A study now shows that 20% of the population accounts for 60–80% of several adult social ills. Outcomes for this group can be accurately predicted from as early as age 3 years, using a small set of indicators of disadvantage. This finding supports policies that target children from disadvantaged families.

James J. Heckman and Jorge Luís García

The emphasis of this paper is, however, on predicting adverse adult outcomes. Evidence that childhood adversity predicts adult adversity is an important building block for shaping an effective policy intervention. But the paper stops short of providing any evidence on which, if any, interventions might be effective in preventing the adverse adult behaviours grouped in their clusters. It does not inform us of whether their empirical relationships are due to genes or environments, nor does it conduct any mediation analyses to unpack the channels of environmental influences that produce adult adverse outcomes.

Fortunately, there is a body of literature that is consistent with the evidence in this paper that provides guidance on the effectiveness of early-childhood interventions and their channels of influence. Early-childhood interventions in the United States, evaluated by the method of random assignment, have followed disadvantaged children up to ages 30–40 years, the same range of ages reported in this paper. The interventions provide enriched early-childhood environments to...
disadvantaged children. Their findings are relevant today because they are founded on basic principles of child enrichment that are widely implemented in a variety of new and ongoing programmes.

The economists studying these interventions use benefit–cost and rate of return analyses to place diverse outcomes on a common and interpretable footing of a money metric. Doing so produces policy-relevant aggregates. If a social programme provides benefits above the market opportunity cost of funds, it is socially efficient to invest in that programme.

These programmes enrolled disadvantaged children comparable to those in the Dunedin New Zealand sample analysed by Caspi and co-workers. Multiple adult outcomes are measured that are similar to the ones used by the authors, including health, healthy behaviours, crime and smoking.

For example, the High/Scope Perry Preschool Program targeted disadvantaged 3–4-year-old children. An analysis of this programme reports an overall benefit–cost ratio of 7 to 1 with a rate of return of 7–10% per annum. (The rate of return is the rate at which a dollar investment increases in value each year after the programme is implemented.) These benefits account for the welfare cost of using public revenue to finance the costs, counting various forms of tax avoidance.

The Carolina Abecedarian Project (ABC) and the Carolina Approach to Responsive Education (CARE) started earlier (subjects were first enrolled at age eight weeks) and children stayed in the programme until they were 5 years old. Follow-up continued through their mid-thirties. A recent study reports a benefit–cost ratio of 6 to 1 with a rate of return of 13% a year, again accounting for any distortions caused by public funding (J. L. García, J. J. Heckman, D. E. Leaf & M. J. Prados, manuscript in preparation). Figure 1 shows the total value of the monetized benefits and their components across major life domains.

Recent papers show the causal channels through which these effects are obtained. It would be productive to examine the mediators of the Dunedin study to assess the role of family and social influences. The authors are well positioned to do so.

The body of evidence in the cited papers, coupled with the evidence from Caspi and colleagues, all point to the multiple benefits to society of detecting and addressing the conditions of disadvantaged children at an early stage. Targeting disadvantaged children is effective social policy.

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