

with education. The information and advice received through these channels, along with the other coordination mechanisms mentioned above, help assure that OE programs consider the requirements of the various levels and areas of American education and that Federal efforts supplement and stimulate State, local, and private education efforts.

Legislation

A copy of most of the legislation affecting OE programs, which was requested in item 8 of the questionnaire, can be found in the Compendium of Statutes.¹ Recent legislative developments are summarized in Legislation Concerning Education and Training.²

Economic effects

Item 9 could be answered, for the most part, in only a general manner. The quantification of the economic impact of OE programs presents several problems. Because of the interaction of programs, specific outputs often cannot be related to specific inputs. Also, isolating the effects of Federal expenditures for education from those produced by the much greater expenditures of other groups (States, local school districts, and private institutions) is extremely difficult. Moreover, except in programs like the Manpower Development and Training Program, the time lapse between investment and dividend is too long to permit a direct cause/effect relationship to be established.

However, there can be no doubt that programs expending over \$3 billion (fiscal year 1966) in developing the Nation's human resources have ultimately a sizable effect on the economy. Not only is the dollar amount spent by the Federal Government expanded through the Government multiplier, but it also helps stimulate another, more significant, expansion. This is the expansion resulting from technological improvement produced by individual innovators and a better educated, more productive working force in general. Without technological improvements, capacity of the economy to grow would be very limited, and much Federal spending would become inflationary rather than expansionary.

Along with the direct economic benefits produced by education there are certain byproducts accruing to society (e.g., the reduction in welfare and unemployment payments and a decrease in property loss due to crime and social conflict) which are assumed to result, at least partially, from investment in education, but which are equally difficult to relate to specific expenditures.

In addition to its contribution to the economic progress of the Nation as a whole, education has a significant payoff to individuals. Studies show that personal income and economic mobility have a high correlation with educational attainment. For example, college graduates earn during their lifetime an average of \$180,000 more than individuals with only a high school diploma, while the lifetime earnings of high school graduates average \$68,000 more than those of persons with only an eighth-grade education. To the degree that individuals living in certain regions or belonging to certain groups do not have the opportunities to attain higher levels of education, their potential

¹ Full title: A Compendium of Statutes Administered By, Delegating Authority To, Or Under Which Authority Has Been Delegated To The U.S. Office of Education, Department of Health, Education, and Welfare, Committee on Education and Labor, House of Representatives, July 1965.

² Legislation Concerning Education and Training, Committee on Education and Labor, House of Representatives, December 1965.