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OP-ED COLUMNIST

Of Love and Money

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Let me tell you why I, a scientific imbecile, have spent several weeks trying to understand the amygdala and the orbitofrontal cortex.

It all started a few years ago as I was plowing through studies on income inequality. When you delve into this literature, you realize inequality is more complicated than some polemists let on. For example, inequality is much lower when measured by consumption than by income because poorer people now spend much more than they officially report as income.

Nonetheless, certain conclusions are unavoidable. First, the gap between rich and poor is widening. It's like global warming; you can resist the evidence for a while, but eventually you have to succumb. Second, while standards of living are rising for almost everybody, people at the middle and the bottom of the income scale aren't seeing the gains you'd expect. Third, while mobility rates probably haven't changed much, new stratifications are replacing old ones. Race and sex discrimination matter less, but family background — a child's home environment — matters more.

Once you acknowledge that there is a basic tear in the way the market economy is evolving, you begin trying to figure out the causes. In declining order of importance, they seem to be:

First, the generally rising education premium. The economy rewards people who can thrive in meetings and adapt to technical change. Second, the widening marriage gap. Middle-class people are increasingly likely to raise kids in stable two-parent homes, while kids in poorer families are increasingly less likely to have these advantages. Third, the emergence of millions of low-skill workers in China and India. That's bound to push down low-skill wages. Fourth, changes in salary structures. Employees deemed irreplaceable get big salary raises, while employees deemed fungible do not.

When you look at these causes, you keep coming back to one theme: human capital. The people who do well not only possess skills that can be measured on tests, they have self-discipline (which is twice as important as I.Q. in predicting academic achievement, according to a study by Angela Duckworth and Martin Seligman). They conceive of their lives as following a script, progressing upward through stages. They benefit from inherited cultural traits.

Some economists believe we should reduce inequality by restructuring the economy — raising taxes on the rich and redistributing money to the poor. That's fine, but it won't get you very far. In Britain, Gordon Brown has redistributed large amounts of money from rich to poor regions, but regional inequality has
increased faster under the current government than under Margaret Thatcher.

Income inequality is driven by human capital inequality, and human capital can't be taxed and redistributed. You have to build it at the bottom to ensure maximum fairness.

When you turn your attention to human capital formation, you begin by thinking about job training and schools. But you discover that while learning is like nutrition (you have to do it every day), earlier is better. That's because, as James Heckman puts it, learners learn and skill begets skill. Children who've developed good brain functions by age 3 have advantages that accumulate through life.

That takes us to where the debate is today. How do we inculcate good brain functions across a wider swath of the 3-year-old population? Forty-one states are tinkering with or creating preschool programs. Oklahoma is leading the way with preschool and pro-family efforts. California is considering universal preschool.

Getting this right is tricky. Head Start produces only modest benefits, as a study from the Department of Health and Human Services has reminded us again. Small, intensive preschool programs yield tremendous results, but realistically, they cannot be done on a giant scale.

The problem is this: How does government provide millions of kids with the stable, loving structures they are not getting sufficiently at home?

If there's one thing that leaps out of all the brain literature, it is that, as Daniel J. Siegel puts it, "emotion serves as a central organizing process within the brain." Kids learn from people they love. If we want young people to develop the social and self-regulating skills they need to thrive, we need to establish stable long-term relationships between love-hungry children and love-providing adults.

That's why I'm grappling with these books on psychology and brain function. I started out on this wonk odyssey in the company of economic data, but the closer you get to the core issue, the further you venture into the primitive realm of love.