CHILDREN – THE NATION’S BEST INVESTMENT

“If we fail to secure childhood, we will fail to reach our larger, global goals for human rights and economic development. As children go, so go nations. It’s that simple.”

– Carol Bellamy, former UNICEF director

Children Are the Future

If you want to know what the future will be like, take a good look at the children you see today. Children’s well-being has everything to do with how we will all be living in the decades to come. Our post-industrial economy can only thrive if it is supported by a flexible, adaptable and well-trained workforce, and this kind of workforce can only result from focused investment in high quality care, starting in early childhood.

In order to realize their potential as adults, humans have irreducible needs in childhood. Neuroscience shows that opportunities exist in the earliest months and years for optimal brain development, but once these favorable neurological conditions have passed, they do not recur. Early interactions with parents, family, and other caregivers lay the foundation for both cognitive skills and the emotional skills needed to navigate personal relationships, cultivate resilience and integrity, and solve problems with creativity and innovation. Investing in high quality care during childhood yields high returns for our nation’s standing in the global marketplace.

So, where does the US stand?

Surprisingly, the US invests much less time and money than other less wealthy countries in ensuring effective care for children, both within the family and elsewhere. The Center for Partnership Studies Social Wealth Economic Indicators (SWEIs) Report shows that:

- More than one fifth of US children live in poverty, a rate over 4 times as high as that of Denmark, Sweden, and Norway and twice the EEOC average.
- The US is the only developed nation with no national funding for paid parental leave. The global standard is 14 weeks paid time off for maternity leave. In Eastern Europe and Central Asia, the average period of statutory paid maternity leave is 27 weeks. In the OECD the average is 21 weeks.
- The US lacks a paid care leave program providing paid time off work to care for sick children or relatives. Three quarters of OECD nations make this kind of leave available.
- The US invests less than half as much in family benefits on average as other OECD nations, investing 1% of GDP in family spending, as compared to the OECD average of 2.6% GDP. Luxembourg, Ireland and the UK dedicate 4% of GDP to family benefits, while only Mexico and Korea’s share is as low as the US.
- Among major developed nations, the US invests the least in early childhood care and education.
- Public support (cash allowances, tax benefits) for families with children under 3 in formal child care services in the US is .4% of GDP—less than half that invested in Nordic nations, France, and the UK.

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What is the Return on Investment in Children?

- For every $1 invested in early childhood education in the years 0 to 3, the return is $8, conservatively estimated by the National Conference of State Legislatures, based on research by the Minneapolis Federal Reserve Bank and Nobel economist James Heckman. [http://www.ncsl.org/research/human-services/new-research-early-education-as-economic-investme.aspx; https://childandfamilypolicy.duke.edu/pdfs/10yranniversary_Heckmanhandout.pdf]

- Investment in high quality early childhood education and care (ECEC) improves school performance and emotional development, raises employment and earning levels in adulthood, and correlates to decreased deviancy, lower crime rates, and reduced dependency on public benefits. [Social Wealth Economic Indicators (SWEIs)]

- Paid family leave for parents following a child’s birth or adoption strengthens bonds between parents and children, reduces business costs, and spurs the economy [Social Wealth Economic Indicators (SWEIs)]

- Children living in poverty during their first two years are more likely to never complete high school and to experience a teen premartial birth. [Social Wealth Economic Indicators (SWEIs)]

Moving Forward

Together we can ensure that our nation invests in our children by:

- Advocating for State and federal funding for paid parental leave, parenting education in schools, high quality early childhood education, nutrition, and other caring policies.

- Encouraging businesses to take action to support families with childcare at or near the worksite (In 2012, only 7% of US employers did so), paid parental leave, spaces for breastfeeding, and flex time.

The Time is Now

A child’s first experiences are the building blocks for “human capacity”— the ability to learn in order to further one’s self as well as contribute to the advancement of society and the economy. Consistent, effective care from parents, other caregivers, and teachers, and nurturing, stimulating environments are a big part of the equation.

Today’s children are tomorrow’s society, labor force, leaders and innovators, and their fate will largely influence our own. Investing in children pays off in the expansion of human capacity, creating the high value human capital without which no nation can thrive. The time to make these investments, and implement pro-care policies for families, workplaces, and centers of learning, is right now.

The Caring Economy Campaign

Visit us at [www.caringeconomy.org](http://www.caringeconomy.org) to learn more about Social Wealth Economic Indicators. You can also learn more about the Caring Economy movement through our online leadership programs which are connecting people around the world with the language, data, and tools they need to change the conversation about the role of care in our economic success. For information about upcoming webinars and online classes, visit [www.caringeconomy.org/onlineclasses](http://www.caringeconomy.org/onlineclasses).