

WHEN BUSINESS GETS INVOLVED

A CASE STUDY OF BUSINESS COMMUNITY INVOLVEMENT IN ILLINOIS' EARLY CHILDHOOD EDUCATION POLICY

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Introduction

As the first state to offer universal preschool to three-year-olds, Illinois' experience with early childhood education (ECE) policy reform efforts offers valuable lessons about how such change takes shape. The confluence of factors includes well-organized advocacy groups, the endurance to continue efforts over decades, a supportive governor, and an engaged business community.

The description below details Illinois' ECE activities from 1992 to the present, with a particular focus on the business role in ECE policy. Chicago Metropolitan 2020 was the main business group involved in ECE efforts, but, significantly, advocates and politicians also continuously cast the issues in language that would motivate economic and business interests.

Preschool for All was signed into law in 2006, but the story does not end there. Its five-year phased implementation continues, somewhat underfunded, as Governor Blagojevich faces possible impeachment and imprisonment and the economy declines. Though uncertainties remain, it is clear that Illinois has a strong infrastructure of diverse early childhood education supporters prepared to persist in advocating for their cause and stressing the economic implications of quality early education opportunities.

1992 – 1995: Laying the Foundation

Early childhood education advocacy efforts have a long history in Illinois. In 1992, four already well-established organizations joined as the **Quality Alliance for Early Childhood Settings**: the Ounce of Prevention Fund, Voices for Illinois Children, the Day Care Action Council (now Illinois Action for Children) and the Chicago Metropolitan Association for the Education of Young Children. These groups and the many others that eventually joined them would remain active in the early childhood scene until Illinois was widely recognized as one of the nation's forerunners in ECE policy reforms.

Leaders of a Chicago economic development group underscore that recent successes were built on a foundation developed over a long period of time: "The plan to expand preschool is not new. Gov. Jim Edgar got the ball rolling, and Gov. George Ryan established a task force that recommended universal preschool. Blagojevich has taken the effort to a new level."¹

The early 1990s also spurred Chicago **businessman and philanthropist Irving Harris's** enthusiastic involvement in early childhood education issues. Described as an "early catalyst," Harris used his wealth as a successful businessman to establish institutions such as the Erikson Institute, the Ounce of Prevention Fund, Zero to Three, and the Yale Child Study Center.²

Phyllis Glink, Executive Director of the Irving Harris Foundation, said, "Irving has a vast circle of business associates, policymakers, practitioners, academics, friends, and family, and he would talk to anyone and everyone about the findings of child development research and the opportunities of the early years."³

¹ Simmons, Adele, and George A. Ranney (Senior Executive and President, respectively, of Chicago Metropolitan 2020), "Excellent investment," *Chicago Tribune*, February 21, 2006, Editorial section.

² Shore, Rima. "Raising Young Children to the Top of the Policy Agenda: Lessons from Illinois." Ounce of Prevention Fund, Illinois Action for Children, Voices for Illinois Children, McCormick Tribune Foundation. December 2006.

³ Ibid.

“The new international economic order is placing ever greater premiums on educated skills.”
—Elmer W. Johnson

In the early 1990s, Harris spoke to the Board of Directors of the McCormick Tribune Foundation “businessman to businessman.” A report funded by the foundation admitted that he helped convince them to shift their education-related investments to focus on the well-being of infants.⁴ The McCormick Tribune Foundation went on to become a key funder of early childhood education reform efforts.

1996-1999: Chicago Metropolis 2020 is born

In 1877, 17 businessmen founded the Commercial Club of Chicago. In 1909, it issued a comprehensive plan for Chicago. In 1996, on the brink of a new millennium, the CEOs of the region’s top firms that made up the modern Commercial Club revisited the group’s role as planners. Six committees were established to focus on each of the following areas: economic development, education, governance, land use and housing, taxation, and transportation. More than 200 club members participated in these committee meetings, working with outside experts. After two years of work, the **Commercial Club published *Chicago Metropolis 2020: Preparing Metropolitan Chicago for the 21st Century*** in 1999.⁵

The report analyzed challenges to the health and sustainability of the region, and issued recommendations for ensuring the continued preeminence of Chicago in the new century. The report’s main author and the president of the Commercial Club, Elmer W. Johnson, identified early in the report that, while the document identifies exciting possibilities, three major obstacles threaten the plan. The description of the first obstacle sheds light on how early childhood education came to be a cornerstone of the report:

The first [obstacle] concerns the need to ensure that all the region’s children have access to good health care and a high quality education from infancy to age 18 and that all the region’s adults have access to high quality workforce development programs that will enable them to develop their work skills to the fullest. The new international economic order is placing ever greater premiums on educated skills (p. 8).⁶

The report culminated in the recommendation to create a new entity called **Chicago Metropolis 2020**. This group is responsible for working toward implementing the goals of the report’s plan, and is designed to convene leaders from business, local government, clergy, and other civic leaders.

Frank H. Beal, executive director for Chicago Metropolis 2020, described the group’s focus on non-skills barriers to employment such as child care as follows:

⁴ Ibid.

⁵ Johnson, Elmer W. “Chicago Metropolis 2020: Preparing Metropolitan Chicago for the 21st Century.” Commercial Club of Chicago & American Academy of Arts and Sciences. January 1999.

⁶ Ibid. The second and third obstacles were the spatial transformation of the metropolis, and the region’s concentrated poverty and racial and social segregation.

The non-skills barriers we are addressing include reliable and quality childcare for working parents, affordable housing near jobs, and transportation to jobs. Overcoming non-skills barriers is just as critical to finding and retaining a job as the skills barriers.⁷

The Commercial Club report's first chapter, "Investing in Children," underscored the importance of quality, affordable child care:

The quality and affordability of preschool care and education is a regional issue. First, the effectiveness of the region's public-education system and its workforce development programs depends heavily on the quality of care and nurture that preschool children receive, either at home or in an institutionalized setting. . . .

Second, the productivity of low- and middle-income working parents of preschool children, not to mention the quality of their lives, is seriously affected when they are under financial and psychological stress because their children are enrolled at high cost facilities of poor quality (p. 24).⁸

The report identified a paucity of qualified child care professionals, and urged employers to provide child care assistance to employees, claiming "the quality of the future workforce depends as much on the quality of early childhood care as on the quality of the public-school education" (p. 25).⁹ The report also urged the Illinois legislature to appropriate funds for child care quality enhancement and capacity building, and to ease the eligibility requirements for child care subsidies.

Chicago Metropolis 2020 continues to be an influential player in Illinois' early childhood advocacy scene.

2000-2005: Efforts Intensify

The first five years of the new millennium were busy times for early childhood education advocacy in Illinois. Preschool spending was increasing, up to \$533 million in public money in 2001 compared to \$348 million in 1998.¹⁰ But newspaper articles at the time reported that parental demand for programs such as Head Start, day care and pre-kindergarten were still exceeding supply.¹¹

Local **University of Chicago** economist **James Heckman** became a Nobel laureate in 2000 and went on to become one of the most influential early childhood education researchers in the nation in the area of linking early childhood issues with economics. Heckman's research emphasizes the importance of non-cognitive skills such as motivation and self-control (as opposed to IQ), which are developed prior to kindergarten and lay the foundation for later achievement. His findings cast early intervention as the

*"This is more than just
a feel-good topic."
-James Heckman*

⁷ Beck, Aimee. "Metropolis Project Suggests Smart Growth Solutions." *Conscious Choice*. July 2002.

<http://www.consciouschoice.com/2002/cc1507/metropolis1507.html>.

⁸ Johnson, Elmer W. "Chicago Metropolis 2020: Preparing Metropolitan Chicago for the 21st Century." Commercial Club of Chicago & American Academy of Arts and Sciences. January 1999.

⁹ Ibid.

¹⁰ Olszewski, Lori. "Improved preschool tied to better workforce later; Business groups say U.S. lacks enough programs." *Chicago Tribune*. Oct. 10, 2002.

¹¹ Ibid.

wisest investment due to the benefits that accrue over a lifetime, with clear implications for workforce development and crime reduction.

Heckman's perspective presented what is often thought of as a social issue in language that spoke to the business community's concerns about wise investments and preparing now for future human capital needs: "This is more than just a feel-good topic. You can make a very powerful argument for early enrichment solely on the basis of hard-boiled cost-benefit analyses. This is the rare public policy initiative that promotes productivity in the economy at the same time that it appeals to fairness."¹²

"Quality child care is the right place to begin developing tomorrow's workforce."

-Adele Simmons of CM2020

Chicago Metropolis 2020 continued its involvement in early childhood issues. Adele Simmons, vice chair of the group, underscored ties between business interests and child care in a 2000 editorial:

Many corporate executives now recognize that worker productivity is often linked to the quality of child care available for their employees. Many also realize that the lack of access to good child care keeps many women out of the workforce. The removal of that barrier would be a great relief to managers hard up for competent workers in today's tight labor market. They also understand that quality child care is the right place to begin developing tomorrow's workforce.¹³

In a different article, Simmons argued from an economic development perspective that, as part of the nation's social infrastructure, children deserve increased investment. "The increase in funding for roads and bridges has been far greater than the increase in funding for kids," she says. "Kids who enter school not ready to learn never catch up."¹⁴

Chicago Metropolis 2020 published a handbook for employers titled "Child Care Solutions for Your Employees" in 2001 and hosted a forum in 2002 for business executives titled "Family-Friendly Programs in the Spotlight." In 2003, the group published the report "The Business of Early Care and Education in Illinois: The Role of For-Profit Providers." In this report, Chicago Metropolis 2020 collaborated with PSO/Illinois Child Care Association in surveying for-profit Illinois centers. A 2004 follow-up report focused on cataloguing and analyzing providers' tools for improving quality.¹⁵

¹² University of Chicago. "Making the Economic Case for Early Education." From *The Power of Ideas: University of Chicago 2007 Annual Report*. <http://www.uchicago.edu/annualreport/features/feature1.shtml>

¹³ Simmons, Adele. "Putting your dog and car before your kids' child-care worker." *Chicago Tribune*. Feb. 17, 2000.

¹⁴ "Wobbly first steps." *The Economist*. April 12, 2003.

¹⁵ Chicago Metropolis 2020. "The Business of Early Care and Education in Illinois: Providers' Tools for Improving Quality." Spring 2004.

Early Childhood Education Groups and Initiatives in Illinois

Action for Children

Chicago Metro Association for the Education of Young Children

Chicago Metropolis 2020

El Valor

Erikson Institute

Family Focus

Fight Crime, Invest in Kids

Illinois Birth to Five Political Action Committee

Illinois Early Learning Council

Illinois Federation of Teachers

Illinois Head Start Association

Illinois Network of Child Care Resource and Referral Agencies

Metro Association for the Education of Young Children

National-Louis University

Ounce of Prevention Fund

Sargent Shriver National Center on Poverty Law

Quality Alliance for Early Childhood Settings

Voices for Illinois Children

As Illinois' advocacy and business groups continued their work, Governor Blagojevich and the General Assembly also had early childhood education high on their priority list. In the spring of 2003, the Governor and Assembly approved legislation creating the **Illinois Early Learning Council**, a group charged with planning an eventual statewide early childhood system. The Council was comprised of 46 gubernatorial and legislative appointees—from child care center representatives to higher education to businesspeople—who serve as volunteers. More than 200 stakeholders would go on to participate in the Council's process of developing recommendations for the Governor for preschool expansion.

If it wasn't clear before that early childhood education was a priority of Governor Blagojevich, the 2003 state budget underscored that point. While facing a \$5 billion budget deficit, the Governor still managed to increase the Early Childhood Block Grant Program by \$29.9 million. George Ranney, President and CEO of Chicago Metropolis 2020, responded with an article in a local business journal in support of the expenditure, writing, "The business community—not prone to support every new government spending idea—has become one of the most fervent supporters of early care and education. It applies a basic lesson of business: Spend modestly now to save significantly later."¹⁶

In 2005, a unique collaboration took shape between the business executive group Chicago Metropolis 2020, the advocacy group Action for Children, and the community development lending institution the Illinois Facilities Fund. The three parties created the report, "**The Economic Impact of the Early Care and Education Industry in Illinois**," which demonstrated the direct economic benefits of the early care and education industry as well as its long-term impact on the state's economy.

The report's first page states that "Every dollar invested in quality Early Care and Education saves up to \$17 on government expenditures by reducing costs of remedial education, grade retention and crime" (p. 1).¹⁷

¹⁶ Ranney, George. "Early childhood education will pay off in spades later." *Crain's Chicago Business*. 26:33. p. 9. August 18, 2003.

¹⁷ Action for Children, Chicago Metropolis 2020, and Illinois Facilities Fund. "The Economic Impact of the Early Care and Education Industry in Illinois." January 2005.

The report concluded with lists of “key action steps” targeted at various sectors. For example, from the business category, the report advises: “Nominate Early Care and Education industry representatives and experts to be appointed to the boards of business community organizations involved in economic development and workforce issues” (p. 4). In the government category, the report advises: “Integrate Early Care and Education into statewide planning for education, housing, and workforce development” (p. 4).

The report also included action steps for the early care and education industry itself. It urged industry leaders to “work with government and the economic development community to market Early Care and Education as a vital multi-billion dollar state industry that employs tens of thousands of workers,” as well as encouraging them to “advance an Early Care and Education industry workforce development agenda within government to improve quality through staff training and development” (p. 4).

“The problem is ... that they treat [it] as a social issue rather than as an economic imperative.”

-J.B. Pritzker

Closing remarks in the report emphasized how the issue touches each part of Illinois life: “An investment in Early Care and Education is much more than an investment in children. It is an investment that helps guarantee the long-term stability of Illinois’ economy, its families and future workforce” (p. 5).

2006 and beyond: Preschool for All

In the spring of 2006, Illinois already scored 9 out of 10 in the National Institute for Early Education Research’s quality ranking. But the momentum of well-organized advocacy efforts, business community support, local research, and a supportive Governor was pushing the state further.

The Illinois Early Learning Council’s work, originally commissioned by the Governor, culminated in the spring 2006 report “**Preschool for All: High-Quality Early Education for All of Illinois’ Children.**”¹⁸ The report detailed a five-year plan to make Illinois the first state to offer high-quality preschool to all three- and four-year-olds whose families choose to enroll them. While the focus was on increasing access to preschool, the plan also included funding quality improvement mechanisms and a variety of child development services for at-risk infants and toddlers.

Members of the Commercial Club of Chicago and Chicago Metropolitan 2020 were involved in multiple committees that helped create the recommendations, lending a business voice to the deliberations. Business leaders “concerned about our nation’s competitive edge in the global marketplace” are described in the report as issuing “an urgent call for voluntary, universal preschool” (p. iv).

Businessman and philanthropist J.B. Pritzker published an article in support of the plan, writing, “The problem is not that public officials don’t care. It is that they treat early childhood education and health

¹⁸ Illinois Early Learning Council. “Preschool for All: High-Quality Early Education for All of Illinois’ Children.” Spring 2006.

care as a social issue rather than as an economic imperative.”¹⁹ Pritzker also made the case for government intervention: “While some may not accept it, history has shown that government is the only entity with sufficient reach to meet this challenge.”

In late 2006, the Governor asked the legislature for \$45 million funding increases each fiscal year for the next three years to fund Preschool for All, and predicted that additional funding would be necessary for 2010 and 2011 as well.²⁰ Some critics of Blagojevich’s plan sought more funding for the entire pre-K-to-twelve educational system, while others stressed that the state’s pension obligations should be a higher priority. The governor’s proposed operating budget was described at the time as underfunding the state’s pension funds by \$1.1 billion, exacerbating the deficit caused by a \$2.3 billion partial pension holiday approved in 2005.²¹ Collin Hitt of the Illinois Policy Institute also criticized the Preschool for All plan as “political, not educational.”²²

The critics, however, did not impact the General Assembly, who voted unanimously in one chamber of the legislature and with significant bipartisan support in the other to create Preschool for All. The first \$45 million infusion in fiscal year 2007 funded more than 100 preschool programs and more than a dozen at-risk infant-toddler programs. As the program expands through its five-year implementation schedule, children identified as “at risk” are the first funding priority.²³

In fiscal year 2008, lawmakers only authorized \$29.6 million, falling short of the \$45 million initially recommended by the Governor in 2006, and well below the \$69.3 million that Blagojevich sought closer to budget time.

At the time of this writing, following an FBI wiretap, Governor Blagojevich faces possible impeachment and is being charged with conspiracy and solicitation to commit bribery, including allegations that he may have intended to sell President Obama’s vacant Senate seat.

It is too early to know what effect Blagojevich’s troubles, in addition to today’s tough economy, will have on Illinois’ support for Preschool for All and the early childhood education reforms for which the Governor strongly advocated. Current advocacy efforts focus on extending Preschool for All’s sunset date to 2010. In March of 2008, Illinois ranked first in the nation in the percentage of 3-year-olds in state-funded preschools.²⁴

¹⁹ Pritzker, J.B. “Worthwhile early investment.” *Chicago Tribune*. May 24, 2006.

²⁰ Price, Ananay. “‘Preschool for All’ plan faces budget challenge.” *The Times of Northwest Indiana*. April 13, 2006.

²¹ Ibid.

²² Colindres, Adriana. “Preschool program still in early stage; Critics, supporters disagree on whether it’s worth the cost.” *The State Journal-Register*. Springfield, IL. Oct. 29, 2007.

²³ Ibid.

²⁴ “When it comes to preschool, Illinois is at the head of the class.” *Chicago Sun Times*. March 23, 2008.

Lessons Learned from Illinois

1. Efforts are sustained over long time periods. Even though this paper starts its timeline in 1992, there is evidence of early childhood advocacy starting in Illinois 30 years ago.
 2. Certain catalyst individuals are important. In Illinois' case, catalysts include businessman and philanthropist Irving Harris, researcher James Heckman, and Governor Blagojevich.
 3. The cause is strengthened by diverse groups working together. Illinois had many different advocacy efforts, including business groups, and they regularly joined together for certain initiatives or to publish joint reports.
 4. Illinois' story serves as a cautionary tale not to allow success to be dependent on a supportive governor, because terms in office may be even more temporary than one thinks.
 5. The business case is bolstered by descriptions using economic and workforce development terms.
 6. A variety of tactics are used, such as letters to the editor, research reports, luncheons, developing strategic relationships, and even television commercials.
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