



**Partnership for America's Economic Success:
Using the Economic Message to Promote
Proven Early Childhood Investments**

National Economic Forum on Early Childhood Investment:
Partnership for America's Economic Success
Annual Conference
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Robert H. Dugger
Managing Director, Tudor Investment Corporation
Advisory Board Chair, Partnership for America's Economic Success
Robert.dugger@tudor.com

America's new challenges are...

- Economic – Competition is intensifying worldwide. Every American child needs to be able to form strong friendships, work in teams, and be able to read and do math.
- Budgetary – Government budgets are unsustainable. We have a “lines crossing problem”. Every dollar of revenue needs to be spent with an eye to what’s best in the long-run.



The future is bright but we need to act early..!

America has never failed to meet its social or economic challenges.

We've overcome problems in the past, and we'll do it again...!

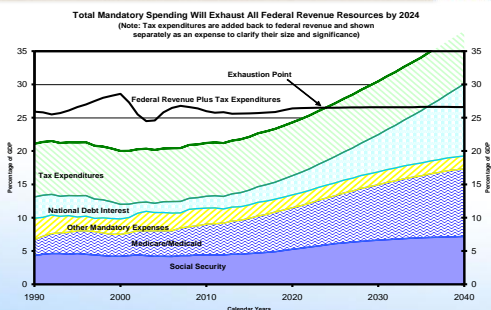
Lines Crossing Problem – US revenues exhausted

In about 15 years the “lines will cross” and all federal revenues will be absorbed by –

- ✓ National debt interest payments
- ✓ Social Security and Medicare and other entitlement payments
- ✓ Federal “tax expenditures” – tax subsidies and loopholes



Lines Crossing Problem – All US revenues exhausted



LCP – Will drain money from most government activities

When the “lines cross”, absent large tax or deficit increases or spending cuts, there will be no money for national parks, for Head Start, or the Army or the Navy. No money for hundreds of government services. No immigration control. No federal court system. No Homeland Security. No scholarships. Nothing.



LCP – US will become a different and unpleasant place

- Well before the lines cross the United States will become a very different and very unpleasant place.
- In five years -- just 60 months -- there will be as much as 30% less money for much of what the government now does.
- In ten years, the figure will be nearly 60% less.
- As the fiscal oxygen diminishes, people and businesses will fight for air.



LCP means we need to make every penny count....!!

To solve the “lines crossing problem”, we need to work together, as we Americans always have in the past.

We need to make the best use of every resource we have.



LCP core principles need to apply to all spending...!!

Making the best use of every resource – human and financial – means we’re going to have to agree on a set of core principles to guide all our spending decisions.



LCP – National Principles might read something like...

1. US spending choices will need to be based on evidence-based long-term economic returns.
2. Policies and program will need to have measurable goals and draw on best practices.
3. Performance evaluation will need to be built into programs and policies before they are funded.



Purpose of the Partnership for America's Economic Success

Partnership for America's Economic Success was established to provide the kind of evidence-based information America will need to make the best spending choices decisions –

- A. Among early care and education programs**
- B. Among all government spending choices**



PAES is doing research in five areas

1. **Microeconomics** – Economic gains from specific interventions

Health	Parenting
Housing	Early education
Parental income	Nutrition
2. **Macroeconomics** – Economic growth, job creation, fiscal sustainability, and global competitiveness implications of proven investments
3. **Sector Analysis** – Size of the “youth human capital development” sector
4. **Finance Policy** – Best ways to pay for proven investments commensurate with economic impact
5. **Communications** – How to communicate findings and inform policy discussion



History of the Partnership: From Start to Success

- **Start:** PAES was established in 2006 by a collaboration of 12 (now 13) funders, business leaders, economists, early childhood experts, and is managed by the Pew Charitable Trusts.
- **Strategy:** Commission research from experts to establish returns on range of early childhood investments, work with business leaders to reach policy-makers



History Continued

- **Evolution:** Demand for evidence and message strong, coalition for early childhood investment growing, need for more dissemination, “how to” on messaging
- **Now:** Conferences packed, business getting on board, message spreading, policy-makers listening



Partnership Advisory Board

- Robert Dugger, Tudor Investment Corporation, Chair
- Lynson Beaulieu, Schott Foundation for Public Education
- Marcia Egbert, George Gund Foundation
- Deborah Harris, Pal-Tech, Inc.
- Heidi Hartmann, Insitute for Women's Policy Research
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- Eugene Steuerle, Urban Institute
- Louise Stonery, Alliance for Early Childhood Finance
- Sara Watson, The Pew Charitable Trusts
- Michael Weinstein, Robin Hood Foundation



Partnership Funders

- Buffett Early Childhood Fund
- Robert Dugger
- George Gund Foundation
- Horace Hagedorn Foundation
- Paul Tudor Jones
- John D. and Catherine T. MacArthur Foundation
- Ohio Children's Foundation
- Peppercorn Foundation
- The Pew Charitable Trusts
- PNC Financial Services Group
- Scholastic, Inc.
- Schott Foundation for Public Education
- An anonymous donor



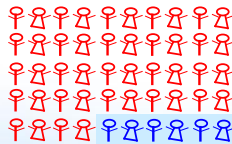
Why should business care?

Children who start behind too often stay behind

If 50 1st graders have problems reading, then 44 of them still have problems reading in 4th grade.



First Graders



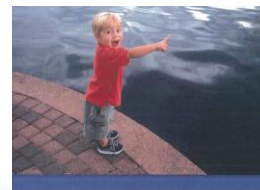
Fourth Graders



The message is getting through nationwide...!

At two, they learn their ABCs.
At twenty-two, they execute your IPO

**Good for Kids.
Good for the Economy**
Health Coverage for All Kids in Illinois



ISN'T HE JUST THE CUTEST ECONOMIC DEVELOPMENT PROGRAM EVER?



Business Leader Support

- Jim Rohr, CEO of PNC Bank, leading \$100 million PNC Grow Up Great
- Chamber of Commerce CEOs from Maine to California
- George Kaiser, CEO of Kaiser-Francis Oil, major supporter of early care and education in Oklahoma
- Ed Basha, CEO of Basha's Grocery Stores, led fight in Arizona for early childhood ballot initiative
- Massachusetts Strategies for Children campaign business leaders: Mara Aspinall, CEO of Genzyme Genetics; Ronald Sargeant, CEO of Staples; Richard Lord, CEO of Associated Industries of Massachusetts
- CEO's of Federal Reserve Banks in Richmond, Cleveland, San Francisco and Atlanta support early investments as economic development
- **Fed Chairman Ben Bernanke** – “high returns that early childhood programs can pay” – 2007 speech to Omaha Chamber of Commerce



Partnership for America's Economic Success - Outreach

Join Us!

Sign up for updates at www.PartnershipforSuccess.org

- **Commissioned Research** – Read and use over 20 studies on economic benefits of investments prenatal to age five
- **Monthly Discussion Forums** – come by phone or in person to hear about new findings, leaders, messages, campaigns
- **Conferences** – Telluride Economic Summit for business leaders, Fifth Annual Economic Conference, September 2009
- **Other venues and conferences – we have presented for**
 Georgia Partnership for Educational Excellence
 Partnership for Wisconsin's Economic Success
 Milken Global Conference, Santa Monica
 University of Miami Forum on Costs of Inadequate Education

