

RESOURCE DOCUMENT

TO THE

**UNICEF COUNTRY REPRESENTATIVE PRESENTATION
AT THE COMMITTEE FOR ECONOMIC DEVELOPMENT
AND NBI CONFERENCE ON BUSINESS ENGAGEMENT
IN EDUCATION POLICY ON 11 JUNE 2009, CAPE TOWN,
SOUTH AFRICA**

**EARLY CHILD DEVELOPMENT: A STRATEGY TO
INVEST IN**

Early childhood development is a key strategy in addressing the many challenges that we face in this region and the world.

The Lancet, the world's leading independent medical journal, published a series of papers on early childhood development in developing countries in January 2007. Based on existing studies from sub-Saharan Africa, including South Africa, South Asia and Latin America and hard evidence from programmes that successfully promote child development, the findings are nothing short of sobering and present a wake-up call to the world to take action. Most critical is the indication that more than **200 million children under the age of five** – over a third of all children – in developing countries are not developing to their full potential, compromising their readiness for school and their future as productive members of society. This can only be addressed adequately when we start with innovative quality programmes for young children at a local level – where the children are.

It is evident that from a humanitarian point of view, we cannot let this happen and need to act as partners and work jointly in changing the world for children.

Early Childhood Development provides an opportunity for considerable returns on investments. Heckman & Masterov (2007)¹ argue that the return on human capital investments decline with age, and are highest before age 5 when the brain is most malleable.

Most significant to South Africa as a middle income country is the 2007 *Consulta de San José* aimed to rank solutions to the biggest challenges facing Latin

¹ James Heckman & Dimitriy Masterov, 2007, "The productivity argument for investing in young children," NBER Working Paper No.13017, Cambridge, MA.

America and the Caribbean. These challenges were: democracy, education, employment and social security, environment, fiscal problems, health, infrastructure, poverty and inequality, public administration and institutions, and violence and crime. (Very familiar to our own setting in South Africa). An expert panel of nine distinguished economists considered research about each major challenge and its potential solutions. On top of the list, as number one (1) was **Early Childhood Development** programmes, which are integrated and reflect interventions that improve the physical, intellectual and social development of children early in their life. These interventions range from growth monitoring, daycare services and preschool activities, improved hygiene and health services, and improvement of parenting skills.

South Africa's progress in terms of early childhood development shows a positive step towards addressing the rights of young children. I wish to share with you few examples.

- Access, nationally, to early childhood development centres increased from 16% in 2000 to 22% in 2007.
- The budget allocation for ECD by the Department of Social Development increased from ZAR334,967,000 in 2003/04 to ZAR766,022,000 in 2007/08. More than doubled in 5 years. In the Eastern Cape the budget for ECD also nearly doubled in this period from ZAR69,582,000 to ZAR131,622,000.
- More than 700,000 children age 5 are accessing Grade R. This shows a rapid progress towards the 2010 goal of universal access as stipulated in Education White Paper 5.
- The Immunization coverage has steadily increased over the last years. The proportion of fully immunized children under one year increased from 66% in 2000 to 88% in 2008.
- The National Integrated Plan for Early Childhood Development is a good example of bringing together the variety of national legislative and policy frameworks for early childhood development in one integrated plan working towards achieving important outcomes for young children. And as such, early childhood development is part of the Government's Programme of Action and participating in the Expanded Public Works Programme, where more than 18,000 ECD practitioners were trained by June 2008.
- The Children's Act, 2005, as amended, provides in Chapter 6 for expansion of early childhood development programmes beyond the traditional mono focus on ECD centre, to include a wide range of differentiated programmes, custom to the needs of communities and young children and their parents.

Noting that the largest part of the SA child population is in the age cohort 0-4 (26%) it is of the utmost importance that South Africa build on the significant progress that has been made the past few years. There is still a lot to be done to ensure provisioning and most importantly to be sure that young children are exposed to quality early childhood development programmes.

In South Africa, the KIDS (KwaZulu-Natal Income Dynamics Study) housed at the School of Development Studies at the University of KwaZulu Natal provide some evidence from RSA on the cost for not investing in young children significantly. An analysis that was done by Dr Ashu Handa from UNICEF in 2007 on the 1998-2004 data panel to assess the link between early childhood deficits (1998), as measured by stunting and poverty as in the Lancet series, on later (2004) school attainment and achievement shows that the loss in cognitive achievement due to early childhood poverty (controlling for malnutrition) is extremely high in RSA.

The effect of stunting at ages 1-7 on grade attainment at ages 7-13 and learning (ages 7-9) was estimated via multivariate regression controlling for household income and age. By age 13 stunted children already lag behind by 1.3 grades relative to normal children; by age 9 stunted children score about 0.8 points lower on the achievement index relative to normal children. He derived the economic cost of early childhood malnutrition based on the estimates presented above and a rate of return to schooling of 10% per year (cumulative life-time earnings). The analysis shows that the total loss in schooling due to stunting alone (controlling for income) in RSA is 3.1 years. Based on a rate of return of 10% per year, the cumulative life-time loss in adult income for children who are stunted by age 7 is over 33%. This is a lower bound because it does not include the additional losses due to growing up in income poverty, which itself is an important predictor of learning achievement (controlling for malnutrition) as shown above. Thirty-three percent is a private return; the social return, which includes reductions in health care costs, crime, violence, abuse, juvenile delinquency, and other public externalities, will be significantly higher than this. The total social loss associated with neglecting young child development can very easily exceed 50% per adult, thus it is hard to find alternative investments in any sector of the economy which deliver larger financial pay-offs.

The manner in which we think about ECD and young children often shapes the way in which we approach interventions in the early years. This has a profound impact on what we do for and with young children in the immediate, medium and long term. There is a variety of ways to look at ECD, and these shape our conceptual understanding, which result the way plan, design and fund our interventions. We can look at ECD interventions as a period that requires (1) care; (2) protection; (3) early education; etc. More often than not, it lacks an integrated view towards the early years. If we look at early childhood development as a period that only requires care, our programmes and interventions are often designed around a care paradigm with minimal attention to the other components; similarly if the focus is mainly on protection, health or early education.

UNICEF proposes that we look at early childhood and early childhood development interventions, as have been prescribed many times in research, as:

- (a) A critical and opportunistic phase in the life cycle;

- (b) A programmatic intervention that addresses all domains of development;
- (c) An investment with more than a 7 fold return in the long term; and
- (d) A strategy that address broader societal issues that are faced by communities.

As a strategy, ECD becomes a transformational force with the following results:

Socio-economically:

- Better parenting skills and child rearing practices
- Reduced levels of crime and violence
- Low infant, child and maternal mortality
- Decreased health intervention costs
- Minimize discrimination and inequality in society
- Increased ability of society to fight pandemics
- Better labour market and high sustained economic growth
- Lesser dependency on social security

Institutionally:

- Minimize level of school drop-out and low repetition rates of grades in school
- High levels of participation in society
- Increase in morale of society
- Quality basic social services such as health, social development and education

Politically:

- Political stability
- Sustained democracy

There is sufficient evidence from practice and research that indicates that early childhood provides the opportunity and early childhood development interventions provide the impetus to be a STRATEGY to address major societal priorities. Based on the fact that we know that early childhood interventions in a holistic and integrated manner generally results in pro-social behaviour and effects long term societal behavioural changes; it becomes an important strategy or component of any well developed strategy.

- ECD is an important strategy in achieving the Millennium Development Goals (MDGs)
- ECD is a foundational strategy in achieving the Education for All (EFA) goals as well as the goals set out in the Second Decade of Education for Africa Goals (African Union).
- ECD is can be a turn-around strategy in addressing the HIV pandemic.
- ECD is strategic in addressing issues of exclusion and inequality. An early start is strategic to address gender equality.
- ECD is a vital component of any strategy that address chronic poverty

- ECD is critical in addressing the 2nd economy in middle income countries.
- ECD is the one proven strategy that ensures the maximum achievement of human development potential.

This is only mentioning a few, and it is certainly not an exclusive or exhaustive list. One can add aspects related to addressing climate change; societal violence, etc.

UNICEF firmly believes that no strategy developed in the 21st century can afford not to have early childhood development as an essential component of that strategy. If we want to turn the tide, we need to be strategic; and advocate and provide evidence to our governments, that quality early childhood development interventions are the most effective **STRATEGY** to address human and economic development. Thus early childhood development should be acknowledged and promote as a strategy (and not just a programme) that invest in; nurture and promote human capital for the immediate, medium term and for life.

ENQUIRIES:

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