

PART II. DATA BEARING ON ECONOMIC ASPECTS AND IMPACTS OF THE PROGRAM

9. *Economic effects*

(a) *Personal income.*—Title II of Public Law 89-10 focuses on providing school library books, textbooks, and other instructional materials through State agencies for children and teachers of public and private schools. Title III is designed to stimulate supplementary educational centers and programs of an innovative or exemplary character which are not available presently. Considered in isolation, those programs will have little measurable effect on personal income. But as a part of a general educational improvement program, they make a solid contribution toward producing better educated individuals whose future incomes will be higher than they would have been otherwise. Since fiscal 1966 is the first year of operation, data on these program operations are not yet available.

(b) *Worker placement and productivity.*—The better educated individual will find entrance into the labor market a much more rewarding experience, both personally and socially. He will be able to enter the market with relative ease and will find employment flexibility much more readily than the poorly educated person. His productivity should increase to an extent which cannot presently be measured.

(c) *Business and industrial organization and management.*—Effects on industrial organization, new business, and business competition will be seen in the increased production of book and textbook publishers and manufacturers of instructional equipment, particularly the audio-visual field. It is estimated that textbook sales in 1964-65, for grades K-12, amounted to \$293 million and that library material sales were \$70 million. The \$100 million under title II should increase sales by over 25 percent. In addition, increased demand will probably be created in areas such as building materials, basic school equipment and furniture, visual and audio aids, programmed instruction, television, electronic applications, and other types of supplemental tools of a kind which require imagination and inventiveness.

(d) *Other phases of economic activity.*—Increased demands for books and materials should produce the usual effects of increased production and sales. Such increases would also have positive effects on employment. Prices and wages will depend upon the fluidity of the labor market and ability to increase production quickly without creating bottlenecks.

(e) *Other benefits.*—If one group would benefit more than another, it would probably be the one presently low on the economic scale. Theoretically, it would be this group which, in the years to come, would find its economic position vastly improved because of an improved educational stature. This new status would result in a greater and more flexible labor marketability.

(f) *Geographic differentials.*—For State differentials, see table 2.