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**THE HAMILTON PROJECT HOSTS FORUM ON THE ROLE OF  
EDUCATION IN PROMOTING OPPORTUNITY AND ECONOMIC GROWTH**  
*Lawrence H. Summers and Joel Klein Join Other Education  
Policy Experts In Panel Discussion*

**WASHINGTON, DC** –The Hamilton Project, an initiative at the Brookings Institution, hosted a forum on, “The Role of Education in Promoting Opportunity and Economic Growth,” today at the National Press Club in Washington, D.C.

The event featured a panel discussion on improving America’s education system and the challenges the nation faces in today’s global environment. Participants included: **Kati Haycock**, director of The Education Trust; **James Heckman**, the Henry Schultz Distinguished Service Professor of Economics at The University of Chicago and a 2000 Nobel Memorial Prize Winner; **Joel Klein**, chancellor of the New York City School System; and **Lawrence H. Summers**, a member of The Hamilton Project’s Advisory Council and the Charles W. Eliot University Professor at Harvard University. The discussion was moderated by **Judy Feder**, dean and professor of the Georgetown Public Policy Institute and a member of The Hamilton Project’s Advisory Council.

“Much of America’s economic growth over the past century can be attributed to advances made by the American workforce,” noted Summers. “In an increasingly global economy, it’s not enough for our education systems to merely keep pace. We must continue to expand access to high-quality education that can fuel American innovation and growth, and make that growth more broad-based.”

A second panel discussion focused on a Hamilton Project strategy paper released earlier this year that emphasized an evidence-based approach to crafting education policy, as well as three discussion papers which offered specific proposals for providing intensive preschool for disadvantaged children; simplifying the application process for college aid grants; and changing the federal student loan program to make repayments more affordable. These papers, which were released in February 2007, build on two discussion papers released last year by The Hamilton Project that proposed teacher tenure reform and summer opportunity scholarships.

During the panel discussion, Jason Furman, Director of the Hamilton Project and moderator of the discussion noted: “America’s education system could do a whole lot better. America currently spends more than any other country on education without getting better outcomes. We can make a lot of progress by taking the money we’re spending now, whether it is for teacher salaries or college assistance, and using that money in a smarter way. There are areas, particularly pre-school, where substantial new investments would lead to even larger dividends for society.”

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In the area of early childhood education, evidence shows that a child's early years are particularly important for mental development, and that investments in these years are likely to more than pay for themselves over the coming decades. As Nobel Prize-winning economist James Heckman observed: "It is a rare public policy initiative that promotes fairness and social justice and at the same time promotes productivity in the economy and in society at large. Investing in disadvantaged young children is such a policy." Yet there is relatively little public money for early education, and fewer than 50 percent of three- and four-year-olds are enrolled in any form of preschool.

The Hamilton Project discussion paper by Jens Ludwig of Georgetown University and a Brookings nonresident senior fellow, and Isabel Sawhill, Brookings senior fellow, proposed expanding early childhood education for low-income children, and offering full-time care during a child's first five years, and then additional help during their elementary school years. Entitled "Success by Ten," this program is modeled on the highly successful preschool "Abecedarian Project" and would be phased in over 10 years. Ludwig and Sawhill estimated that, if fully implemented, "Success by Ten" could increase the Gross Domestic Product (GDP) by up to 0.8 percent while bringing the dramatic benefits of Abecedarian—greater employment and college entry, reduced teen pregnancy and crime—to millions of American children.

"Increasing access to higher education is another area that can provide very substantial economic benefits," noted Furman. "One of our most pressing challenges is to focus limited resources on those unlikely to attend college due to cost or other constraints."

One response to that challenge was presented in a discussion paper by Susan Dynarski and Judith Scott-Clayton of Harvard University, which found that the complexity and slowness of the federal system for distributing student financial aid grants creates serious obstacles to college attendance by making it enormously difficult for low- and moderate-income students to assess their eligibility for aid. They project that simplifying the existing process for distributing certain kinds of federal student aid could help increase college enrollment among low- and moderate-income students by up to 7.4 percentage points. Under the proposal by Dynarski and Scott-Clayton, students could figure out their grant aid eligibility through a simple chart distributed through schools and the mail. Meanwhile, the application process would be as easy as checking a box on the family's regular tax returns.

Addressing another important component of federal aid for college students, Thomas Kane of Harvard University, in a forthcoming paper for The Hamilton Project, argues that increasingly uncertain college earnings are deterring some students from taking on loans and attending college. He suggests a reform that would address this issue by having college repayments automatically adjust for changes in income over time, providing a safety valve to ease the burden of repayment on borrowers who have particularly low incomes in a given year.

**About The Hamilton Project ([www.hamiltonproject.org](http://www.hamiltonproject.org))**

The Hamilton Project, named after the nation's first Treasury Secretary, Alexander Hamilton, seeks to advance America's promise of opportunity, prosperity, and growth. The project's economic strategy reflects a judgment that long-term prosperity is best achieved by making economic growth broad-based, by enhancing individual economic security, and by embracing a role for effective government in making needed public investments. Our strategy —strikingly different from the theories driving economic policy in recent years— calls for fiscal discipline and for increased public investment in key growth-enhancing areas. The project will put forward innovative policy ideas from leading economic thinkers throughout the United States—ideas based on experience and evidence, not ideology and doctrine—to introduce new, sometimes controversial, policy options into the national debate with the goal of improving our country's economic policy.

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**Media Notes:** Any reporters wishing to interview representatives from The Hamilton Project please contact Jennifer Devlin at 703-876-1714 or [Jennifer.devlin@cox.net](mailto:Jennifer.devlin@cox.net). Copies and/or summaries of the papers referenced here can be found on the web at [www.hamiltonproject.org](http://www.hamiltonproject.org).