

Security for America's Children: A Report From the Annual Conference of the National Academy of Social Insurance (Part II)

The health and economic security of children and their families were discussed by an array of experts at a January meeting of the National Academy of Social Insurance. The *Social Security Bulletin* is publishing summaries of the conference's five major presentations. In the Spring issue were the dinner speech by Social Security Commissioner Gwendolyn S. King and a paper presented by Sarah Brown, Senior Study Director for the National Forum on the Future of Children and Families. In this issue are summaries of presentations by Dr. Mary Jo Bane, Commissioner of the New York State Department of Social Services; Dr. Paul Starr, professor of sociology at Princeton University; and Dr. David A. Hamburg, President of the Carnegie Corporation.

The National Academy is a Washington-based, nonprofit association promoting research and education on Social Security and other public and private programs that help to meet the Nation's economic and health care needs. Among the subjects covered at the recent conference were:

- The social and political framework of current income and health care policy and its relationship to future policy development.
- Alternative income security and health care policies.
- The consequences of poverty for child development.
- Maternal and health care experts' concerns with the various national health care reform proposals.

How Much Does Poverty Matter?

Dr. Mary Jo Bane, Commissioner, New York State Department of Social Services, discussed the question of how family income affects outcomes for children, as well as the question of how much it matters to children whether that income comes from one source rather than another.

Dr. Bane introduced her discussion with background on poverty and welfare among children.

"The Census Bureau reports that in 1990, 20.6 percent of children under 18 lived in households with incomes below the poverty line, which was set at about \$13,300 for a family of four in that year. The poverty rate among children was at a low of 14 percent in 1969. The poverty rate is cyclical, and reached a high of 22.3 percent in 1983. There is also a trend though: The 'good year' of 1978 saw a poverty rate among children that was 1.9 percentage points higher than that of 1969; the 'good year' of 1988 saw a poverty rate among children that was 3.6 percentage points higher than that of 1978.

"Lying behind these facts are the depressingly familiar facts about trends in family composition. In 1990, only 73 percent of children were living with both their parents. About half of all children will live in a single-parent family at some point during their childhood. The poverty rate for female-headed families with children was 45 percent, lower than 1959 (60 percent) but higher than 1979 (40 percent). Poor female-headed families in 1990 received almost half their income from public assistance. Most of the rest came from the mothers' own relatively meager earnings and the earnings of others in the household. Poor female-headed families received virtually no child support.

"These facts reflect the terrible bind that single mothers with low earnings potential find themselves in. Most two-parent families these days find they need two earners in order to get by. Single-parent families, by definition, have only one potential earner, and that person is also solely responsible for the care of the children. If she has to pay for child care, a single-parent with two children has to work full time at about \$7 an hour to support her family at a level above the poverty line. In most States, women with poor educations and little work experience, who can't make that kind of money, are better off on welfare. . . ."

Dr. Bane then turned to the question of how much difference it really makes to children, in the long run, if family income is lower rather than higher, and the question of how much difference it really makes, if any, where family income comes from.

Dr. Bane said, "The answers to those questions no doubt seem obvious to you, as they did to me when about 6 months ago I started working with a developmental psychologist, Larry Aber, on a cross-disciplinary review of the literature on the effects of poverty on children. It turns out we don't know as much as we thought we did, or as we should. But there is some exciting new research. Let me give some of the bad news first, and then some of the good news.

"The reason we think we know the answer to the question of how poverty affects children's development and later outcomes is that we know, both through personal experience and from data, that poor children don't do as well as better off children along a number of dimensions. They have more physical and mental health problems; they don't perform as well on achievement tests; they don't get as much schooling. The differences are consistent and well-documented in a number of reviews." Dr. Bane cited particularly a paper, "Alive and Well?" by Lorraine Klerman for the National Center for Children in Poverty.

She explained that "poor children differ from better off

children in a number of ways in addition to having less family income: They are much less likely to be in two-parent homes, they are likely to have less well-educated parents, their parents are less likely to be working, their families are more likely to receive welfare, their schools and communities are less likely to be viable.

“Asking which of these variables are actually affecting children’s development is more than a statistician’s quibble: It is vitally important in thinking through whether our efforts on behalf of ‘security for America’s children’ ought to be focused on stemming welfare cuts, encouraging family financial independence, providing family services, or improving educational and health services. Even if we conclude that the answer to that question is ‘all’—which we are likely to conclude—it is important in these troubled fiscal times to understand where we are likely to get the most benefit for our dollars.

“ . . . psychologists tend to believe that to the extent children’s development is affected by their environment, the important aspects of that environment are defined by parent-child interaction, parental warmth, order and structure, cognitive stimulation, and so on. They believe that money is likely to affect children’s development only through other aspects of the family environment, and they have not . . . been systematic about pulling apart the effects of social and economic background variables. . . . Most of the developmental research that we have reviewed is consistent with a conclusion that various aspects of family environment, including its social and economic status, affect children’s cognitive and social development. But the developmentalists seem to be only beginning to explore the indirect links between family background, family interaction patterns, and child development.

“Economists and other quantitative researchers have used longitudinal data to explore the links between various aspects of children’s situations, including family income, and later outcomes. Their studies lack the attention to the internal family processes and detailed structure of the home environment that developmentalists, almost surely correctly, consider so important. Nonetheless, they are generating some interesting findings.”

Dr. Bane cited first, a group of studies using the Panel Study of Income Dynamics [PSID], a 20-odd year longitudinal study of over 5,000 households that looked at the effects of family background on outcomes for children. Dr. Bane noted a dissertation [“Why Poverty is Bad for Children”] by a Harvard graduate student, Naomi Goldstein, which Dr. Bane said represents the findings as a whole.

“[Goldstein] looked at two outcomes: school completion or lack thereof and early childbearing, and a number of independent variables including measures of parental education, family structure, and family income. For predicting school completion, she found that by far the most important background variable was parental education. If you could change only one thing in children’s lives, this would be it. We don’t know quite how it works, but there are lots of plausible patterns: More talk, more reading, more motivation.

“[Goldstein] also found that family income matters, too: Both education and income are important. Again, there are many plausible stories. Income can buy books and toys, good care, better school environments, fewer distractions in the household. When she looked at early childbearing, neither income nor education seemed to be so important. Instead, family structure variables seemed to be more important. All of this makes sense, and serves to remind us that we are looking at extremely complicated processes.”

Dr. Bane also explored studies that look at the effects of income from different sources. “The effects of income on children’s outcomes, in the studies I just discussed, are smaller than many people expected. Partly, that is because other variables that are correlated with income, particularly education, appear to be more important than income per se. But there is another possibility.

“Income can come from different sources, and it is possible that some income sources may be accompanied by negative effects, in addition to the positive effects of having more money. For example, family income may go up if the second parent in a two-parent family goes to work. His or (usually) her work increases family income but it also means that he or she has less time to spend with the children. The simple lack of adult time or supervision, poor day care, and/or the stresses associated with work, may affect the children adversely.

“Another example comes from welfare. Welfare is money, just like other income. But it is also money that is associated with and perhaps even encourages parents who do not work and isolation from the economic and social mainstream. Income from welfare may not have the same positive effects on children as income from other sources.

“Hill and Duncan [in “Parental Family Income and the Socioeconomic Attainment of Children”], among others, have studied the effects of income sources on children’s education and work experience. They found that head’s earnings had a positive relationship to outcomes, but that spouse’s earnings and welfare had the ambiguous effects suggested by the above logic.”

Dr. Bane then turned to a study [“The Effects of Child Support on Educational Attainment”] she is doing with Virginia Knox on the effects of income and income sources on children who spent any part of their childhood in single-parent families. The researchers used the PSID to look at the relationships between income from different sources during 10 years of childhood on educational attainment at age 21. They examined the effect of average family income on children’s educational attainment, and found that it was marginally positive. Then they studied income during years when two parents were present, compared with income during one-parent years.

“Though income during two-parent years had the expected positive effect, higher income during one-parent years did not seem to increase children’s educational attainment overall,” Dr. Bane said. “We then looked at the effects of different income sources, with the surprising result that child support income appeared to have strongly positive effects, while income from welfare and mother’s earnings had ambiguous effects.” Dr. Bane asserted that “these findings thus support an interpretation that says income is not simply income, but that it is not just a proxy

for other characteristics either: It matters where income comes from.”

Dr. Bane cited as confirmation a study by Nazli Baydar and Jeanne Brooks-Gunn [“The Dynamics of Child Support and Its Consequences for Children”], which used the national longitudinal surveys to look at the antecedents of children’s scores on a cognitive test and an index of behavior problems.

“The study controlled for the child’s prior test score, and thus provided a strong test of the effects of the variables of interest. Two findings are of great importance. One is that the scores on something called the HOME inventory were strongly predictive of cognitive skills and of behavior problems. The HOME inventory is turning out to be measuring a powerful set of intervening variables between family background and children’s development. It includes a number of dimensions, including parental warmth, the cognitive environment, and so on. In other studies, it appears to ‘explain’ a good deal of the apparent effect of parental education and family socioeconomic status on children’s development.

“Even controlling for this powerful variable, however, Baydar and Brooks-Gunn found that receiving child support had a positive effect on children’s development. Again: Income counts, largely because it can be translated into features of the home and family environment that affect children positively; whether the effects turn out to be positive depends to at least some extent on where the money comes from.

“If these findings hold up in future research . . . they have very important implications for how we think about security for America’s children. They are relevant to, though not determinative of, the debate over income versus services. Some people might interpret the data on the relatively weak effects of income on children’s development as supporting the brief for services: Other aspects of the family environment besides income are important so we should try to directly improve those aspects, through training, preschool education, and so on, rather than spending the equivalent amount of money on family income support. We have to remember, though, that in most of the good studies an income effect remains even after controlling most of the things that might be affected by services. Moreover, the effectiveness of services is far from proven. Thus, we can feel safe in following our intuitions that say children’s lives are likely to be improved if children’s families have more money.

“But . . . some policies for increasing income are better than others. Welfare is clearly not the best way to improve the lives of children. Welfare brings with it many negative features that seem likely to harm children if welfare becomes a long-term way of life.

“At the same time, increased work by the second parent in two-parent families or by the single parent in one-parent families is not an unambiguous good. The inevitable accompanying losses in time and the potential losses in supervision and in quality of care take at least some toll, for at least some children.

“The only income source that seems to be unambiguously positive for children in one-parent families is child support. It is not stigmatizing or isolating like welfare; it is not draining of parental time and energy like full-time work. A combination

of work and child support seems to be better for children than either relying on maternal earnings or welfare alone, or a combination of welfare and work.

“This research reinforces for me a position that I and others have been developing over the years on the best routes to income security for that very large proportion of children who will spend part of their childhood in single-parent homes. Child support is the key, and guaranteed child support, not welfare, ought to be the emphasis of government policy.

“Welfare is not the answer—though punitive cuts in welfare are, of course, not the answer either. Recipients don’t want to receive welfare, and taxpayers don’t want to pay for it. But work alone is not the answer either. Only a few single parents can do the work of two: And remember that means being able to earn income equal to that of one and a half workers, which is the norm in two-parent families, as well as provide for child care. Single parents shouldn’t have to do the work of two; in virtually all cases, children have a second living parent.

“Absent parents need to pay their fair share. We’ve made some progress on that front but we need to do much more, in terms of paternity establishment, award guidelines, simplified procedures for obtaining awards, and automatic wage withholding. But in addition to enforcing child support, the government ought to guarantee child support. Single parents need to be able to count on minimum child support, the regular receipt of enough child support to make it possible for them to support their families with a reasonable amount of work.

“I believe the government ought to guarantee a minimum amount of child support to every single parent. With appropriate child support enforcement, such a program, if designed appropriately, could benefit everybody: It could reinforce family responsibility, get families off welfare, and make them better off. It would be a genuine social insurance program, in the tradition of this country’s finest efforts to ensure economic security for its citizens.”

A New Deal for America’s Young

In his remarks, Dr. Paul Starr, professor of sociology at Princeton University, called for a “New Deal” for America’s young. Such a New Deal would include increased income support for young families, family leave, increased support for child care, additional funds for post-secondary education, child support assurance, national service, and a significantly reformed health system.

Dr. Starr began his remarks by noting that the United States might be on the verge of genuine reform on behalf of children. “Not since the Progressive Era have we seen such concentrated attention in social policy and public rhetoric,” he said. “The conditions affecting America’s children have been variously described and deplored and a new, national commitment urged to improve children’s lives” in many public commissions; in private projects sponsored by foundations, charities, and national associations; by corporate leaders; in books and television series; and by religious leaders and representatives of both political parties.

“It now seems everyone says we need to ‘invest’ in children—

always we invest, we don't just spend—since spending money on children sounds a lot more respectable if we think of them as part of a financial portfolio," he said. Such investments are generally viewed as morally right and economically sensible.

"A particular program of early intervention will provide a payback to society of a 3-to-1 benefit cost ratio for children's programs now being as firm a constant in social research as the Pythagorean theorem in mathematics. "We have so great a consensus on behalf of children's interests—so broad, so emphatic, so well reasoned, so amply documented a consensus—that perhaps what is really astonishing is that we have so little to show for it, at least as yet."

Dr. Starr suggested two reasons that could explain the apparent consensus coupled with lack of action, and a third, more optimistic scenario. He suggested that the consensus could be, first, "simply a superficial agreement, obscuring deeper political differences that prevent an apparent concert of opinion from becoming powerfully concerted action."

Second, different public players could be using the problems affecting children "to symbolize moral and political worries only tenuously related to children—that just as adults project their fears and hopes on their children, so we as a Nation are doing the same."

Third, and optimistically, we could be "in the midst of a veritable children's movement, on the verge of genuine redirection of public policy, private philanthropy, and, ultimately, one hopes, the adverse trends affecting children's lives.

"These possibilities are not mutually exclusive," he said. In the consensus about children, we may have all three—a misunderstanding, a metaphor, and a movement."

Dr. Starr argued that misunderstanding is evident. "It is striking how eagerly both the right and the left have embraced evidence about educational failure, even when at times—as in international comparisons of achievement levels—the evidence is far more shaky than is usually represented. For different reasons, both conservatives and liberals have found it useful to find the public schools culpable. But this is purely a negative convergence—a consensus of convenience—that does not extend to, or necessarily portend, any breakthrough in policy.

"Children are also clearly a metaphor for the Nation's uneasiness about its future. I do not think we would be hearing nearly as much about children today if it were not for the worries about national decline. As the Soviet Union's launch of Sputnik prompted a spurt of interest in education in the 1950's, so today we are reexamining educational and children's policies out of anxiety about our capacity to stand up to international competition. Much of the concern about children also reflects cultural anxiety about family decline."

Whatever the reason, Dr. Starr argued, "some real support—an authentic movement—has developed" to help children. This is important because regardless of the political and subjective elements, the problems of our children are tangible. He pointed to child poverty, illegitimacy, single parenting, declining earnings among young workers, and shifts in public expenditures that have left young families in distress.

"[T]here is a distinctive American post-industrial social pattern that has evolved under the shaping influence of the institutions we have from the past. Those institutions were not conceived with a view to the world we face today."

Dr. Starr argued that both the British and U.S. New Deal social welfare systems did not anticipate today's emerging patterns of family life.

"Consider the case of our employer-sponsored health insurance system, which makes children and women outside the labor force only incidental, indirect, and insecure beneficiaries. According to a recent Children's Defense Fund report ["Children and Health Insurance," by Sara Rosenbaum and others], based on CPS [Current Population Survey] data, the proportion of children covered by employer-based coverage dropped from 72.8 percent to 62.9 percent between 1977 and 1987."

Dr. Starr said that about 40 percent of children lacked employer-based health insurance coverage in the summer of 1990 and of those who did have coverage, 43 percent were predicted to go without it for some period over the next 2 years. He acknowledged that Medicaid has provided for some of these children, "but for many low-income working families, the decline of employer-based coverage is an ominous development, which Medicaid does not answer."

He continued, "Employers are not required to offer insurance for dependents, employees are not required to buy it when offered, and neither employers nor employees are able to control the spiral of costs that is undermining the insurance system and producing an erosion of benefits. With rising health costs, the interests of children have been especially easy to sacrifice—even though, among all age groups, children are the least expensive to care for.

"It is not even clear that insurance is the correct framework for considering children's needs. The problem is not the risk of unexpected costs, but rather the need to provide routine, preventive care as well as to treat sickness. Our health insurance system and the forms of medical service that have grown up in response to its incentives do not perform these preventive functions well at all, or they perform them at unreasonable cost."

Dr. Starr argued that we can't simply expand children's health insurance, "We need to revamp the financing and provision of children's health services. We might, for example, create a mechanism for capitation payment of comprehensive child health services" separate from options offered to adults.

"The problem of income security for children has, much more than health care, become tied up with the symbolic politics of poverty. Some believe that poverty today is more behavioral than structural—that it results chiefly from the indulgence and permissiveness of the welfare system and from moral decay that causes family decline, drug use, and violence. . . . The reality is that no one has any idea how to reverse trends toward family breakup and illegitimacy."

While critical of what he termed "punitive" welfare reforms proposed and implemented by some States in the past year, Dr. Starr said these changes were to some extent required by budget constraints. But he further noted, "Reform also responds to and exploits a very real anger in the middle class about programs

that seem not to require of the poor the kinds of obligations and responsibilities that others have to bear. . . . We have no choice but to fit social reform to public values, to accept that in public programs, as in other arenas, there should prevail [what has been called] 'the norm of reciprocity.' If citizenship imposes obligations as well as creating rights, so, too, does social citizenship. It is not a mistake, therefore, to make some benefits contingent on the performance of obligations, such as participation in training programs, although we need to be careful to prevent the sins of parents from being visited on children.

"Fitting social reform to public values means . . . shifting the emphasis of income security programs to making work pay, rather than calling, as so many did in the 1960's, for welfare rights or a negative income tax. It means creating, if you will, a symbolic politics in the service of reform as against a symbolic politics that is a substitute for social reform. And, if I can sum up the substantive ideas that the symbols should support, I would call it 'a New Deal for the young.' "

As Dr. Starr envisions the next New Deal, it "should be conceived with a view toward the new structure of families and changed relationships of men and women, and it should do for young families and children what the social insurance programs of the New Deal have done so successfully for the aged."

In calling for increased income support for young families, Dr. Starr said tax policy is one element, although he indicated preference for a tax credit over an exemption for children. "Since the late 1940's, the value of the tax exemption for children has sharply eroded; in a sense, by increasing the exemption or through a tax credit, we would only be partially restoring family interests in the tax code to what they used to be. Making the child care tax credit refundable would also help, and stepping up the earned income tax credit for children should be acceptable, even when stepping up welfare benefits for extra children is under attack."

Dr. Starr said other essential elements of the New Deal would be family leave, increased support for child care, and post-secondary educational financing through the income tax system.

He added that "child support assurance, as a partial replacement for welfare, also illustrates that potential for establishing a new foundation for social benefits that corresponds better both to current family patterns and to the moral demand for greater paternal responsibility.

"Likewise, national service responds to the demands for responsibility and obligation and would help, I believe, to strengthen the sense of a common social citizenship."

Finally, Dr. Starr argued for constraining health expenditures, which he said have been "crowding out" other kinds of social expenditures. He noted that total spending for defense, for education, and for health each accounted for 6 percent of the GNP [gross national product] in 1965. "Today, defense is below 6 percent and falling, education is still about 6 percent, and health care is projected to absorb 14 percent of GNP in 1992. . . . Without a national health insurance program built on hard budget constraints and capable of fundamentally altering the incentives down below in the belly of the health system, all other social programs are threatened."

Dr. Starr concluded: "Those are, in a capsule, ingredients of what some have called a 'neo-New Dealism.' It is an outlook conscious not only of our historical achievements in social insurance, but also of their limitations and the need to push beyond them. Several years ago, there was an effort by some to undermine the principles of Social Security under the banner of generational equity. We need to fulfill the aspirations of Social Security under the banner of generational equity. And instead of creating generational division, we need to build new generational alliances."

Children's Security and the Nation's Future

David A. Hamburg, M.D., President of the Carnegie Corporation, based his address on research done for his newly published book *Today's Children: Creating a Future for a Generation in Crisis*. He emphasized the influence of family experiences on child development and the necessity to adapt to new conditions.

He began by noting that he was talking "not just about poor children—although we are talking about poor children in crisis—but I believe we are talking also about children of the entire society."

Dr. Hamburg said his basic premise is that "what people do early in life provides a basis for the entire lifespan. The early years can build a foundation for a long, healthy lifespan, characterized by curiosity and learning throughout its course. Health and education are closely linked in the development of vigorous, skillful, adaptable young people. Investments in health and education can be guided by research in the biomedical and behavioral sciences in ways likely to prevent much of the damage now being done to children and adolescents and, thereby, contribute substantially to a dynamic economy and a flourishing democratic society in the next century."

He said, "Anyone with any kind of responsible relationship to a child—caretaking, teaching, mentoring, or health caregiver—when working with that child needs to start by asking: 'Does this child have a family? And if not, what can be done to build a family or something like a family? What sort of help does this child need? How can it be arranged? Who is available or can be mobilized for what we might call family equivalent functions? Who can provide dependable attachment in the early years, protection as necessary, encouragement about paths of growth and opportunity, stimulation and guidance and constructive feedback?'"

He cautioned that one cannot assume that biological parents are fulfilling these needs. "A lot of actual biological parents who are available in principle are not much available in practice in the affluent sector," Dr. Hamburg said.

"If we can address those questions," he said, "we are making the most fundamental contribution to health and education for a lifetime. I emphasize that health and education are tightly bound up together in successful child development and adolescent development, and the social environment powerfully influences both."

As he researched this topic, he said his concerns about children had deepened. Research on the inner city "quite simply documents the disastrous nature of growing up in the inner city."

"Not only are there many more children in poverty than was the case a decade or two ago, but many more are mired in persistent, intractable poverty with no tangible hope of escape. They are profoundly lacking in constructively oriented social support networks that promote their education and their health. There are very few models of competence. They are bereft of visible economic opportunity. The fate of these young people is not merely a tragedy for them, but affects the entire Nation."

If we don't help out of sense of personal compassion, Dr. Hamburg said, "we must at least recognize that our economy and our society will suffer along with them." "Their loss," he warned, "is our loss."

He noted that one scholar has estimated that about 15 percent of the population is mired in persistent poverty in high poverty areas. "Even if he is off—let's say it's only 10 percent—that is a disaster for the economy and the society, not just personal tragedy."

Dr. Hamburg continued by saying that he believes we are entering into an "epidemic of moderately severe child neglect across the entire society." This is happening, he said, "in the context of an immense transformation" that began two centuries ago with the Industrial Revolution and accelerated in this century, particularly in the last 30 years. "The small society that provided built-in nurturance for children and clear guidelines for behavior is transformed," he said.

Today, he said that we have a rapidly changing, heterogeneous society, where "guidelines are not clear and many values compete. American families now are far more likely than families of three decades ago to postpone marriage, to bypass marriage altogether, to live alone, to end marriage by divorce, to have both parents work outside the home when the children are young, to live with children in single-parent families—typically with only the mother present, but no adult male and very often no other adult person."

These changes have happened so rapidly, Dr. Hamburg argued, that "there is no possibility that we could have made adequate adaptations on an individual, let alone an institutional basis."

He went on, "Also in the last three decades, the change in patterns of contact between children and their adult relatives is remarkable. Not only are their mothers home much less, but there is little, if any, evidence of increased time by fathers at home to compensate, nor have the policies of government or business facilitated such a transition to the slightest extent."

Absent family support networks, what have we got? He responded, "Well, quality time. We can argue for a long time about how that quality time is when both parents are beat and irritable."

"The obvious response is to have functions that were formerly performed in the home or by the extended family performed in an extra-familial way," he said. But, he cautioned, we are just at the beginning of developing those extra-familial supports. "If you are going to have your child taken care of outside the home

at age 1, 2, 3, or whatever, you want a competent professional person," he said.

Unfortunately, in practice, he said, "We go out on the street and scoop up the ablest people we can find, and we give them a modicum of training and supervision and the best pay we can afford, which isn't much, and put them there to care for the kids. But the pay is so low and the supervision is so limited, and the sense of professionalism is so limited that, even with the best of intentions, they don't stay. And, especially the best of them don't stay."

He conceded that it is feasible for affluent families, "if they are very resourceful and skillful and persistent," to find adequate childcare. But that even for the affluent, "it is not simple and it is not prevalent, in my judgment, at the moment." And clearly, poor families need vastly more help.

Interventions that can limit the casualties now occurring in education and health are a continuum from prenatal care well into adult life. "Valuable ingredients of such a continuum in the early years are enriched prenatal care; pediatric care with a strong preventive orientation from birth on, if not sooner; high quality day care; parent education; social supports; and preschool education of the Head Start variety," he said.

Dr. Hamburg indicated that he would particularly emphasize prenatal care. Education, medical care, and a strong social support network all are integral to adequate prenatal care. He said that there are some noteworthy examples of good prenatal care; some of the pioneering efforts have been funded by foundations. But, he said, "if you pooled all the foundation resources to work on this problem—pooled them all—you could only get a very tiny fraction of what the Nation would need. So, clearly larger and more powerful sectors will have to scale up the models that have been created in some part by foundation support."

"What we need, in my view," said Dr. Hamburg, "is a new vision, an enlarged vision of prenatal care with broader goals and expanded means of reaching those goals. And, of course, prenatal care is just the first step in the continuum."

Dr. Hamburg continued, "Do we need a new institution? We do have schools, whatever their limitations or frailties, in each community that from age 5 or 6 on can visibly address the needs of children. Or do we need a child development center of some comprehensive kind in every community? Or, if not that, at least a comprehensive information and referral setting in every community. We need to raise the question." He also cited the potential of organizations like churches, minority organizations, boy scouts and girl scouts, community organizations, and the news media.

Adolescence is also a critical period in a child's development. He said, "What kind of person am I going to be? You try out smoking, you try alcohol, you try out various other drugs. You may try out weapons. You may try out high-risk patterns of using vehicles of different kinds. And how are you going to use your own body?"

"It is an absolutely crucial time," Dr. Hamburg argued, a time that "is not really adequately addressed by our institutions."

He then turned to costs, which he conceded would be

substantial. The “first and most crucial investment, however, is not financial,” but rather the investment of parents in their children, “their protection, guidance, stimulation, nurturing, and ways of coping with adversity. We have to find social arrangements that make that possible for today’s children.”

Dr. Hamburg also suggested that at least some financial needs for optimal child and adolescent development can be met with better use of existing funds. Society is losing a great deal now in “economic inefficiency, the loss of productivity, the lack of skills, the high health care costs, the growing prison costs, and a badly ripped social fabric.” “One way or another,” he said, “we pay.”

Dr. Hamburg said, “We cannot lose sight of the fact that wise investment in human capital is the most fundamental and productive investment any society can make. It is more important than oil, or minerals, office buildings or factories, roads, or weapons. The central fact is that all of these and much more depend, in the long run, on the quality of human resources and the decency of human relations. If these deteriorate, all else declines.

“I am hopeful that, as a Nation, we are awakening to the gravity of the problems of today’s children,” he said.

Dr. Hamburg concluded, “We can as a Nation strengthen our research capability that bears on child development, health, and education. And, armed with bodies of knowledge and experience, we could construct more effective interventions for all our children. We can do it if we have the vision and the decency to invest responsibly in tomorrow’s children and, thereby, in the future of all humanity.”