$1.37 daily expenditure per pupil, and 1913 was the high year with $1.60. Over these 58 years, an overall decline of about 3 percent was registered.

To the extent that the standardization of the education unit has been successful and appropriate data in general were used, the analysis can reflect on the productivity variable as a residual. Apparently, productivity in the public schools has changed very little, if at all.

ABILITY TO AFFORD EDUCATION—INCOME ELASTICITY

Next the effect of per capita personal income on the cost of daily per pupil current expenditure plus debt service is considered. Once more multiple correlation and regression techniques are employed. They point to the importance of income as another determinant. Most likely, income's main impact is twofold—it affects the amount of revenue that is raised for public education as well as its variety and quality. About 76 percent of the 1900–1958 variation in the cost of daily per pupil current expenditure plus debt service can be explained on the average in terms of per capita personal income changes, holding the effect of changes in the public high school-all public school enrollment ratio and urbanization constant. It must be remembered that these 76 percent, and the change associated with salary level, are not additive.

Income elasticity of public education was estimated to have averaged plus 1.09 during 1900–1958. Thus, during 1900–1958 a 1 percent increase in per capita personal income was on the average associated with a 1.09 percent increase in daily total current expenditures for public primary and secondary education per pupil in average daily attendance. It is only slightly above unit elastic and apparently lower than that of some other public services, not to speak of such consumer amenities as air conditioning, automobiles, golf, speedboats, etc. Such low elasticity must be of concern to all those who are convinced that improvements in public education are essential if the United States is to remain a leading world power, and that therefore an increasing portion of the American people's income must be channeled into public education. Certainly, people's attitude toward education and our general tax system are mainly responsible for the prevailing income elasticity of education. If public education is to be improved in the United States and more funds to finance education are to be found, serious consideration must be given to changing both, including further shifts in the responsibility for financing education from the local school district to the State and possibly to the Federal Government.

THE NEAR TERM PROSPECTS

Making projections is at best a hazardous undertaking, particularly in a case where the phenomenon awaiting projection so greatly depends upon exogenous forces, such as personal income and teacher salary levels. How hazardous predictions in the field of education are is well demonstrated by recalling James B. Conant's 1938 prediction:

> By 1960 or thereabouts we shall have a stationary population. The expansive pressure on our schools will soon be gone.[2]

[2] James B. Conant, "The Future of Our Higher Education," Harper's magazine, May 1938.