two years		Attended ECEC for at least two but less than three years		Attended ECEC for at least three but less than four years		Attended ECEC for at least four but less than five years	
		Average	Standard Error	Average	Standard Error	Average	Standard Error	Average	Standard Error	Average	Standard Error
2015	**International Average (OECD)**										
	France	424[1]	(9.6)	466[1]	(8.3)	489[1]	(5.1)	508[1]	(2.5)	500[1]	(4.2)
	Netherlands	—	(†)	—	(†)	—	(†)	—	(†)	—	(†)
	United Kingdom	455[1]	(7.8)	485[1]	(3.1)	495[1]	(3.1)	511[1]	(3.8)	525[1]	(5.7)
	United States	407[1]	(14.3)	454[1]	(4.6)	478[1]	(3.9)	486[1]	(4.2)	488[1]	(7.2)

SOURCE: Organization for Economic Cooperation and Development (OECD), Program for International Student Assessment (PISA), 2015 Reading, Mathematics and Science Assessment.

More years of ECEC are related to better performance on reading

Averages for PISA reading scale: overall readings, age 15 years by Duration in early childhood education and care [DURECEC], year and jurisdiction: 2015

		Attended ECEC for less than a year		Attended ECEC for at least one but less than two years		Attended ECEC for at least two but less than three years		Attended ECEC for at least three but less than four years		Attended ECEC for at least four but less than five years	
Year	Jurisdiction	Average	Standard Error	Average	Standard Error	Average	Standard Error	Average	Standard Error	Average	Standard Error
2015	**International Average (OECD)**										
	France	413[1]	(11.9)	463[1]	(9.2)	496[1]	(5.3)	518[1]	(3.1)	507[1]	(4.7)
	Netherlands	—	(†)	—	(†)	—	(†)	—	(†)	—	(†)
	United Kingdom	457[1]	(8.6)	491[1]	(3.4)	502[1]	(3.5)	519[1]	(4.4)	536[1]	(6.7)
	United States	432[1]	(17.3)	479[1]	(5.5)	506[1]	(3.8)	512[1]	(4.8)	512[1]	(7.7)

SOURCE: Organization for Economic Cooperation and Development (OECD), Program for International Student Assessment (PISA), 2015 Reading, Mathematics and Science Assessment.

More years of ECEC are related to better performance on science

Averages for PISA science scale: overall science, age 15 years by Duration in early childhood education and care [DURECEC], year and jurisdiction: 2015

Year	Jurisdiction	Attended ECEC for less than a year		Attended ECEC for at least one but less than two years		Attended ECEC for at least two but less than three years		Attended ECEC for at least three but less than four years		Attended ECEC for at least four but less than five years	
		Average	Standard Error	Average	Standard Error	Average	Standard Error	Average	Standard Error	Average	Standard Error
2015	**International Average (OECD)**										
	France	418[1]	(10.7)	466[1]	(9.0)	493[1]	(5.0)	511[1]	(2.4)	501[1]	(3.9)
	Netherlands	—	(†)	—	(†)	—	(†)	—	(†)	—	(†)
	United Kingdom	468[1]	(8.0)	503[1]	(2.8)	511[1]	(3.3)	528[1]	(4.1)	542[1]	(6.6)
	United States	424[1]	(15.7)	477[1]	(4.9)	505[1]	(3.7)	511[1]	(4.5)	513[1]	(7.3)

SOURCE: Organization for Economic Cooperation and Development (OECD), Program for International Student Assessment (PISA), 2015 Reading, Mathematics and Science Assessment.

Lessons from abroad - Welfare regime framework

- Welfare state preferences define child care organization
- Three regimes of child care
  - Corporate
  - Institutional (consensus)
  - Residual
- Examples:
  - France, Netherlands: corporate
  - Sweden: institutional
  - United States (focus of policy proposal): residual

Lessons from abroad - Institutional model

- Universal
- Child care is regarded as a basic component of living standard
- Drawback: mostly highly educated make use of it
- Example country: Sweden

Lessons from abroad - Corporate model

- Between institutional and residual model
- Aim for high availability, but with means-tested element
- Result of an interplay of political interest groups
- Examples: Netherlands and France

Lessons from abroad - Residual model

- State involvement only when the market (or the family) fails
- State is therefore little involved in child care
- Example: United States

Female labour force participation and government spending

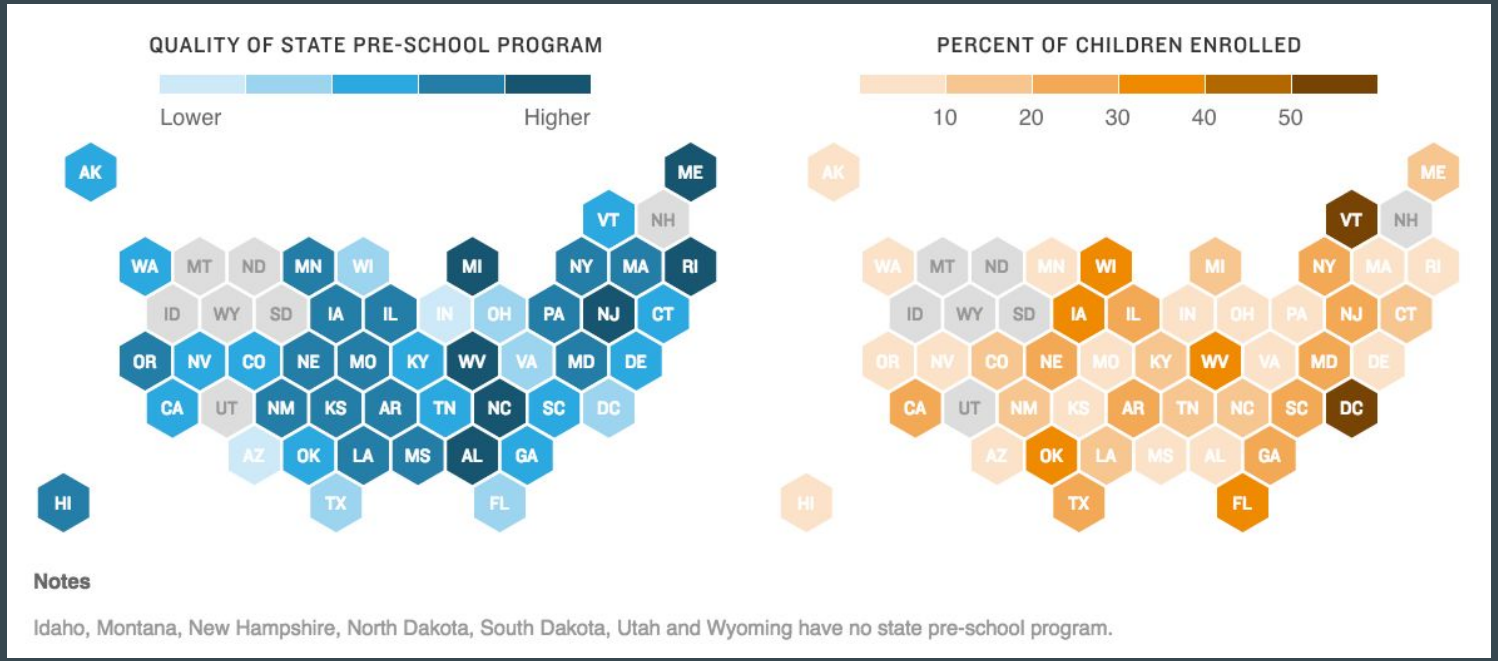
Country	Female labour force participation	Public spending per child in USD PPP (children aged 0-5)	Public spending on childcare as % of GDP
Netherlands	57%	5,400	0.4%
France	50%	6,800	0.6%
Sweden	61%	10,300	1.1%
United States	56%	2,400	0.1%

Data source: World Bank, projected estimates over the year 2017 & OECD year 2013

ECEC in the United States

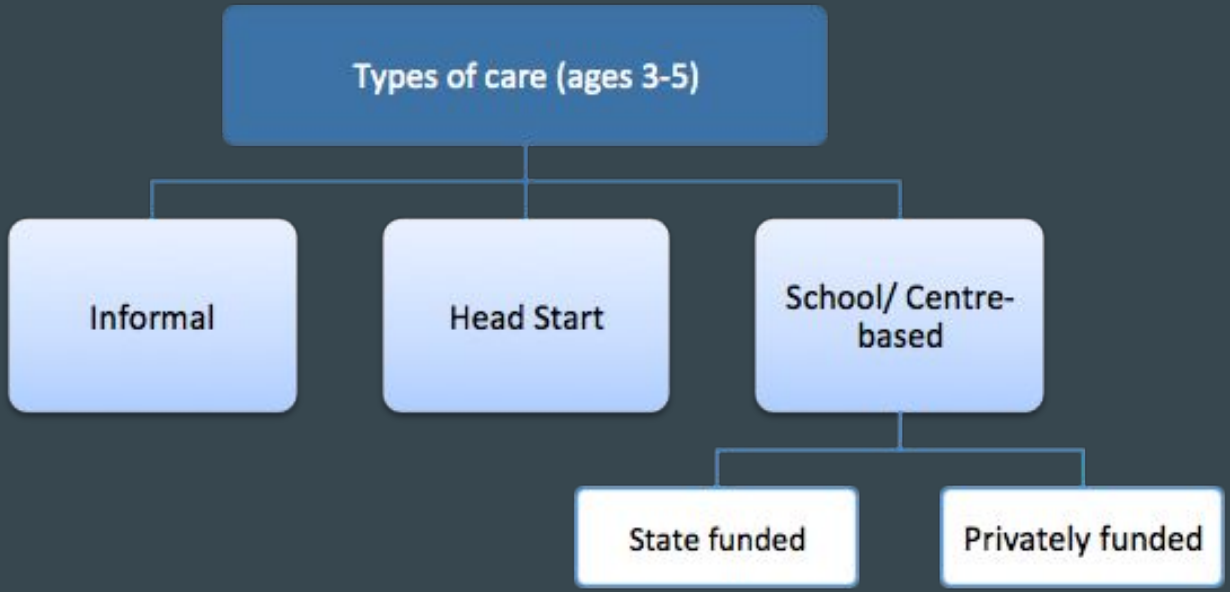
- Heavy reliance on market provision
- Fragmentation; no strong federal oversight
- Patchwork of funding arrangements
- Huge variation in quality and access

Quality & Access (public preschools)



Source: National Public Radio (2017)

Types of Care



Head Start

- Means-tested, federally-funded ECEC program
- Serves < 20% of low-income children ages 3 & 4
- $6 billion / year in federal funding
  - $20 billion/year needed to cover 50% of low-income children
- Framed as an “education” program

Centre-based Childcare

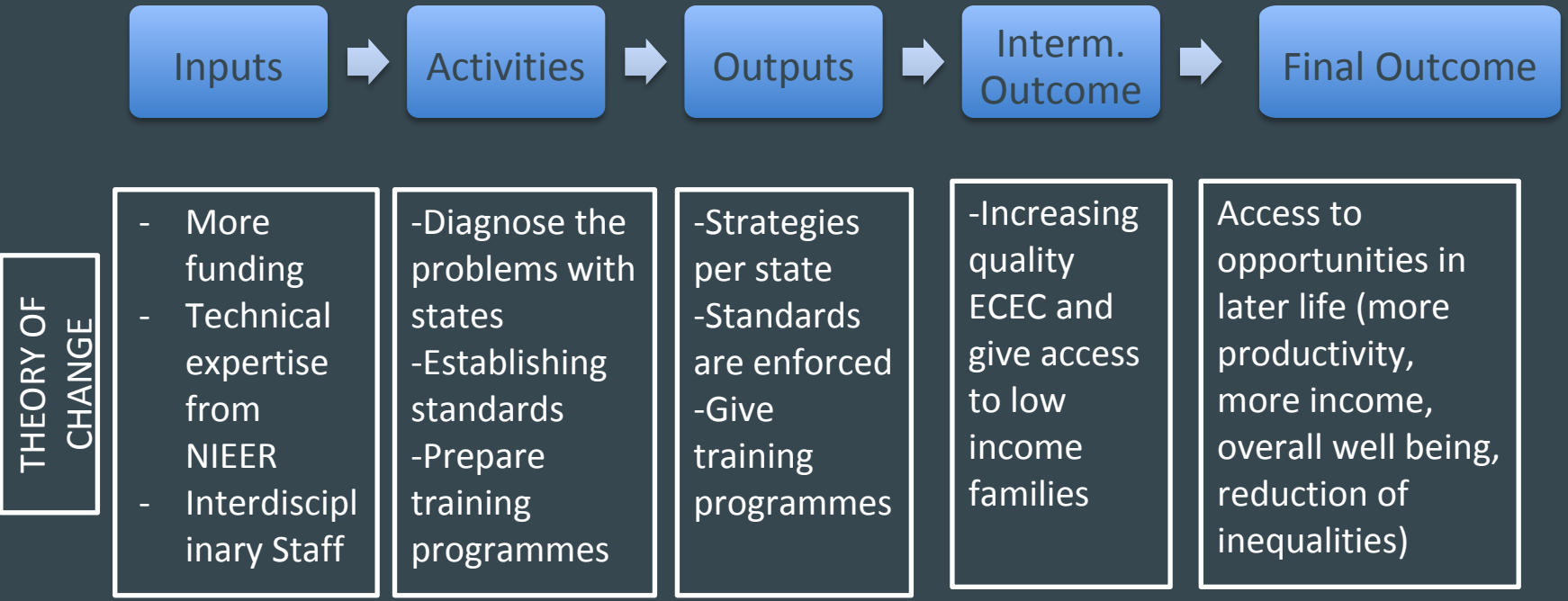
- Enrollment in preschool: 45% of low-income children vs. 75% of high-income children
- Private preschools
  - Low-income families spend an avg. of 18% of family income on childcare
- Public preschools are available in 45 states
  - Mostly means tested, low coverage
  - A few states have universal access

Universal vs. Means-tested

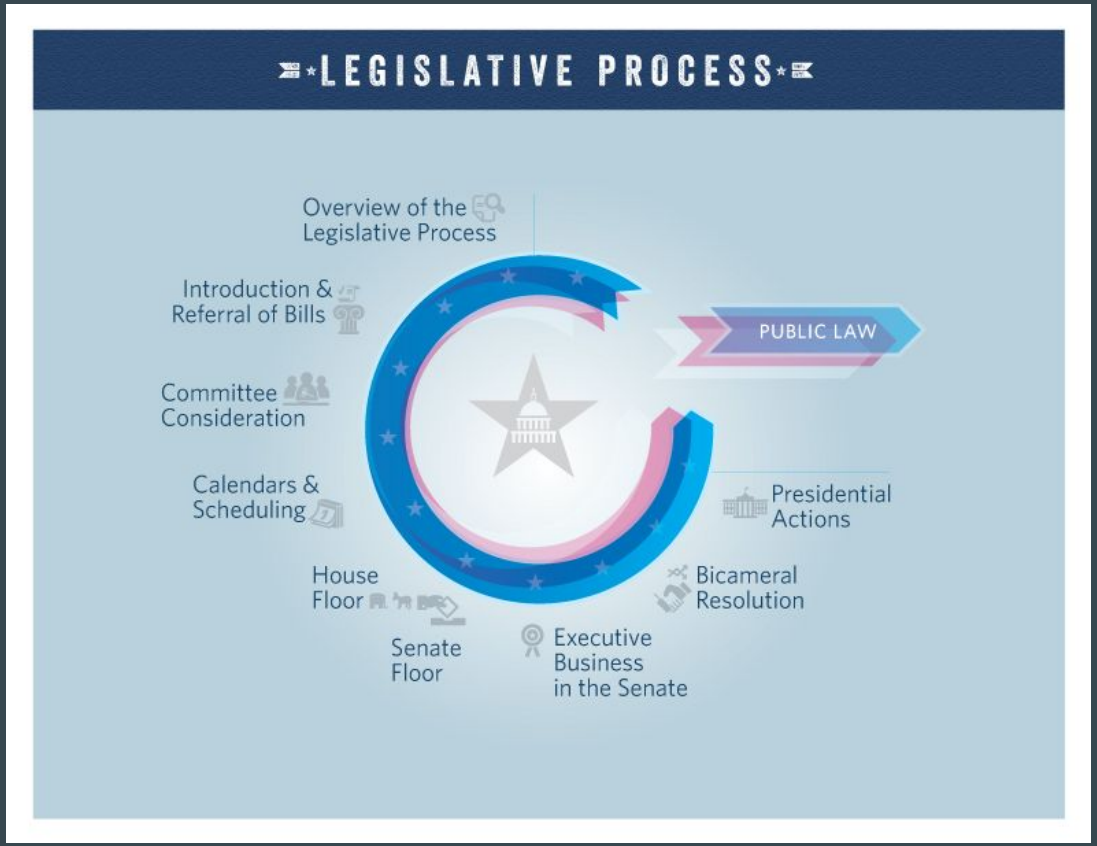
- Means-tested has imperfect take-up
  - Stigma and administrative challenges
- Universal leads to higher quality?
  - Not proven empirically. Quality may be harder to implement after access is expanded.
- Universal is more expensive
  - SROI of 2.6 (RAND Corporation), but this assumes high quality care

Policy recommendation

- Expand mandate of the Childcare Office
- Work with the NIEER to understand gaps in quality and set standards for childcare provision in schools.
- Offer training to public childcare providers
- Eventually publicize adherence to standards via a preschool rating system
    - Incentivise race to the top
- Allow states to determine long-term enforcement through funding mechanisms

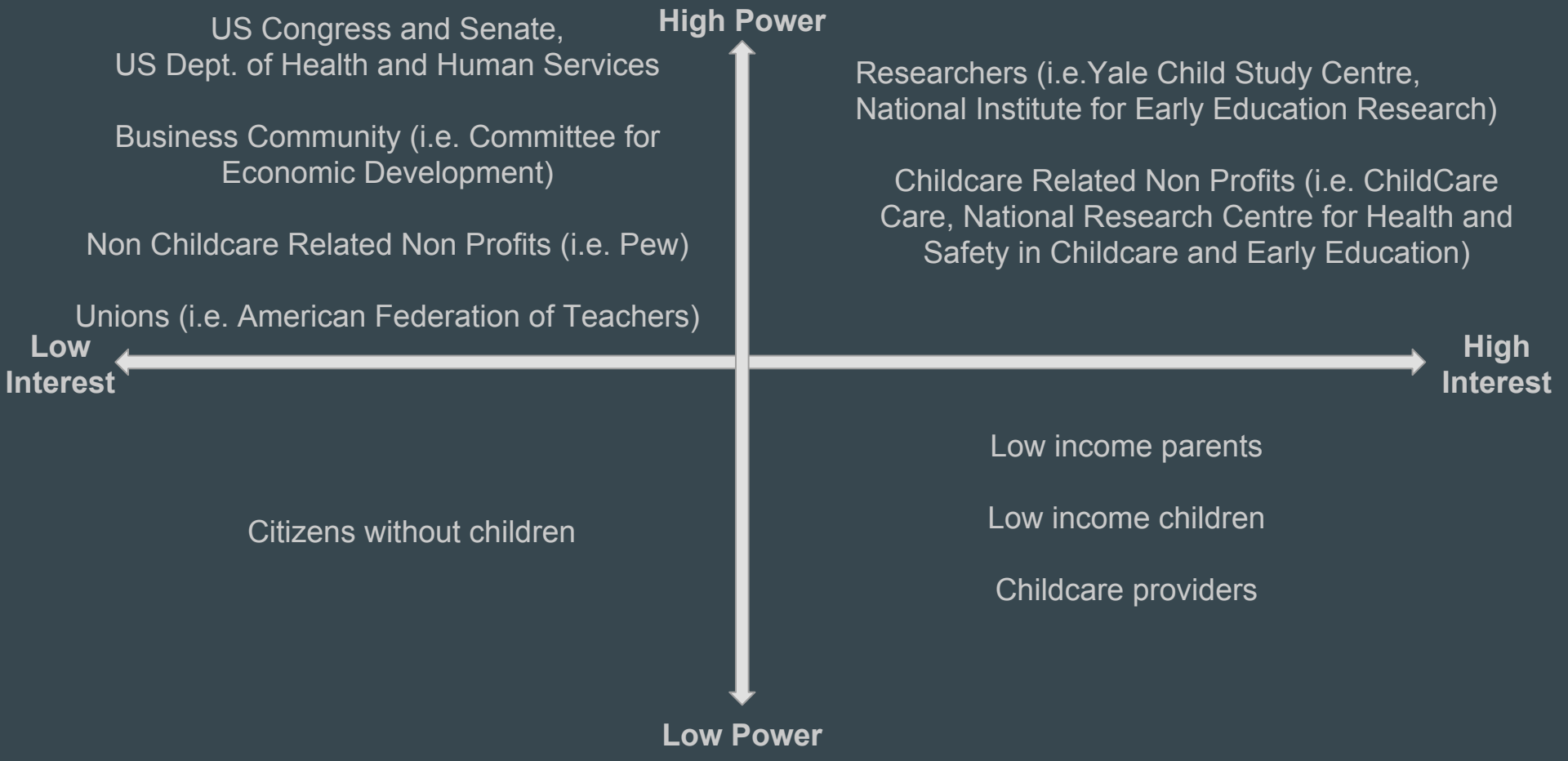

Inputs
Activities
Outputs
Interm. Outcome
Final Outcome
THEORY OF CHANGE
- More funding
- Technical expertise from NIEER
- Interdisciplinary Staff
-Diagnose the problems with states
-Establishing standards
-Prepare training programmes
-Strategies per state
-Standards are enforced
-Give training programmes
-Increasing quality ECEC and give access to low income families
Access to opportunities in later life (more productivity, more income, overall well being, reduction of inequalities)

Veto Points



Source: Congress.Gov (2017)

Stakeholder Map



Barriers

- State level opposition to federal interference
  - Opting out, indirect pressure through competition
- Path dependency - moving away from traditional model
  - Incremental change, which has a precedent
- Federal political opposition to increasing spending on public services
  - Using interest group allies
  - Framing as education and as investment
- Policy feedback from pre-existing programs

Limitations

- Feasibility
- Cost
  - Need to research
  - Costs will be related to changes made, rather than running higher quality child care
- Cannot guarantee improvements in all states
- States asked to identify problems
  - Local communities and charities may be excluded from the process
- Focus on quality over access
- Inequality

Next Steps

- Put the importance of childcare on the agenda
  - E.g. through the media
  - Window of opportunity
- Develop a coalition between government, non-profit organisations and the private sector
- Focus on other problems linked to access for low income families
  - Location, information, trust
  - E.g. open childcare centres where needed, expand Head Start
  - Ensure the price of childcare remains below 10% of income for everyone

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