Addressing Inequality in the United States from Cradle to Kindergarten

Ajay Chaudry and Hirokazu Yoshikawa
New York University
March 3, 2021
Why a second edition?

U.S. political and policy contexts shifted, and inequality worsened even further.

The COVID-19 pandemic and economic fallout for families made clear how fragile, yet essential child care is in the U.S. economy.

We, the authors, learned more about the realms of possibilities, scale and interactions among policies working closely with several states as well as Congressional leadership.

Shifts in our thinking from working on these issues in new ways during these years, and changes in the context to meet this political moment
Cradle to Kindergarten Takeaways

1. Most children in the U.S. are not entering school ready to learn.

2. Disparities in development and achievement by family income, race, and ethnicity are very large and begin early.

3. The gaps in families’ access to and the quality of early learning opportunities are large and growing.

4. The earliest years are the most promising period for brain and skill development, yet it is when the U.S. invests the least.

5. More investments in a cohesive vision of high-quality early childhood interventions will promote improved, more equitable development and give all children a level playing field.
Too many children in the United States are not entering school ready to learn.

Percentage of students with low proficiency in math and literacy, 2010 ECLS-K kindergarten cohort

Source: Bassok & Latham 2016, Based on analysis of 2010 ECLS-K data
The gaps in measured educational skills are large, growing, and span a wide socio-economic gradient.

Source: Reardon (2011)
U.S. Achievement Gap in Comparative Perspective

At age 5

Panel A

Gaps by parental education:
- Blue: High-medium gap
- Medium-low gap

US reading: 0.54 (0.46, 0.54)
US math: 0.54 (0.47, 0.54)
UK reading: 0.35 (0.32, 0.32)
CA reading: 0.32 (0.29, 0.32)

Educational investments in the early years have greatest benefit – but we do too little.

Federal and State/Local Spending on Children, by Child Age

Average per child annual public expenditure for education in U.S.

Source: Kena et al. 2016
U.S. has limited policy supports for early childhood services, with responsibility divided across programs and between federal, state, and city governments.

• Piecemeal - segmented, under-developed, under-funded - services fail to reach most children:
  • Child care subsidies for children with low-income working parents reaches only 1 of 7 eligible low-income eligible families with subsidies and often only supports low-quality care options.
  • Federal Head Start and Early Head Start programs meant to serve most disadvantaged child population, but also not funded to fully meet target eligible population.
  • State prekindergarten programs cover a share of preschool-age children and vary tremendously across states and localities.

• Across services minimal to mixed quality, particularly on measures of interactions between children and adult teachers/caregivers, which are key to children’s learning in early years.

• Contributing to low overall levels of quality is poor compensation, high turnover, and under-professionalization of early care and education workforce.
Cradle to Kindergarten, 2nd Edition:
A new and updated plan for high-quality early childhood opportunities that gives all children a fair shot.

- **Paid parental leave** as social insurance for children and working parents.
- Reliable **guarantee of child care assistance** to assure all children in working families can access good, stable early care and learning settings.
- **Universal early education** that starts at age three.
- A **re-imagined Head Start** to begin early and provide continuous development services to the most vulnerable children until school entry
Paid Leave
# Paid Parental Leave

## Current Context

- 1 in 6 of workers have access to paid family leave.

<table>
<thead>
<tr>
<th>Earnings Quartile</th>
<th>Access to Paid Leave</th>
</tr>
</thead>
<tbody>
<tr>
<td>All workers</td>
<td>16%</td>
</tr>
<tr>
<td>Bottom quarter of earnings</td>
<td>7%</td>
</tr>
<tr>
<td>Middle two quarters of earnings</td>
<td>16%</td>
</tr>
<tr>
<td>Top quarter of earnings</td>
<td>27%</td>
</tr>
</tbody>
</table>

- Several states have paid leave programs, beginning with California in 2004 with many more since 2016.
- COVID-19 Pandemic relief efforts potentially set stage

## Our Proposal

- Paid parental leave guarantees families at least 12 to 18 weeks per family of paid, job-protected leave at birth or adoption of a child.
  - Parents get a percentage of their wages during the weeks on leave up to a maximum benefit. Progressively structured so wage replacement highest for initial base level of earnings.
  - Administer as social insurance through Social Security system.
  - Recognizes being born and having a child are common life experiences like old-age or disability, for which we can and should insure economic security.
Child Care
Large disparities by family income in use of early learning programs, especially for youngest children.

Rates of center-based ECE for children ages 0 to 5, by family income and child age, 2011

Source: Chaudry, Morrissey, Weiland, and Yoshikawa (2017)
Children from low-income families experience lower quality, as well as less access.

Source: Chaudry, Morrissey, Weiland, Yoshikawa (2017)
## Affordable Quality Care and Education for All Young Children

<table>
<thead>
<tr>
<th>Current Context</th>
<th>Our Proposal</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Good child care is a basic need for working parents, but very expensive and hard to find.</td>
<td>• Child Care Guarantee to all eligible working families to support costs of high-quality care and education for children under age 5</td>
</tr>
<tr>
<td>• Low-income families with children under 5 spend 22% of their income, twice what families above 200% FPL spend (11%) with more moderate- and middle-income families spending more than those who can most afford, who spend on average 7%.</td>
<td>• Family incomes below 150% of their state’s median income (SMI)</td>
</tr>
<tr>
<td>• 14% of eligible receive child care subsidies through Federal and State CCDF funding.</td>
<td>• Families make co-payments on sliding scale, contributing up to 7 percent of gross income.</td>
</tr>
<tr>
<td>• States establish most program rules, which vary by state and are complex for families to navigate.</td>
<td>• Subsidies adequate to pay for quality.</td>
</tr>
<tr>
<td>• Child care tax credits provide minimal benefits (max $600) and are not refundable.</td>
<td>• Large and early investments to build child care supply to make demand-side investments workable.</td>
</tr>
<tr>
<td></td>
<td>• Increased, refundable child care tax credit</td>
</tr>
<tr>
<td></td>
<td>• Tax credit for proportion of paid costs for all types of paid care (licensed and unlicensed).</td>
</tr>
<tr>
<td></td>
<td>• Maximum benefit increased to $4000 for one child.</td>
</tr>
</tbody>
</table>
Universal Preschool
In most countries with advanced economies, nearly all children receive a public education starting at age three.

Source: OECD Social Expenditure Database (Data for Chart PF3.2F)
Evidence of benefits of high-quality early education

• Early education benefits all children’s early learning, with larger benefits to more disadvantaged children.

• Average impact of 1 year of preschool is 1/3 of a year of additional learning beyond comparison groups.

• “Model” preschool programs (e.g. Abecedarian and Perry Preschool) and large-scale programs (Head Start) showed significant long-term benefits for participants and society. Long-term effects more likely when comparison is fewer ECCE availability.
  • Decreased grade retention, special education assignment, juvenile and adult crime
  • Increased high school graduation, adult earnings, improved health

• To sustain the early education boost into the primary grades – focus on fundamental and broader skills (e.g. vocabulary, beyond decoding); invest in quality of early primary grades

Duncan & Magnuson, 2013; Johnson & Jackson, 2019; Ludwig & Miller 2007; McCoy et al., 2017; Unterman & Weiland, 2021; Weiland, Unterman, & Shapiro, 2021
Public preschool expansions are very slow.

Children Enrolled in Center-Based Preschool (ECE) Programs in the U.S. as a Percentage of Children Ages 3 & 4, 1964-2017

Public preschool enrollment up from 32% in 2017 to 34% in 2019

# Universal Early Education

## Current Context
- Piecemeal system
  - A few states and cities have universal programs for 4 year olds; some states have none
  - Fewer public programs for 3 year olds
  - Variation across many dimensions (governance, location, hours of services, workforce, quality assessment) across states
  - Small, discretionary federal grants to encourage further growth and development of state programs.

## Our Proposal
- Universal preschool for all children ages 3 & 4
  - Mixed auspice (schools and CBO settings)
  - Pay parity with K-12 teachers
  - Consistent structural quality standards with regular and transparent measurement of process quality.
  - Developmentally focused curricula and professional development
  - Full school-day and longer school year, with wrap-around care options
  - Sequenced for 3 and 4 year olds; alignment with K-3 education; proven and culturally-responsive curricula
  - Prohibit expulsions
Head Start
Increased need for intensive family support + high-quality early education

• COVID-19: made more urgent the provision of intensive family support – nutrition; health; mental health; social services– for families living in poverty

• Head Start funding has not kept up with the true costs of comprehensive family support, MH, screening, professional development, and inclusion services

• Prenatal to school entry services needed for those living in concentrated neighborhood disadvantage, facing higher adversity
<table>
<thead>
<tr>
<th>Current Context</th>
<th>Our Proposal</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Beneficial program aimed at most disadvantaged, but serves fraction of eligible</td>
<td>• Target most vulnerable young children with services starting before or at birth: increase to 40% eligible</td>
</tr>
<tr>
<td>• ~40% in Head Start</td>
<td>• Communities of concentrated poverty; those facing particularly adverse circumstances (beyond poverty, child welfare, unstably housed)</td>
</tr>
<tr>
<td>• ~5% in Early Head Start</td>
<td>• Integrate early health, home visiting and center-based early learning with family-focused services.</td>
</tr>
<tr>
<td>• Research shows intervening earlier - in first 3 years - can be most beneficial for children born into more adverse circumstances.</td>
<td>• Adequate per-child funding: teacher pay, family support, MH staff, and resources for evidence-based professional development services.</td>
</tr>
<tr>
<td>• What happens in the context of universal preschool?</td>
<td>• Head Start as community-level service hubs.</td>
</tr>
<tr>
<td></td>
<td>• Generate and evaluate innovations in birth to school age services.</td>
</tr>
<tr>
<td></td>
<td>• Maintain current coverage of 3 and 4 year olds.</td>
</tr>
<tr>
<td></td>
<td>• Braid HS with preK funds (as in WV and DC) to increase SES integration</td>
</tr>
</tbody>
</table>
# A 10-year Investment Plan

<table>
<thead>
<tr>
<th>Program</th>
<th>Funding &amp; Service Levels</th>
<th>Cradle to Kindergarten Funding &amp; Service Levels</th>
<th>New Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Funding (in billions)</td>
<td>Number Served (annually)</td>
<td></td>
</tr>
<tr>
<td>Public Paid Parental Leave</td>
<td>$1.9 (states)</td>
<td>~500,000</td>
<td>$19.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child Care Guarantee</td>
<td>$12.2</td>
<td>~730,000</td>
<td>$49.0</td>
</tr>
<tr>
<td>Child &amp; Dependent Care Tax Credit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State or Local Public Preschool for 3 and 4 year-olds</td>
<td>$8.8 (states)</td>
<td>1,050,000</td>
<td>$56.6</td>
</tr>
<tr>
<td>A New Head Start</td>
<td>$10.1</td>
<td>900,000</td>
<td>$23.3</td>
</tr>
<tr>
<td>Total New Public Investments (federal and state)</td>
<td>$33.3</td>
<td>3,200,000</td>
<td>$147.9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Funding (in billions)</th>
<th>Number Served (annually)</th>
<th>Funding (in billions)</th>
<th>Number Served (annually)</th>
<th>New Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>~500,000</td>
<td>$19.0</td>
<td>3,400,000</td>
<td>~730,000</td>
<td>$36.8</td>
</tr>
<tr>
<td>1,050,000</td>
<td>$56.6</td>
<td>4,500,000</td>
<td>900,000</td>
<td>$13.2</td>
</tr>
<tr>
<td>3,200,000</td>
<td>$147.9</td>
<td>13,400,000</td>
<td></td>
<td>$116.4</td>
</tr>
</tbody>
</table>
U.S. lags nearly all nations with advanced economies in spending on early childhood care and education

Public spending on early childhood care and education as a % of GDP, 2013 and latest available

Source: OECD Social Expenditure Database (3.1A)
Note: Total expenditures include child care and pre-primary education expenditures
National, State & Local Dissemination & Engagement

• Shared federal, state, and local level opportunity to design and implement services


• Work with states and localities to develop comprehensive early childhood policy vision and framework for increasing service capacity.
  • Working with state and local leadership to develop shared vision for services that fit their priorities in Colorado, District of Columbia, New Jersey, Oregon, Washington, and New York City
  • Strategic coordinated investments to develop early childhood services infrastructure from birth to 5.
  • Share the evidence-base on what program elements works to support children’s development
Conclusions

• Coordinated investments for comprehensive early childhood services infrastructure from birth to age five

• Developmental supports during period that families bear the brunt of raising children and when foundational brain architecture is vulnerable to disadvantage

• Builds on evidence of what works and how to support quality elements that matter for children’s developmental outcomes

• Invests in providing broader access to all children and higher quality provision

• Flexible for family needs

• Shared federal and state responsibility – implications for both levels of policy
Thank you to Steinhardt School of Culture, Education, and Human Development, Wagner Graduate School of Public Service, and the Institute of Human Development and Social Change (IHDSC) for sponsoring this event.

Ajay Chaudry – ac1154@nyu.edu
Hirokazu Yoshikawa - hiro.yoshikawa@nyu.edu