## The Heckman Equation



## Build a Scaffolding of Support A comprehensive approach to human capital development pays off.

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When Professor Heckman presents his research on the economics of early childhood to policymakers and advocates, one question is often asked: "If we had X dollars to invest in reducing inequality or promoting human capital development, where should we invest it?"

The question begs for a simple answer. Unfortunately, the answer is not that simple. It depends very much on what the problem is and where gaps exist in investments in human development over the lifecycle of learning. However, there are simple guidelines for promoting flourishing individuals who reduce inequality through acquired skills and personal initiative:

- Pre-distributing wealth is much more effective than redistributing wealth. While inequality could be addressed with direct transfers of money to disadvantaged individuals and families, unconditional transfers are not as effective as programs that provide early resources for developing skills in children that increase productivity and earnings in the adult years.
- Resist the temptation to look for one silver bullet investment or program. A range of investments should follow the child through his or her development.
- Understand that skills beget skills. The earliest investment produces the best outcomes.
- Look to build a scaffolding of support around disadvantaged children: parental education, nutrition, early learning and early health. Strong families and parents are the catalyst for better education, health and economic outcomes for children.

- Follow up on investments in parenting, early learning and health with access to high-quality preschool that develops cognitive and social and emotional skills. The latter are critically important for a number of positive life outcomes, including school persistence, full-time employment, lifetime wages, better health and positive social behaviors.
- Make sure K-12 education develops the whole child, not just cognitive skills. Unfortunately, very little in public education focuses on this goal.
- Remediation efforts in K-12 and the young adult years should emphasize social and emotional development and mentorship. Improving social and emotional skills, which are more malleable during these years, have proven to be more effective than efforts to increase cognitive skills alone.
- Finally, focus on value, not on cost. While the cost of solving for inequality may seem daunting from an economic, social and political standpoint, keep in mind that the wisely targeted investments in proven supports and programs can deliver significant returns in individual flourishing and better economic and social outcomes for society.



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