

Leveraging the Power of Philanthropy for At-Risk Children Birth to Five

An interview with Daniel Pedersen, President, Buffett Early Childhood Fund

Philanthropies large and small are taking important steps toward changing the ways in which states and communities are allocating resources for at-risk infants and toddlers. The Buffett Early Childhood Fund is a leader in this arena, serving as a model within the philanthropic community and a catalyst for significant policy change in Nebraska and nationally. ZERO TO THREE had the opportunity to talk with Daniel Pedersen, the President of the Buffett Early Childhood Fund, and get his thoughts about how we can all work together to change the policy landscape for our most vulnerable infants and toddlers.

Can you tell us a little bit about your background and how you ended up at the Buffett Early Childhood Fund?

I was a journalist for 25 years -- 20 years of which were at *Newsweek* -- but eight years ago, my career took a different path that led me to focus on early childhood. My roots are in Omaha, Nebraska, which is where I became friends with Susie Buffett, the oldest of the three children of Warren Buffett. One day Susie called to tell me about a new foundation that had just been created and asked if I would help her focus its work. She wanted me to help her answer one important question,

“What’s the smartest investment in public education at the beginning of the 21st century?”

What I thought would only take a couple of weeks helping out a friend has become the last eight years of my life.

So how did you go about helping Susie Buffett answer this question?

One of the first things we did together was go see Dr. John Mackiel, the superintendent of the Omaha public schools. Susie attended Omaha public schools, and she wanted to do something big for Omaha and their school system. Amazingly enough, this superintendent said what he most wanted for his K-12 system was the highest quality early childhood program that could reach the kids at greatest risk before they ever show up at kindergarten. Dr. Mackiel knew in his district that the achievement gap happens at a time of life that predates kindergarten, and he thought that was the best place to make an investment.

The other thing was that *Newsweek* had a strong history of covering early childhood issues. Although I was the London bureau chief and had nothing to do with any of your special issues on early childhood, they sort of infected my own thinking about when learning begins.

We put those two things together and discovered that where we are most underinvested as a society is beginning at birth, particularly with a focus on the children at greatest risk. That became our focus and remains so, even though our foundation is now 10 times larger than when we started and extends nationally as well as in Nebraska.

You have spoken before about how the federal government, state governments, advocates, professionals and philanthropies need to work together to shift the odds for our youngest and most vulnerable children. How do you think philanthropy can make the greatest impact in such a public-private partnership?

There are several ways for philanthropy to leverage public policy change, and I have to say I learned a lot by studying how Irving Harris used private dollars to leverage greater public dollars. Our big opportunity in philanthropy is to try to change the allocation of public dollars to a smarter place, and one way to do that is to use our dollars as bait. For instance, in Nebraska, the Buffett Early Childhood Fund helped create an endowment for children from birth to three which includes \$20 million of private money and \$40 million of public money in perpetuity. This endowment will generate funding for about 15 percent of Nebraska's at-risk infants and toddlers to attend a quality early childhood program, such as Early Head Start. Fifteen percent is sadly a small figure, but even more sadly, it is five times the commitment of the federal government to the same interest. We think if we can do 15 percent at the outset, we can get to 30 percent in the mid term when we demonstrate that this is an effective strategy.

To support this kind of innovative leveraging, we also think it is important for philanthropy to support state-based advocacy organizations who are working to change the priorities of a state, as well as the federal government, by focusing on the importance of the early years.

How is this message being received by states and philanthropies across the country?

The appetite for this kind of change is intense. The best example I can give is that we sponsored the National Governors Association to offer \$10,000 grants for governor's summits on policy change for at-risk children birth to five. \$10,000 is not very much money for states, but 38 states applied for one of these grants, and 17 governors have held summits since 2006.

I get the sense that people are waiting for a trigger -- a catalyst to make birth to three issues a focus of conversation. These governor's summits have brought together private sector voices like J.B. Pritzker from Chicago with Dr. Jack Shonkoff from Harvard and Governor Kathleen Sebelius of Kansas. They are all on the same podium speaking to an influential audience of policymakers and early childhood professionals about the importance of this kind of change.

And what happens next? Real change is taking place. In Governor Sebelius' case, she has put a 30 percent set-aside for birth to three risk targeted investments into her state of the state address and her proposed budget. That demonstrates huge leadership on her part. I really believe the idea of policymaking focused on birth to five at-risk children is an idea whose time has come.

Clearly, the economy is on the minds of many Americans right now, and state legislatures across the country are tightening their belts in anticipation of a possible recession. In these restrained economic times, how do you think early childhood advocates can get policymakers to focus on children birth to five?

I believe the power of a birth to five agenda is that it is a powerful argument in lean times and it is a powerful argument in good ones. Our argument is that we have poorly allocated public resources in our society. If we care about the growth of healthy children, or if we care about the growth of our economy with a high functioning workforce, our argument is that by reallocating existing dollars in a more efficient and productive way we can produce a bigger return on existing dollars.

If our advocacy focus was only to make the pie ever bigger, then you cannot always win. But making the early childhood pie ever bigger is an argument we have to make regardless of whether we are in times when public spending can expand or contract. Even in contracting times, early childhood investments should expand because of the return on investment they produce.

Infant-toddler professionals have a great deal to offer policy discussions at the state and federal levels. What advice would you give to infant-toddler professionals who want to make the leap and get involved in advocacy?

Be not afraid. Advocacy is not much different than the daily work of infant-toddler professionals: both start with cultivating strong, healthy relationships, early and over time. Also, whether you are facing contracting state budgets or battling the state legislature for higher quality and better access to birth to five services, do not lose heart. If you have the endurance – the resiliency – to go back year after year after year, you will see the fruits of your sustained labor and see real policy change for the youngest and most vulnerable children in your community – and across the country.

Over the next 10 to 20 years, we need to make an argument for redefining public education in America very broadly to include birth to five as the first step of a public education system, the first five years of learning. That argument cannot be waged just in Washington, DC though. It has to be waged year after year after year in state legislatures. Legislatures are intimate places, ultimately, and so it will take knowledgeable people from communities across the state forming relationships with legislators and encouraging them to move this to the top of the state agenda. This work really depends on the knowledge and passion of people in the ZERO TO THREE Policy Network to carry the ball.

Daniel Pedersen is founding president of the Susan A. Buffett Foundation (2000-2005) and the Buffett Early Childhood Fund (2005 to present). The Fund invests in three areas – practice, policy and knowledge -- and is spearheading efforts to establish a nationwide network of well-researched and well-implemented Educare Centers. Each Educare provides the highest possible quality care and education to 150-200 children and families and serves as a platform for policy change within its community and state to benefit children at greatest risk from birth. In 2005, the Fund created the Birth to Five Policy Alliance, now backed by multiple philanthropies, to galvanize the efforts of 13 organizations to work more comprehensively together on state-based and national initiatives. Before entering philanthropy, Pedersen worked for 25 years as a journalist – including 18 years as a *Newsweek* bureau chief at home and abroad, primarily in London. Pedersen was in Berlin the night the wall fell, chronicled the fall of Margaret Thatcher and the rise of Tony Blair, and commented frequently for BBC radio and television on U.S. and world affairs. Pedersen was born in Omaha and holds B.A. and M.A. degrees from Boston College.

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