

Testimony of Grover J. (Russ) Whitehurst

Subcommittee on Human Resources

Committee on Ways and Means

Expanding Opportunity by Funding What Works: Using Evidence to Help Low-Income Individuals and Families Get Ahead

March 17, 2015

Mr. Chairman and Members of the Committee:

My name is Russ Whitehurst. I am a senior fellow and hold the Brown Chair in Education Studies at the Brookings Institution. I was the founding director of the federal government's Institute of Education Sciences, which is the Department of Education's research, evaluation, and statistics division. Before my eight years of government service in that role, I had a long career as a researcher. A focal theme of my entire professional career has been developing and evaluating programs intended to help children in low-income families and children with learning and developmental disabilities get ahead.

In that context, I am very appreciative of the opportunity to testify today on the critically important topic of using evidence of what works as a guide to federal funding of programs intended to help low-income families and individuals.

Let me tell you a story that frames, for me, the importance of today's topic and this hearing. Back when I was a university-based researcher I spent a lot of time in childcare facilities that were under the sway of federal legislation, including Head Start, Even Start, and subsidized daycare centers.

I remember vividly a young mother I met at a Head Start Center. She was attending an orientation meeting for parents of newly enrolled children, where I was making a pitch for parents to permit their children to participate in a research study I was conducting at the center. When I was later leaving in my car I saw her walking down the road at twilight with her 4-year-old in hand, pushing her 2-year-old in a stroller, and carrying a large bag of materials that had been passed out at the meeting. She was struggling. I asked her if she wanted a ride home. She accepted. I thought I would be taking her a few blocks but it was a couple of miles before we pulled up in front of the dilapidated house where she lived. I asked if she had walked all the way to the meeting with her two kids in tow. She said she had. I asked if she had known how far it was. She said she had. I said, "That's a long way to walk with two young children. Why did you do it?" Her answer – "I just want to do what's best for my babies".

I knew well the Head Start center in which she had just enrolled her four-year-old. Trust me, it fell far short of the quality she needed to do what was best for her babies.

Many low-income families and individuals very much need government assistance to get a leg up on a brighter future. When the U.S. taxpayer funds programs that don't work or don't work nearly as well as they should we fail those families. We also short change society as a whole. And the waste isn't limited to the specific appropriation that funded the program. It also includes the opportunity costs, which are often much larger than the expenditure on the program itself.

For example, we know that just one year of an excellent classroom experience for a young child compared to an average classroom experience produces about \$1,000 more per year in earned income for that child when he or she grows up and enters the workforce. That return is cumulative. So if the four-year-old child of the mother in my vignette received an average classroom experience (or worse) in Head Start, he or she will earn \$10,000 less over a decade of work than would have been the case had the classroom experience been really good. This effects taxes paid, eligibility for other government benefits, the ability to purchase a home and accumulate savings, and a number of other markers of economic mobility. When you add those impacts to the \$8,000 or so the taxpayer spent to send that child to Head Start for a year, you're talking real money, and that's just for one person.

My point is that when the federal government spends money on programs that don't work or don't work well the cost is both the waste of the direct expenditure as well as the loss of the gains that could have come from an effective program. It is a dual whammy, and summed over large numbers of participants in any government program it amounts to very large amounts of money as well as the less tangible but still vitally important impacts on quality of life.

The nation needs programs that work to help low-income families and individuals get ahead. The consequences of funding programs that don't work are monumental. I doubt there is much controversy about this assertion among those of us here today. The question is not the need for programs that work but how to get them. My thoughts about this are very much formed by my experience as director of the Institute of Education Sciences. The focus of IES was, naturally, on education, which is a narrower scope than that of today's hearing. But the challenge was exactly the same. How do we use evidence to grow federally funded programs that work at the expense of programs that don't work or don't work well enough?

Here are some lessons I learned. I'll divide them into three categories relating to the supply of good evidence, the demand for it, and the appropriate federal role in delivering evidence-based programs.

### The supply of evaluation and research

1. You get no more than you pay for. Although federal budgetary support for gathering evidence on what works in programs to aid the disadvantaged has increased in the last decade, it remains a pittance when compared with levels of investment in research, evaluation, and statistics in other areas of the economy. For example, more than 40% of the discretionary budget of the U.S. Department of Health and Human Services is invested in knowledge production and dissemination through the National Institutes of Health, the Centers for Disease Control, the Food and Drug Administration, and many other operational components. In the U.S. Department of Education, the corresponding investment is less than 1%. In research and

evaluation on social programs, no less than in R&D in health or transportation or communication or energy or agriculture or technology, money matters.

My specific recommendation on this point is that every federal program that has a primary goal of improving outcomes of families and individuals from disadvantaged backgrounds and that has an annual appropriation above a lower bound, say \$50 million, should have a 5% annual set aside from its appropriation for an evaluation of its impact.

2. Quantity is essential. We have a lot more high quality research on what works than was the case 20 years ago, but fields that are able to profit from rigorous evaluations conduct them in much higher volumes than is the case for government programs. So-called A-B comparisons in which one way of doing something is compared rigorously with an alternative approach are the stock-in-trade of the technology industry. Google, for example, is said to conduct over 20,000 experiments a year. The vast majority of the things they try don't work, but when they try a large number of things, a small proportion of wins can still generate a lot of progress. Most interventions fail in health care, as well, where 80% of stage II clinical trials on new pharmaceuticals find no clinical useful impact on health when the treatment is compared to a control. During my time at the U.S. Department of Education we launched about 20 large scale evaluations of federal education programs and funded a couple of hundred other randomized trials initiated by university-based researchers. 20,000 trials a year for Google vs. a couple of hundred trials in eight years by the U.S. Department of Education. That's a difference that makes a difference. We're not likely to show a lot of progress in understanding what works to help the disadvantaged until we dramatically step up the pace of experimentation.

The first of my recommendations on this point is consistent with the intent of the legislation introduced by Chairman Ryan and Senator Murray in the Evidence-based Policymaking Commission Act. A goal of the commission created by the Act would be to identify, link where feasible, and make easily available to researchers administrative data that captures information on the provision of federally funded services and their outcomes. The largest barrier by far to ramping up knowledge production on what works in government-funded programs is the cost of obtaining data. Were the data already available the cost of studies would fall dramatically. This is how Google is able to conduct 20,000 experiments a year – the data are produced by the users of Google at no extra expense. All Google has to do is decide on an A-B comparison, e.g., should featured sites be listed on the side of the page or at the top when a user does a search, and do the analytics based on user clicks. There is almost no cost. We need to make the data the government already has accessible to researchers and policymakers so that low-cost studies can also be done on government programs intended to help the poor.

A second recommendation is that Congress take advantage of the existing federal statewide longitudinal data systems grant program, which, since 2005, has funded all but three states through competitive grants to create administrative databases that allow researchers and policymakers to follow students through their education careers and examine the relationships

between the programs students received and their outcomes. These grants encourage states to include data from early learning environments through workforce participation, and some states have included linkages to other data on health and utilization of social services. The terms of the grants also require the availability of the databases for evaluation and research.

States have done a much better job of building the databases than in using them for policymaking or for independent evaluations and research. In fact, if you're a researcher working on a topic to which the databases are relevant, you've got a chance of getting access in Florida, Texas, and North Carolina. Otherwise, it will be tough sledding. Congress can fix this. Require the U.S. Department of Education to require recipients of these grants to live up to the terms of their awards for data access for policymaking and research.

3. Independence is fundamental for federal entities responsible for evaluating federal programs. One of the most important advances in the Education Sciences Reform Act was to create a greater degree of independence between the Department's research arm and the political leadership of the Department. The language of the statute is that "The Secretary shall delegate to the Director all functions for carrying out this title." I led the Department's research office for eight years under two secretaries and multiple lesser political appointees. I had good relationships with the political leadership of the Department, but I needed every bit of independence granted to me by the statute along with a fair amount of personal grit to keep my office and its functions from being politicized.

I recommend to Congress that the program evaluation arm of every executive branch agency be granted the same degree of independence as is granted and understood to be critical to the functioning of that agency's inspector general. In that regard, the Office of Management and Budget should be given specific legislative mandates to oversee the quality and independence of federal program evaluations, in line with the responsibility it has assumed of insuring the independence of federal statistical agencies.

## Utilization of the findings of evaluation

1. The Tower of Babel is the enemy. I remember a Senate hearing years ago in which I was testifying. A point of evidence was introduced by another witness. Hillary Clinton, then a senator, responded to the witness by saying, "Well, you've got your research and I've got mine." And she was right. The standards of evidence for drawing conclusions about program effectiveness are not agreed on by the body of people who conduct research on program effectiveness. Thus, if you look hard enough you'll find a researcher who has published something that supports your point of view even though the research in question may not pass muster in terms of rigor. The only way out of the problem created by uncertain research standards and a cacophony of conflicting conclusions said to be based on research is for the federal government to create trusted sources of information on what research says about what works. The FDA has historically had that role in evaluating evidence from evaluations of drugs.

The U.S. Department of Education has such an entity in the What Works Clearinghouse. The WWC operates through very clear protocols for evaluating particular research studies. It separates the wheat from the chaff and serves a vitally important role in improving education programs and products. One of its limitations, of course, is that it covers only education.

My recommendation is that Congress create through legislation a entity structured like the What Works Clearinghouse but with a much broader scope – the effectiveness of all government programs intended to help the economically disadvantaged. It would be the first place for a knowledgeable consumer to shop for vetted evidence on what works in social and education programs.

2. No mother thinks her own baby is ugly. People who deliver federally-funded programs, or create them through policy, or oversee them in federal and state bureaucracies believe their particular program works. They will attack the legitimacy of evidence that suggests the contrary. Further, once a funded program has created significant employment it is a jobs program that benefits those who work in it regardless of whether it benefits its recipients. In short, the forces that will fight to maintain a government program regardless of its effectiveness are very powerful.

Witness the federal early childhood/adult education program called the William F. Goodling Even Start Family Literacy Program. The intent of the program, created by Congress in 2001, was to combine center-based care for children with adult education and parenting training for their parents. Nothing wrong with that as an idea. The principal congressional architect was Representative Bill Goodling, after whom the program was named. He continued to be a very strong advocate for the program after he left Congress in 2001. Both the G.W. Bush and the Obama administrations regularly marked the program for elimination in their annual budget requests. They did so based on three national evaluations that had shown it not to work. In other words, parents and children served by Even Start did no better than families randomly assigned to a control group. But the program lasted ten years, until it was finally defunded by Congress. You think it is difficult to close a military base that is no longer needed? Try shutting down a popular social program that isn't working, or even just shifting a portion of its appropriation to something that might work better.

My recommendation is inspired by my analogy to base closings in the military, which depended on the appointment of an independent Base Realignment and Closure Commission to make recommendations on which bases should be closed. The commission took some of the politics out of base closures. I believe Congress should create an independent Commission on the Effectiveness of Government Programs for the Disadvantaged. The Commission could house the broad What Works Clearinghouse effort I previously recommended, and, to the present point, could annually report to the President and Congress on the level and direction of evidence with respect to the effectiveness of existing and proposed federal programs within its sphere. The Commission could recommend programs that should be defunded or restructured based on

evidence of ineffectiveness, identify programs for which evidence of effectiveness is positive, and note programs for which evidence is missing or ambiguous. I believe that such a commission, with distinguished appointees, could change the way we think about funding federal programs from what is now a largely evidence-free zone to one in which the emphasis is on successful outcomes. It could also provide political impetus for legislative and executive branch efforts to improve failing programs, and create an appetite for learning what works across all of government. One could think of this as an expansion of the functions of the Ryan/Murray Evidence-based Policymaking Commission.

### The federal role in delivering effective programs

In my view Congress should focus on creating a vibrant marketplace for the evidence among government officials, program providers, and service recipients rather dictating particulars of program design. Consider No Child Left Behind, which uses the phrase “scientifically-based research” 111 times, and includes many mandates for states and local education agencies to base their practices on the findings from such research. One example is the now defunct program, Reading First, which dictated at a very granular level how early reading instruction was to be delivered in schools across the nation. A federal evaluation carried out by my former office found that children’s reading comprehension did not increase as a result of Reading First, even though the program seemed to be grounded in research-proven practices. It is a fundamental mistake, in my view, for Congress to dictate how states and local government should use findings from research.

Instead of telling states and local agencies what they should do and appealing to research as the justification, Congress should focus on creating incentives for practitioners and policy makers to incorporate findings from the best research into their programs. There are two general ways to go about doing this, both of which have a role to play. The first is regulatory accountability. Thus, as in Chairman Ryan’s Opportunity Grant proposal, states would need to provide the federal government with their plan and their benchmarks for success. They would be held accountable for measuring and meeting their benchmarks. I think that makes a lot of sense.

But at the same time, we have to understand that state and local bureaucracies can be pretty good at maintaining the status quo no matter what the plans and benchmarks for success under which they are operating. In my view, regulatory accountability has to be combined with strong market place accountability if real change is going to occur in the effectiveness of government-funded programs intended to help the poor. That means giving the intended beneficiaries of the government program the power to shop for what they need, and the information to shop wisely.

Why should a low-income family that needs a good quality child care center for their four-year-old have to take Head Start or their local school system’s pre-k classroom as their only taxpayer supported options? Give the family a voucher and let them shop. And help them shop by

requiring that states, as a condition of federal funds, set up ways of grading those childcare programs on their success and making this information available to those who are to be served.

There is one thing that Americans are undeniably best at, and it is shopping. We've created the world's premiere shopping sites such as Amazon and we have pioneered in business innovation based on unleashing customer's from monopolies so that they can choose. Look at what Uber has done to taxis and Netflix has done to cable service.

The federal government has a critical role to play in unleashing such innovation in what has traditionally been the hide bound sphere of public programs. The federal role has two prongs. The first is transferring the money to low-income families and individuals that will enable them to shop for what they need to better their education and improve their social circumstances. This financial support can be in the form of direct transfers as in Chairman Ryan's Opportunity Grant proposal for increasing the earned-income tax credit. The support can also come in the form of voucher-like mechanisms in which the money follows the recipient to the particular service provider the recipient has chosen. The second prong of the federal role is creating the information sources and tools to let people shop smart. When I go shopping for a car I have a lot of information at my disposal on characteristics such as crashworthiness, fuel efficiency, loan and lease costs, and reliability. Much of this information is available because the federal government requires it. But if I were shopping for a child care facility or a job training program I would be choosing blindly. This is something the federal government, and maybe only the federal government, can fix.

As a result of advances in research we know much more about what works and what doesn't in programs intended to help the disadvantaged than we did 20 years ago, but our level of ignorance dwarfs our understanding by orders of magnitude. We're at the dawn of a new age driven by an evidence agenda that will eventually fill the huge gaps in our knowledge of what works, for whom, and under what circumstances. I appreciate this Committee's understanding of the importance of evidence in guiding policy and the critical role the federal government plays in moving forward its production and utilization.