

Funding Early Childhood Education Now Will Pay Dividends In The Future *September 2011*

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As a banker in Monroe, I look at numbers every day. The bottom line is always important to me.

When I search for the bottom line numbers regarding education achievements in Michigan, I am discouraged: 26 percent of our high school students do not graduate on time; of those who do graduate more than 40 percent do not go directly to college; 69 percent of our eighth graders are below grade level in math; and 70 percent of fourth graders are below grade level in reading.

These grim statistics are bad news not only for our children, but also for businesses and our economy.

According to a report from the national business leaders group, America's Edge, each class of high school dropouts nationwide will earn \$335 billion less over their lifetimes than they would have earned as high school graduates. That translates into less spending power, lower productivity and less contribution to the tax base. These are hardly numbers upon which we can sustain economic growth.

So what can we do to help more of our children excel in school and later at work?

The research is clear: Start educating our children much earlier and do it better.

The America's Edge report reveals that investments in high-quality early learning

programs help provide the basic skills children need to succeed in school and later in life.

For example, one long-term study in our state found that at-risk children who attended the Perry Preschool Project were up to 44 percent more likely to graduate from high school and 22 percent more likely to be employed compared to children who did not participate. In terms of earnings, the children who attended the program had earnings that were up to 36 percent higher as adults than their peers who did not participate.

Studies also show that these high-quality programs can save up to \$16 for every \$1 invested because participating children grow up to become better-educated and more productive workers, with far less remedial education or criminal costs to society. That is a return on investment that cannot be matched by almost any other public sector spending.

Besides their long-term positive economic impact, investments in early learning programs also can provide a surprisingly big immediate boost to local business sales as well. These investments, in fact, generate as much or more in local business sales as investments in other sectors such as manufacturing, construction and transportation. America's Edge found that for every \$1 invested

in quality early learning, a total of \$2.11 is generated in spending in Michigan.

When crafting their budget this year, Governor Snyder and legislators in Lansing wisely protected early education programs in Michigan. Now Congress has the opportunity to help strengthen businesses by strengthening early learning programs in our state.

It is critical that our entire Congressional delegation understand how important quality early learning is to our education system, our economy, and our businesses. Congress must protect and maintain access to early care and education for Michigan's children through funding for Head Start/Early Head Start, the Child Care and Development Block Grant, and the Race to the Top-Early Learning Challenge.

We have limited dollars to spend. So we must focus on investments that make the most out of every dollar we have.

Quality early-learning programs can make a positive difference, not only for our children but also for our economy.

Doug Chaffin is the President and CEO of Monroe Bank & Trust and a member of America's Edge. Monroe Bank & Trust has earned national recognition for its financial literacy program from the Independent Community Bankers Association; the American Bankers Association; and the President's Council on Volunteerism.