

Economics and ECE: Early Educators and Children Count!

by Edna Ranck

In the May/June 2006 issue of *Exchange*, the persistent topics of scarce resources and early childhood education appear in not one, but two articles: “ECE Meets Economics: The Changing World of Early Education and Care” by Gwen Morgan and Suzanne Helburn, and “Non Profit Child Care Outlook: After 160 Years, It’s Time to Change” by Roger Neugebauer. Both articles register the frustration and anxiety over resources that exist among early educators. What is happening in today’s early childhood programs? The word that appears in both titles — change — sums up the issue. Perhaps it holds the seed of the solution. How do educators, teachers, and providers manage steps that we must take, but feel overwhelmed by? Early educators have only just begun to understand their historical context, recognizing that what goes on in early childhood classrooms did not start in the 1960s or even in the 20th century, but goes back into the 17th century in Eastern Europe. Now, we must work to understand that no matter how honored we are to have responsibility for other people’s children, we are also professionals that teach others how to learn. This means that we, too, are life-long learners, changing as we learn, just like the children we teach and care for. Many of us now recognize not only the importance of history in our field, but also understand that policies and politics can make us advocates for children. Now, we must change once again and accept the need to understand the economics of early childhood. Recognizing the essential role of economics in our field is not the same as understanding the financing or funding of our programs. It is both broader and deeper than a single budget or even one community’s combined

efforts to provide adequate quality care and education. Economics is the study of “the management of resources, the science of production, and distribution of wealth.” In our nation, this creates the need to address competing issues and to award scarce resources to the concerns selected by the majority. Change reflects values and the choices made frequently cause serious discomfort. How can early childhood educators and advocates change to become “economics-literate”? The two *Exchange* articles coincide with several recent publications on the status of early childhood education. Reading even the executive summaries of the various reports and articles will provide *ExchangeEveryDay* readers with basic information. It will not be easy to grasp at first, but those who persist will be rewarded with understanding:

- *Catch ‘Em Young* by James J. Heckman, an opinion piece in *The Wall Street Journal*, January 10, 2006.
- *The Economic Benefits of High-Quality Early Childhood Programs: What Makes the Difference?* by Ellen Galinsky, Families and Work Institute, for the Committee for Economic Development (CED): www.ced.org/projects/prek.shtml
- *Taking Preschool Education Seriously as an Economic Development Program: Effects on Jobs and Earnings of State Residents Compared to Traditional Economic Development Programs* by Timothy J. Bartik, W.E. Upjohn Institute for Employment Research. Revised report for the Committee for Economic Development (CED), March

2006.

www.ced.org/projects/prek.shtml

- *The Effects of Investing in Early Education on Economic Growth* by William T. Dickens, Isabel Sawhill, and Jeffrey Tebbs. Policy Brief #153, The Brookings Institution, April 2006. www.brookings.edu
- *An Earlier Start* by Linda Jacobson describes the expansion of prekindergarten into the elementary school, *Education Week*, May 10, 2006. www.edweek.org

As Morgan and Helburn point out, the economics of early childhood have been under the spotlight for decades. Louise Stoney, a champion of early childhood financing, writes in a Cornell University report, February 2004, “Framing Child Care as Economic Development: Lessons from the Early Studies,” www.economicdevelopment.cce.cornell.edu, that “in 2002 . . . only two states and a handful of local governments had conducted child care economic analyses. By September 2003 . . . 31 studies had been completed . . . and more than a dozen additional studies were underway” (Stoney, 2004, p. 2). In conclusion, change must include our struggles to understand new and different concepts: “Early childhood advocates are seeking ways to show that cutting child care, even in a poor economic climate, is “pennywise and pound foolish.” Studies that quantify the economic contributions of the child care industry help to make that case” (Stoney, 2004, p. 3).

Reference

Stoney, L. (2004, February). *Framing child care as economic development: Lessons from early studies*. Ithaca, NY: Cornell University. (<http://economicdevelopment.cce.cornell.edu>)