

AN ECONOMIC METHOD FOR MAKING BETTER POLICY REGARDING OUR CHILDREN'S FUTURE

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Social scientists and practitioners recognise the benefits of prevention compared with remedial alternatives. Evidence resulting from evaluation of well known early intervention programs such as the Perry Preschool Project and the Elmira Prenatal / Early Infancy Project demonstrates positive short and long term effects. A recent systematic meta-analytic review undertaken by the authors provides further evidence that such interventions provide good returns on investment well beyond the early years - into and beyond adolescence. In short prevention programs delivered to at-risk populations deliver salient benefits in educational success, cognitive development, social participation, social-emotional development, and family wellbeing; as well as reductions in social deviance and involvement in the criminal justice system. A recurring challenge however has been using such evidence to inform complex policy decisions that involve weighing up the differential performance of alternative prevention options in relation to a set of criteria centred around personal values and priorities for parents, teachers, other stakeholders and children themselves. Additionally, those involved in prevention research and practice often need to engage other stakeholders (e.g. business, industry and philanthropists) to support their efforts. Such engagement can be enhanced by demonstrating the benefits they (as stakeholders) receive, and by pointing to the unique and important contributions they can provide to developing better evidence-based policy. This paper presents the results of an economic study that developed a methodology for assisting policy makers confronting resource allocation decisions of the type described above. The focus was on the evaluation of alternative early-in-life intervention options having differential impacts on quality of life outcomes in adolescence. The evaluation methodology involves an adaptation of an existing operations research tool that allows the valuing of improvements in quality of life across the life course, which provides a rational foundation for decisions regarding resource allocation for early-in-life prevention alternatives.