

Meeting the manufacturing and business workforce needs of the FUTURE means meeting the EDUCATIONAL needs of children TODAY.

Manufacturing Drives the American Economy

To remain economically competitive, America needs a strong manufacturing industry. When the manufacturing industry is healthy, the American economy is healthy. Standing by itself, U.S. manufacturing would be the eighth largest economy in the world and:

- Contributes more than 57 percent of U.S. exports or about \$88 billion a month.
- Pays wages and benefits that are about 9 percent higher than non-manufacturing jobs.
- Multiplies every dollar spent into an additional \$1.40 in economic activity, greater than other sectors.
- Is responsible for more than 45 percent of private sector research and development.
- Makes the highest contribution to economic growth of any sector.

Source: The Facts About Modern Manufacturing, 2009.

To continue to thrive, the manufacturing industry must attract and retain a skilled, educated workforce that can spur and maintain continual innovation. According to U.S. manufacturing executives, a skilled workforce is the single most critical element of innovation success and the hardest to acquire.



Growing a Skilled, High-Performance Workforce

If our education system were a business, its products would be judged as inferior and its stock value would be falling. So where is the breakdown? We know what our employers want—a skilled and educated workforce—and yet we do not give our young children the educational and other supports they need to get there.





U.S. Education Falls Behind Global Competitors

- In 2006, U.S. 15-year olds scored lower than the OECD average in both science and math literacy.
- The U.S. ranked 24 out of 30 industrialized countries in an international standardized test of mathematics skills and knowledge.

Early Setbacks Determine Educational Outcome

- Fewer than half of the children in the U.S. are proficient in reading and math.
- Of 50 children who have trouble reading in 1st grade, 44 of them will still have trouble in 4th grade.
- 75 percent of children reading below grade-level at the end of 4th grade will struggle in high school and probably will not graduate.

The number of U.S. 16-24 year olds who lack a high school degree and are not attending high school is 3.8 million.

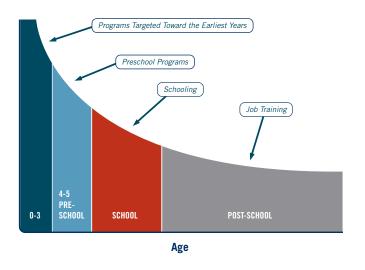
Despite these deficits, we are not responding where it counts. Many children—including 65 percent of poor children—do not receive a preschool experience. By age 5, a child's brain reaches 85 percent of its adult weight, developing 700 neural synapses every second—the connections that help the child learn. And yet, only 5 percent of our public investment in education goes to support early childhood education.

If we treated the problem in education as a problem in manufacturing, we would fix the problem at its earliest source—before children even enter kindergarten.

The key is a strong educational foundation. Research shows access to high-quality early learning is integral to helping today's children prepare for school readiness and success.

Early investment in high-quality early learning generates a high return. Like any time-valued investment, the earlier you make it, the greater the return. Giving young children a good start can substantially decrease the long-term costs for educating an individual for career readiness.

Rates of Return to Human Capital Investment Initially Setting Investment to be Equal Across All Ages



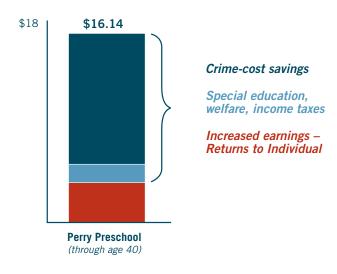
Source: Heckman, James J. Schools, skills and synapses. Economic Inquiry. July 2008.

If we invest now, we will save later: it takes fewer dollars early on to change the trajectory of a child than it does an adult. Research on disadvantaged children shows that those who participate in early childhood development:

- Attain higher high school graduation rates, higher lifetime salary, and higher education levels.
- Pay more in taxes and have a reduced need for remediation and welfare.
- Show less criminal activity.

This amounts to substantial money saved in incarceration costs, welfare and other corrective initiatives.

Total Return per \$1 Invested



Source: Lifetime Effects: The High Scope Perry Preschool Study Through Age 40 (2005).

The Manufacturing Institute has joined the Pew Charitable Trusts' Partnership for America's Economic Success, a national coalition mobilizing business leaders to improve tomorrow's economy through smart investments in young children today.



TAKE ACTION

Join The Manufacturing Institute, the Partnership for America's Economic Success, and other national business organizations, such as the Institute for a Competitive Workforce/U.S. Chamber of Commerce, Kiwanis International, and Corporate Voices for Working Families, in advocating for policies that maximize returns on investment.

- Make your voice heard on the issue. Write an Op-Ed or letter
 to the editor; call into talk radio; post on a blog. As a business
 leader, your voice can be a powerful one in advocating for
 sound investments in your community.
- Contact your local children's group to offer to participate in events to represent the business voice.
- Encourage providers of early childhood services to join community and civic organizations, such as chambers of commerce, Kiwanis, Rotary.
- Encourage other national or local business or service groups to learn about and advocate for a range of early childhood investments from birth to age five.

- Encourage your business peers to get involved and make a difference.
- Host a forum to share research on the benefits of early childhood investments.
- Consider activities in which your business is already engaged that could be targeted toward promoting sensible policies on early childhood development.
- Call on state and local government to make funding decisions based on return on investment.
- Join a commission on early childhood policy.
- Contact policy makers, leveraging your relationships.

Visit www.PartnershipforSuccess.org to learn more.

Contact:

The Manufacturing Institute 202.637.3426 institute@nam.org

Partnership for America's Economic Success

The Pew Charitable Trusts 202.552.2000 info@partnershipforsuccess.org