

# COST OF EARLY CHILDHOOD EDUCATION

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# Themes

- ▣ What is Early Childhood Education?
- ▣ Why is it Important?
- ▣ Why do Costs Differ?
- ▣ Quality and Services?
- ▣ Establishing Cost Comparability.

# What is Early Childhood Education?

- ▣ Usually refers to age 0-5 or pre-primary.
- ▣ Focus on both cognitive and socio-emotional learning.
- ▣ Cognitive includes basic preparation for literacy and numeracy.

# Social and Emotional Learning

- ▣ Socio-emotional includes both intrapersonal development (relations with others) and interpersonal development.
- ▣ Intrapersonal--for example, patience, thoughtfulness, planning, impulse control, appropriate display of emotions.
- ▣ Interpersonal — for example, collaboration, cooperation, listening skills, discourse, conflict resolution.

# Why is ECE Important?

- ▣ Much cognitive and non-cognitive development takes place early in life and requires early stimulation.
- ▣ Language, thinking, and social development begin very early.
- ▣ Basis of success in school, childhood and adult life.
- ▣ Equity for children from low socioeconomic families.
- ▣ Childcare for working parents.



# Experimental Studies

- ▣ Perry Preschool (1963-65).
- ▣ Randomized Control Trial of Poor Black Children age 3-5.
- ▣ Researchers followed to age 40.
  - Better educational results.
  - Less crime.
  - Less public assistance.
  - Higher incomes.
- ▣ Benefits for Families; Benefits for Society.
- ▣ Benefit:Cost   \$7 benefits per \$1 investment.

# Cost Differences

- ▣ ENROLLMENTS.
- ▣ SERVICES PROVIDED.
- ▣ QUALITY OF SERVICES.

# ENROLLMENTS

- ▣ Child Demography (e.g. birth rates).
- ▣ Age of Participants and Eligibility Requirements.
  - Income limits
  - Infant programs are more resource intensive.
- ▣ Participation Rates (non-participants, private participation).
- ▣ Distribution of Population and Accessibility.  
Scale Economies.



# Services

- ▣ Length of Service Year (90-300 days), Days per Week (2-7), and Hours per Day (4-16).
- ▣ Facilities and Transportation.
- ▣ Health (screening, diagnosis, treatment).
- ▣ Nutrition.
- ▣ Educational Initiatives.
- ▣ Parental Education and Assistance.

# Quality

- ▣ Personnel Ratios- Russia 7:1; India 40:1.
- ▣ Personnel Qualifications-Cuba 4-5 years post-secondary; India less than secondary.
- ▣ Nutrition—Number of meals and quality.
- ▣ Extent of Health Services and Quality.

# Accounting for Costs

- ▣ Existing cost Reports are inaccurate and Incomparable.
- ▣ Data are from many sources such as different government levels.
- ▣ Accounting systems are inconsistent and incomplete.
- ▣ Private sector costs are not accounted for (e.g. parental and community inputs).

# Comparing Costs

- ▣ Nominal Comparisons are misleading because of poor data (incomplete measures, inconsistent accounting practices, price differences, different services and qualities).
- ▣ 17 countries.
- ▣ Indonesia \$64 a year? Scandanavian countries \$10-12,000 a year.
- ▣ .5-.6 % of GDP is typical for many countries.
- ▣ May be best measure.

# Using a Common Metric

- ▣ More Ideal. Cost of any model in any country.
- ▣ Ingredients Method.
  - Identify services, qualities, and details of model.
  - Account for ingredients required for specific services, both quantity and quality (personnel, facilities, equipment, supplies).
  - Establish national prices of ingredients.
  - Provide total costs and per participant.
  - International comparisons should use both national costs domestically and a numeraire such as Euros at PPP internationally.