
Commentary

Dancing the Dance of Capitulation: The Economic Development Rationale and the Politics of Kids

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Dr. Susan Prentice's contribution to this edition of the *International Journal of Economic Development* raises concerns that use of economic development arguments to promote early childhood education is a capitulation to neo-liberal pessimism. While Dr. Prentice is wise to fear for the integrity of children's rights activists in state and provincial capitols, those of us fighting for increased funding for programs serving children and for a regulatory climate that puts children first have few other or more effective tools at our disposal. Like it or not, arguments that render our children to be little more than speculative investments work, particularly in lobbying efforts targeting moderate and conservative policymakers.

Protracted war and tax cuts - combined with exploding health care costs - have left American states with fewer state and federal resources. Competition for revenue pits children's issues against prisons, roads, and more tax cuts. Prevention-focused programs are often the first to be cut, as their impacts are less tangible and often occur long after politicians have left office. As the adage says, "No politician was ever re-elected for a good thing they did twenty years in the future." The tried and true techniques of pulling the heart strings of legislators simply no longer work and can often be counter-productive. Instead, we

must jerk on the purse strings if we are going to be heard by policymakers.

Advocates for young children face overwhelming and increasingly lopsided odds. Despite the fact that research and common sense support investments in services for young children – especially those living in poverty - each legislative and policy victory for children aged birth to five requires a protracted battle and increasingly sophisticated lobbying skills. Today’s activists hire conservative pollsters, conduct opposition research, and employ the latest technologies to make their voices heard. Without the capacity to contribute heavily to political campaigns, lobbyists for kids must develop new strategies to win in an ever harsher environment.

As advocates have increased their sophistication, the political contexts in which they work have become less and less friendly. The emergence of well financed state level think tanks dedicated to shrinking government and the accompanying rise of anti-tax policymakers have made the work of advocates calling for increased investment of public funds in children’s programs even more difficult.

Child advocates need new voices and so-called “unusual suspects” to help make their case to legislators who are constantly bombarded by demands to cut consumer, property, and business taxes. The most convincing voices for the revenue needed to simply operate children’s programs, let alone expand them, are the people who personally or whose corporations pay the most taxes. Business men and women committed to early childhood education have become a hot commodity on the legislative briefing and advocacy luncheon circuit. In many cases these new voices must contradict the over-arching climate of less taxation and less public spending in which they

operate professionally. Advocates all over the country are scrambling to find businesspeople willing to step out on the taxation limb – a task that’s much more difficult than some might expect.

While the business voice has long been considered an effective advocacy tool, the economic development rationale in child advocacy was kick-started by the release of a seminal piece by Art Rolnick of the Federal Reserve Bank of Minneapolis in 2003. Rolnick and his co-author Robert Grunewald compared the return on investment of early childhood education with that achieved through the development of sports stadiums. Sports fans take note, kids trump ballparks. As a result of the study, Rolnick and Grunewald have become veritable rock stars in child advocacy circles – though they have yet to appear in the stadiums whose return their work calls into question.

The economic development rationale is also an effective tool for motivating critical sub-groups of likely voters who traditionally do not favor investments in young children. A 2005 poll conducted on behalf of Pre-K Now, a national advocacy group supported largely by the Pew Charitable Trusts, found that more than seventy percent of men under 50 considered the positive impact of pre-kindergarten on “U.S. competitiveness in the global economy” to be a convincing message.

The United Ways of Texas and the Texas Early Childhood Education Coalition partnered with the Bush School for Government and Public Service at Texas A&M University in 2005 and 2006 to conduct a cost/benefit analysis of universally accessible pre-kindergarten in Texas. According to the report, Texas stood to save \$3.50 for each \$1.00 it invested in quality pre-k (Taylor et al. 2006). Not only is the Bush School – perhaps not

surprisingly – regarded as a conservative institution, but the professor authoring the study was a former staffer at the Federal Reserve Bank of Dallas. Finally, an issue regarded as an extension of an entitlement program had been re-framed as a savvy and fiscally responsible move. Conservative legislators had the extra layer of political cover they needed to support children’s issues, resulting in the first expansion of state-funded pre-kindergarten in 2006 and again in 2007.

The passage of statewide ballot initiatives calling for increased funding for early childhood programs in November 2006 came as a result in part because of the strategic use of the economic development rationale. Arizona’s “You’re It” campaign was in fact led by a prominent member of the business community, giving the campaign’s use of investment rhetoric and its call for increased taxes instant credibility among Democrats and Republicans. In Nebraska, a ballot measure creating a public/private partnership of state investment paired with private funds was also framed in the economic development lens. It is also important to note that a ballot initiative calling for universal pre-kindergarten in California went down in defeat in the summer of 2006, despite the fact that the chambers of commerce of Los Angeles and San Francisco had come out in support of the proposition based on its economic impact.

Finally, the Pew Charitable Trusts, the Committee for Economic Development and a host of other private philanthropies and business interests recently created the Partnership for American Economic Success. Spearheaded by Rob Dugger – a Managing Director of Tudor Investment Corporation – the Partnership is working “to make the lifetime wellbeing of every American child our highest national priority.”² The involvement of the Partnership’s “heavy hitters” is further proof that the economic

development rationale for investment in young children is gaining ever more steam.

Use of the economic development rationale may be the flavor of the month for child advocates. Depending upon the salient political climate of the moment and place in which they work, child advocates have built their case for kids on social justice and equality, the importance of early brain development, school readiness, and a host of other equally valid motivators. Today's emphasis on the economic development rationale says less about the pessimism of child advocates than about their pragmatism and the political climate in which they're forced to fight for kids. This *realpolitik* approach is not without controversy – even within the child advocacy community. However, given the overwhelmingly difficult odds confronted by child advocates and the very real stakes for which they're playing, every option must be considered and employed if proven to be effective.

References

Taylor, Lori et al. 2006. "A Cost-Benefit Analysis of Universally-Accessible Pre-Kindergarten Education in Texas." Bush School for Government and Public Service at Texas A&M University. May 2006. Available at <http://bush.tamu.edu/academics/mpsa/capstone/projects/TECEC2006/ACostBenefitAnalysisofHighQualityUniversally-AccessiblePre-KindergartenEducationinTexas.pdf>

Rolnick, Art and Grunewald, Rob 2003. "Development with a High Public Return." *Fedgazette*, March 2003. Available at <http://www.minneapolisfed.org/pubs/fedgaz/03-03/earlychild.cfm>.

Endnotes

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² More information on the Partnership for American Economic Success is available at:
<http://www.partnershipforsuccess.org>

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